NEW ISSUE - BOOK-ENTRY ONLY **NOT RATED**

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Issuer, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. See "TAX EXEMPTION" herein.

$10,470,000
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
Statewide Community Infrastructure Program Revenue Bonds
Series 2017C

Dated: Date of Delivery **Due: September 2, as shown on inside cover**

The Statewide Community Infrastructure Program ("**SCIP**") is a program of the California Statewide Communities Development Authority (the "**Issuer**") that allows cities, counties and special districts to finance certain development impact fees and public capital improvements through the issuance of tax-exempt bonds. Under SCIP, the Issuer periodically issues revenue bonds to provide financing for these development impact fees and public capital improvements, while at the same time forming assessment districts in the jurisdictions in which the development impact fees are owed or the public capital improvements are to be located, as applicable. Payments on the annual assessments levied within the assessment districts secure and are used to repay the revenue bonds and to cover certain administrative costs of SCIP.

The Issuer's $10,470,000 Statewide Community Infrastructure Program Revenue Bonds, Series 2017C (the "**Bonds**") are being issued by the Issuer (i) to fund the purchase of certain limited obligation improvement bonds (the "**Local Obligations**") issued by the Issuer and secured by assessments levied by the Issuer, as further described herein, (ii) to fund capitalized interest to September 2, 2018, (iii) to fund a reserve fund for the Bonds, and (iv) to pay costs of issuance of the Bonds. The Bonds and the Local Obligations are issued under a Trust Agreement (the "**Trust Agreement**") by and between the Issuer and Wilmington Trust, National Association, as trustee (the "**Trustee**"). **Principal of and interest on the Bonds are payable as set forth in the Maturity Schedule on the inside cover of this Official Statement.**

The Bonds are special obligations of the Issuer, payable from and secured by Revenues (as defined herein) of the Issuer consisting primarily of moneys collected and received by the Issuer on account of unpaid assessments or reassessments securing the Local Obligations (the "**Local Obligation Revenues**"). The Local Obligation Revenues are calculated to be sufficient to provide the Issuer with money to pay the principal of, premium, if any, and interest on the Bonds when due. The Local Obligations are being issued by the Issuer pursuant to the provisions of the Improvement Bond Act of 1915, consisting of Division 10 of the Streets and Highways Code of the State of California (the "**Local Obligation Statute**"). **Proceeds of the Local Obligations will be used to finance certain development impact fees and certain public capital improvements necessary for development in the assessment districts shown on the inside cover of this Official Statement** (collectively, the "**Series 2017C Districts**").

Under the provisions of the Local Obligation Statute, installments of principal and interest sufficient to meet annual debt service on the Local Obligations are included on the regular county tax bills sent to owners of property against which there are unpaid assessments. These annual assessment installments will be transferred to the Trustee to be used to pay debt service on the Local Obligations as they become due. The Local Obligations will be registered in the name of the Trustee, who will use amounts it receives as holder of the Local Obligations to pay principal of and interest on the Bonds pursuant to the Trust Agreement. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The Bonds are being issued as fully registered bonds, initially registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("**DTC**"), and will be available to the ultimate purchasers thereof in the denomination of $5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. Interest on the Bonds is payable semiannually on March 2 and September 2 each year, commencing March 2, 2018. Principal of and premium, if any, on the Bonds are payable at the corporate trust office of the Trustee. Ultimate purchasers of Bonds will not receive physical bonds representing their interest in the Bonds. So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, references herein to the Holders shall mean Cede & Co., and shall not mean the ultimate purchasers of the Bonds. Payments of the principal of, premium, if any, and interest on the Bonds will be made directly to DTC, or its nominee, Cede & Co., by the Trustee, so long as DTC or Cede & Co. is the registered owner of the Bonds. Disbursements of such payments to DTC's Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of DTC's Participants and Indirect Participants, as more fully described herein. See APPENDIX C – "THE BOOK-ENTRY SYSTEM" herein.

The Bonds are subject to redemption prior to maturity as described herein. See "THE BONDS - Redemption" herein.

Unpaid assessments do not constitute a personal indebtedness of the owners of the parcels within the Series 2017C Districts. In the event of delinquency, foreclosure proceedings may be conducted only against the real property securing the delinquent assessment. Thus, the value of the real property within the Series 2017C Districts is an important factor in determining the investment quality of the Bonds. The unpaid assessments are not required to be paid upon sale of property within the Series 2017C Districts. There is no assurance the owners shall be able to pay the assessment installments or that they shall pay such installments even though financially able to do so.

To provide funds for payment of the Bonds and the interest thereon as a result of any delinquent assessment installments, the Issuer has established a Reserve Fund and will deposit therein Bond proceeds in an amount equal to the Reserve Requirement (defined herein). See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS - Reserve Fund." Additionally, the Issuer has covenanted to initiate judicial foreclosure in the event of a delinquency by any particular property owner and to commence the procedure as set forth herein. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS - Covenant to Commence Superior Court Foreclosure."

Investment in the Bonds involves a significant degree of risk and is speculative in nature and may not be appropriate for some investors. See "BONDOWNERS' RISKS" for a discussion of special risk factors that should be considered in addition to the other matters set forth herein in evaluating the investment quality of the Bonds.

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

NEITHER THE FAITH AND CREDIT OF THE ISSUER, NOR THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTIES IN WHICH THE SERIES 2017C DISTRICTS ARE LOCATED, IS PLEDGED TO THE PAYMENT OF THE BONDS OR THE LOCAL OBLIGATIONS. NEITHER THE BONDS NOR THE LOCAL OBLIGATIONS CONSTITUTE A DEBT OF THE ISSUER WITHIN THE MEANING OF ANY STATUTORY OR CONSTITUTIONAL DEBT LIMITATION. THE INFORMATION SET FORTH IN THIS OFFICIAL STATEMENT, INCLUDING INFORMATION UNDER THE HEADING "BONDOWNERS' RISKS," SHOULD BE READ IN ITS ENTIRETY. THE ISSUER HAS NO TAXING POWER.

The Bonds are offered when, as and if issued and accepted by the Underwriter subject to the approval, as to their legality, of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Issuer. Certain other legal matters will be passed upon for the Issuer by Orrick, Herrington & Sutcliffe LLP. Certain legal matters will be passed upon for the Underwriter by its counsel, Jones Hall, A Professional Law Corporation, San Francisco, California. It is expected that the Bonds will be available for delivery in book-entry form on or about December 21, 2017.

RBC Capital Markets®

Dated: December 7, 2017

SERIES 2017C DISTRICTS AND PROJECTS

Assessment District No. 17-02 within the City of Brentwood, County of Contra Costa, Sellers Avenue

Assessment District No. 17-02 within the County of Sacramento, Elverta Park

Assessment District No. 17-03 within the City of Sacramento, County of Sacramento, Calistoga

Assessment District No. 17-04 within the City of Manteca, County of San Joaquin, Silva Estates

Assessment District No. 16-02 within the City of Santa Rosa, County of Sonoma, Kawana Meadows

Assessment District No. 16-03 within the County of Sonoma, Paseo Vista

MATURITY SCHEDULE

(Base CUSIP* Number 13078Y)

Series 2017C Bonds

$5,135,000 5.000% Term Bond due September 2, 2037[‡]; Yield[†] 3.610%; CUSIP* Suffix LU7
$5,335,000 5.000% Term Bond due September 2, 2047[‡]; Yield[†] 3.710%; CUSIP* Suffix LV5

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[†] Reoffering prices/yields furnished by the Underwriter. Neither the Authority nor any Local Agency Participant takes any responsibility for the accuracy thereof.

[‡] Priced to first par call on September 2, 2027.

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CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

Commission

Dan Harrison, Chair
Larry Combs, Vice Chair
Kevin O'Rourke, Treasurer
Tim Snellings, Secretary
Irwin Bornstein, Member
Dan Mierzwa, Member
Jordan Kaufman, Member
Brian Moura, Alternate Member

Officers

Cathy Bando, Executive Director

STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM

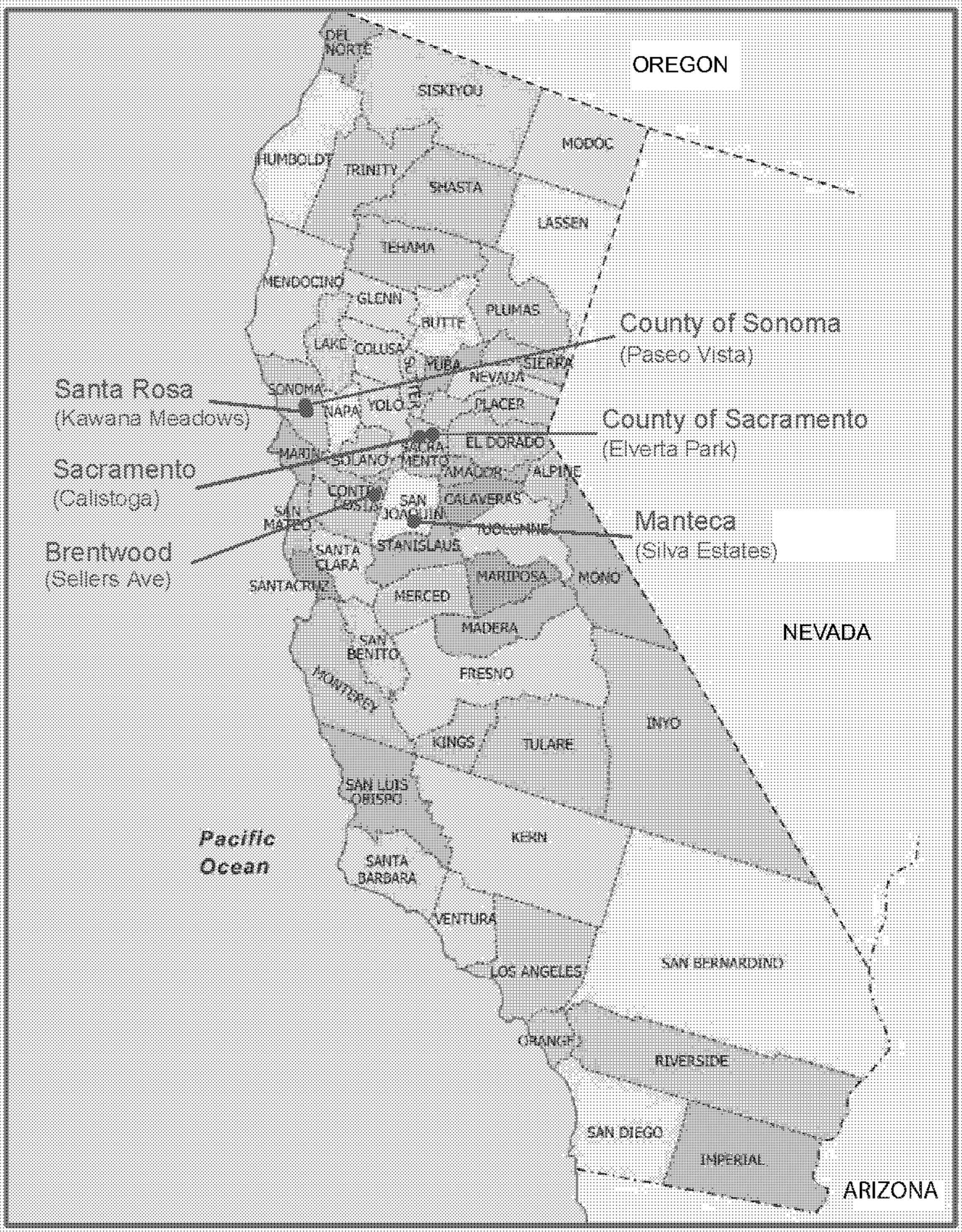
Bond Counsel and Disclosure Counsel
Orrick, Herrington & Sutcliffe LLP

Trustee
Wilmington Trust, National Association
Costa Mesa, California

Engineer of Work and Assessment Administrator
David Taussig & Associates, Inc.
San Francisco, California

Program Administrator
BLX Group, LLC
Los Angeles, California

Location of Series 2017C Projects



GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

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

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

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

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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

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OFFICIAL STATEMENT

$10,470,000
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
Statewide Community Infrastructure Program Revenue Bonds
Series 2017C

This Official Statement, including the cover page and the appendices hereto, is provided to furnish information regarding the issuance by the California Statewide Communities Development Authority (the "**Issuer**") of its $10,470,000 aggregate principal amount of Statewide Community Infrastructure Program Revenue Bonds, Series 2017C (the "**Bonds**"). Capitalized terms used but not defined in the front part of this Official Statement have the meanings given in APPENDIX B – "SUMMARY OF TRUST AGREEMENT."

INTRODUCTION AND PROGRAM DESCRIPTION

The Issuer. The Issuer is a joint exercise of powers authority organized pursuant to an Amended and Restated Joint Exercise of Powers Agreement dated June 1, 1988 among a number of California counties, cities and special districts, entered into pursuant to Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, and is authorized to issue the Bonds and the Local Obligations (as defined herein) for the purposes described herein.

SCIP. The Statewide Community Infrastructure Program ("**SCIP**") is a program of the Issuer available to cities, counties and special districts that are members of the Issuer and have joined SCIP (the "**Local Agency Participants**") and to qualifying property owners who own and plan to develop real property within the jurisdictions of the Local Agency Participants. SCIP provides the Local Agency Participants and qualifying property owners with access to pooled, tax-exempt financing for certain development impact fees payable by qualifying property owners for their development activities and for certain public capital improvements benefiting property located within the jurisdictions of the Local Agency Participants. Under SCIP, the Issuer periodically issues limited obligation improvement bonds on behalf of the Local Agency Participants to provide financing for the development impact fees of the qualifying property owners and for certain public capital improvements. The Issuer concurrently issues its revenue bonds, the proceeds of which are used to purchase the limited obligation improvement bonds. Payments of principal of and interest on the limited obligation improvement bonds are calculated to exactly match the corresponding payments for the revenue bonds. To secure the limited obligation improvement bonds, and ultimately the revenue bonds, the Issuer forms assessment districts in the jurisdictions in which the development impact fees are owed or public capital improvements are required and levies annual assessments on the parcel(s) benefited thereby, to be paid over time by the initial property owners and any subsequent property owners. The assessment payments are set at levels sufficient to repay the limited obligation improvement bonds to the Issuer, and the Issuer then uses those funds to repay the revenue bonds and to cover certain administrative costs of SCIP.

Local Agency Participants. Each of the Local Agency Participants has adopted a resolution joining SCIP and has authorized the Issuer from time to time, in connection with SCIP, to: (i) issue local obligations and revenue bonds on its behalf and (ii) conduct proceedings to form assessment districts within its jurisdiction to finance development impact fees of qualifying property owners and certain public capital improvements, as applicable, and to provide security for such local obligations and revenue bonds. The net proceeds of the revenue bonds, after the funding of applicable reserve funds and the payment of certain costs of issuance, are the property of the Local Agency Participants and must be used to finance the specified fees and infrastructure improvements within the jurisdiction of the Local Agency Participant. The Local Agency Participants have no obligation to collect assessment installments and are not obligated to make payments on the Local Obligations or the Bonds.

Applicable Counties. For each issue of SCIP revenue bonds, the Issuer forms one or more assessment districts in each county (each an "**Applicable County**") in which development impact fees and certain public capital improvements, as applicable, are to be financed. The Applicable Counties collect the unpaid assessment installments through their county tax rolls and transfer such funds, when collected, to the Issuer. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Revenues" and "–Assessments" below. The Applicable Counties may or may not be members of SCIP and, apart from collection of assessment installments through their tax rolls, have no responsibility for or involvement with the Series 2017C Districts (as defined herein), the Local Obligations or the Bonds.

The Bonds. The Bonds are issued to acquire certain limited obligation improvement bonds (the "**Local Obligations**") issued by the Issuer, to fund capitalized interest to September 2, 2018, to fund a reserve fund for the Bonds, and to pay the costs of issuance of the Bonds. Proceeds of the Local Obligations will be used to finance certain development impact fees and certain public capital improvements, as applicable (collectively, the "**Fees and Improvements**") necessary for development in the assessment districts identified on the Inside Cover of this Official Statement (the "**Series 2017C Districts**").

The Fees and Improvements consist generally of infrastructure improvements and development impact fees related to infrastructure improvements such as sanitary sewer lines, storm drain lines, water lines, drainage facilities, park improvements, roadways and roadway improvements. Proceeds of the Local Obligations will be used to reimburse developers for costs of certain Fees and Improvements and to prepay certain other Fees and Improvements. See APPENDIX A – "THE PROJECTS AND THE ASSESSED PROPERTY."

The Bonds are special, limited obligations of the Issuer, payable solely from and secured by Revenues (as defined herein) of the Issuer consisting primarily of moneys collected and received by the Issuer on account of unpaid assessments or reassessments securing the Local Obligations (the "**Local Obligation Revenues**"). Timely payments of the Local Obligations are calculated to be sufficient to provide the Issuer with money to pay the principal of, premium, if any, and interest on the Bonds when due. The Local Obligations are issued upon and are secured by assessments (sometimes herein referred to as the "**Assessments**") levied against property in the Series 2017C Districts and interest thereon and such unpaid assessments and interest constitute a trust fund for the redemption and payment of the Local Obligations.

The Projects. The projects (the "**Projects**") are located in the cities of Brentwood, Manteca, Sacramento and Santa Rosa and unincorporated territory in the County of Sacramento. The Projects are residential use projects and are in various stages of development. The developers are (i) Meritage Homes for the Sellers Avenue project within Assessment District No. 17-02 within the City of Brentwood, County of Contra Costa; (ii) Silverado 225, LLC for the Elverta Park project within Assessment District No. 17-02 within the County of Sacramento; (iii) Next Generation Capital, LLC for the Calistoga project within Assessment District No. 17-03 within the City of Sacramento, County of Sacramento; (iv) Meritage Homes for the Silva Estates project within Assessment District No. 17-03 within the City of Manteca, County of San Joaquin; (v) Kawana Meadows Development Corp. for the Kawana Meadows project within Assessment District No. 16-02 within the City of Santa Rosa, County of Sonoma; and (vi) Paseo Vista, Inc. for the Paseo Vista project within Assessment District No. 16-03 within the County of Sonoma. The Projects represent 534 total units. The estimated value-to-lien ratio of the appraised land values is 5.72/1.0.

The Fees and Improvements funded are necessary for the development of the Projects within the Series 2017C Districts. The Projects and the real property on which they are located are described in APPENDIX A – "THE PROJECTS AND THE ASSESSED PROPERTY."

Limited Scope of Official Statement. There follow in this Official Statement descriptions of the Issuer, the Bonds, the Bond Resolution, the Trust Agreement, the Series 2017C Districts, the Local Obligations, the Local Obligation Resolution, and certain other documents. The descriptions and summaries of documents herein do not purport to be comprehensive or definitive, and all statements herein with respect to such documents are qualified in their entirety by reference to each such document for the complete details of all of their respective terms and conditions. All statements herein with respect to certain rights and remedies are qualified by reference to laws and principles of equity relating to or affecting creditors' rights generally. Terms not defined herein shall have the meanings ascribed to them in the Trust Agreement.

The information and expressions of opinion herein speak only as of the date of this Official Statement and are subject to change without notice. Neither delivery of this Official Statement nor any sale made hereunder nor any future use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or SCIP since the date hereof.

All financial and other information presented in this Official Statement has been provided by the Issuer from their records, except for information expressly attributed to other sources, including information contained in APPENDIX A – "THE PROJECTS AND THE ASSESSED PROPERTY," which has been obtained from public sources and from the various owners and developers of property in the Series 2017C Districts. The presentation of information includes projections, which are not intended to indicate future certainties regarding the financial or other affairs of the owners or developers, the Series 2017C Districts or the Issuer.

THE BONDS

Authority for Issuance

The Bonds are being issued by the Issuer pursuant to the provisions of the Marks-Roos Local Bond Pooling Act of 1985, consisting of Article 4 (commencing with Section 6584) of Chapter 5, Division 7, Title 1 of the California Government Code. The Bonds are special, limited obligations of the Issuer payable from and secured by payments made under the Local Obligations and secured by assessments, as described herein. The Bonds are being issued pursuant to the provisions of a resolution (the "**Bond Resolution**") adopted by the Issuer on November 16, 2017 and a Trust Agreement (the "**Trust Agreement**"), by and between the Issuer and Wilmington Trust, National Association (the "**Trustee**").

The Local Obligations are being issued pursuant to the provisions of four resolutions adopted by the Issuer on March 3, 2016, September 15, 2016, September 7, 2017 and November 16, 2017, respectively (together, the "**Local Obligation Resolution**"), and the Trust Agreement. The Local Obligations will be registered in the name of the Trustee and will be pledged under the Trust Agreement to secure payment of the Bonds.

The Issuer is authorized to form the Series 2017C Districts and to issue the Local Obligations pursuant to provisions of the Municipal Improvement Act of 1913 (Division 12 of the California Streets and Highways Code) and the Improvement Bond Act of 1915 (Division 10 of the California Streets and Highways Code) (together, the "**Local Obligation Statute**"). After issuance of the Local Obligations, no additional bonds with respect to the Series 2017C Districts are authorized, except as described under "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Additional Bonds and Parity Local Obligations".

Issuance of the Bonds

The Bonds will be dated the date of their original delivery. The Bonds are being issued as fully registered bonds, registered initially in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("**DTC**"), and will be available to the ultimate purchasers thereof in the denomination of $5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. The Bonds shall be initially registered in the name of "Cede & Co." as nominee of DTC, and shall bear interest from the Dated Date.

While the Bonds are subject to the book-entry system, the principal, interest and any prepayment premium with respect to a Bond will be paid by the Trustee to DTC, which in turn is obligated to remit such payment to its Participants for subsequent disbursement to Beneficial Owners of the Bonds as described herein. Ultimate purchasers of Bonds will not receive physical bonds representing their interest in the Bonds. So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, references herein to the Holders shall mean Cede & Co., and shall not mean the ultimate purchasers of the Bonds. Payments of the principal of, premium, if any, and interest on the Bonds will be made directly to DTC, or its nominee, Cede & Co., by the Trustee, so long as DTC or Cede & Co. is the registered owner of the Bonds. Disbursements of such payments to DTC's Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of DTC's Participants and Indirect Participants, as more fully described herein. See APPENDIX C – "THE BOOK-ENTRY SYSTEM" herein.

The principal of and redemption premiums, if any, on the Bonds shall be payable at the Corporate Trust Office of the Trustee, upon presentation and surrender of such Bonds. If the Owner of the Bonds is registered to

Cede & Co., payment of principal and redemption premiums, if any, on the Bonds shall be made without presentment. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Bonds will be payable at the rates set forth on the inside cover page of this Official Statement semiannually on March 2 and September 2 of each year, commencing March 2, 2018 (each, an "**Interest Payment Date**"), and principal of the Bonds will be payable in the amounts and on the maturity dates set forth on the inside cover page of this Official Statement (subject to the right of prior redemption). The principal of and redemption premiums, if any, and interest on the Bonds shall be payable in lawful money of the United States of America. Payment of the interest on any Bond shall be made to the person whose name appears on the bond register kept by the Trustee (the "**Bond Register**") as the owner thereof as of the close of business on the fifteenth day of the month preceding an Interest Payment Date (the "**Record Date**"), such interest to be paid by check mailed by first class mail on the Interest Payment Date to the owner at the address which appears on the Bond Register as of the Record Date, for that purpose; except that in the case of an owner of $1,000,000 or more in aggregate principal amount of Bonds, upon written request of such owner to the Trustee, in form satisfactory to the Trustee, received not later than the Record Date, such interest shall be paid on the Interest Payment Date in immediately available funds by wire transfer to an account in the United States.

Application of Proceeds of the Bonds and the Local Obligations

Proceeds from the sale of the Bonds will be used by the Trustee (i) to acquire the Local Obligations issued by the Issuer and secured by assessments levied by the Issuer, as further described herein, (ii) to fund capitalized interest to September 2, 2018, (iii) to fund a reserve fund for the Bonds, and (iv) to pay costs of issuance of the Bonds. Proceeds of the Local Obligations will be used to finance the Fees and Improvements, which are necessary for development in the Series 2017C Districts. See APPENDIX A – "THE PROJECTS AND THE ASSESSED PROPERTY."

For a discussion of the accounts and funds established under the Trust Agreement and related to the Bonds, see APPENDIX B – "SUMMARY OF TRUST AGREEMENT." For a schedule of the estimated sources and uses of funds related to the issuance of the Bonds and the Local Obligations, see "ESTIMATED SOURCES AND USES OF FUNDS."

Redemption

Optional Redemption. The Bonds shall be subject to optional redemption prior to their stated maturity dates as a whole or in part on any date on or after September 2, 2027, at the option of the Issuer from any available source, at a redemption price equal to the principal amount thereof, without premium, together with accrued interest thereon to the date fixed for redemption.

Mandatory Extraordinary Redemption from Property Owner Prepayments. The Bonds are subject to mandatory extraordinary redemption prior to their stated maturity dates as a whole or in part on any Interest Payment Date, and shall be redeemed by the Trustee, from moneys derived as a result of Property Owner Prepayments plus, if applicable, amounts transferred from the Reserve Fund in connection therewith, at a redemption price (expressed as a percentage of the principal amount of the Bonds to be redeemed), plus accrued interest thereon to the date fixed for redemption, as follows:

Redemption Date	Redemption Price
Any Interest Payment Date on and after March 2, 2018 through March 2, 2022	102%
Any Interest Payment Date on and after September 2, 2022 through March 2, 2027	101%
September 2, 2027 and any Interest Payment Date thereafter	100%

"**Property Owner Prepayments**" means that portion of Revenues which are initially paid to the Issuer by or on behalf of a property owner to accomplish pay-off and discharge of a lien securing the Local Obligations (except the portion, if any, of such Revenues which represents accrued interest on the Local Obligations) and which are thereafter transmitted by the Issuer to the Trustee, as registered owner of the Local Obligations, for deposit in the

Bond Redemption Fund for application in accordance with the provisions of the Trust Agreement. Property Owner Prepayments do not include payments from the proceeds of any refunding bonds issued by or on behalf of the Issuer.

Mandatory Redemption. The Bond maturing on September 2, 2037 is also subject to mandatory redemption in part randomly on September 2 in each year commencing September 2, 2019, at the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium, in accordance with the following schedule:

Term Bond of 2037

Year (September 2)	Amount
2019	$165,000
2020	180,000
2021	185,000
2022	200,000
2023	210,000
2024	215,000
2025	225,000
2026	235,000
2027	245,000
2028	260,000
2029	275,000
2030	290,000
2031	300,000
2032	310,000
2033	330,000
2034	350,000
2035	370,000
2036	390,000
2037*	400,000

* Maturity.

The Bond maturing on September 2, 2047 is also subject to mandatory redemption in part randomly on September 2 in each year commencing September 2, 2038, at the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium, in accordance with the following schedule:

Term Bond of 2047

Year (September 2)	Amount
2038	$420,000
2039	445,000
2040	470,000
2041	495,000
2042	515,000
2043	540,000
2044	570,000
2045	600,000
2046	630,000
2047*	650,000

* Maturity.

In the event that Bonds subject to the above mandatory redemption are redeemed in part prior to their stated maturity date from any moneys other than Principal Installments, the remaining Principal Installments for such Bonds shall be reduced proportionately in each year remaining until and including the final maturity date of such Bonds.

Notice of Redemption. In the case of any redemption of Bonds, the Trustee shall determine that it has in the funds maintained pursuant to the Trust Agreement and available therefor sufficient moneys on hand to pay the principal of, the interest on, and the redemption premium, if any, to make the redemption. Subject to receipt of the Written Order of the Issuer, if sufficient moneys are available for such redemption, the Trustee shall give notice, as provided below, that Bonds, identified by CUSIP numbers, serial numbers and maturity date, have been called for redemption and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof that has been called for redemption (or if all the Outstanding Bonds are to be redeemed, so stating, in which event the serial numbers may be omitted), that they will be due and payable on the date fixed for redemption (specifying the date) upon surrender thereof at the Corporate Trust Office of the Trustee, at the redemption price (specifying the price), together with any accrued interest to such date, and that all interest on the Bonds, or portions thereof, so to be redeemed will cease to accrue on and after such date and that from and after such date the Bond or the portion thereof shall no longer be entitled to any lien, benefit or security under the Trust Agreement, and the owner thereof shall have no rights in respect of the redeemed Bond or portion thereof except to receive payment of the redemption price plus accrued interest to the date fixed for redemption. The notice of redemption shall be sent at least 30, but not more than 60, days before the date fixed for redemption, to the owners of the Bonds, or portions thereof, so called for redemption, at their respective addresses as they shall last appear on the Bond Register.

Redemption Instructions. In the event a portion, but not all, of the Outstanding Bonds are to be redeemed pursuant to extraordinary redemption or optional redemption, the Trustee shall select the amounts and maturities of Bonds for redemption in accordance with a Written Order of the Issuer. Upon any prepayment of a Local Obligation or a determination to redeem Bonds, the Issuer shall deliver to the Trustee the following:

(i) a Written Order of the Issuer to the Trustee designating the maturities and amounts of Bonds to be redeemed and designating the reduction, if any, in the Reserve Requirement required pursuant to the Cash Flow Certificate delivered pursuant to subsection (ii) below, resulting from the redemption; and

(ii) a Cash Flow Certificate certifying that the anticipated or scheduled Revenues to be received from the Local Obligations will be sufficient in time and amount (together with funds then held under the Trust Agreement representing payments under the Local Obligations and available therefore, but excluding amounts on deposit in the Reserve Fund or earnings thereon) to make all remaining scheduled Principal Installments with respect to, and interest on, the Outstanding Bonds after the redemptions. The Cash Flow Certificate shall indicate the amount which must be withdrawn from the Reserve Fund to redeem portion of the Bonds in order to prevent any reduction in the proportional relationship between principal and interest remaining due on the Local Obligations and principal and interest remaining due on the Bonds as existed prior to the redemption.

Selection of Bonds for Redemption. Whenever less than all the Outstanding Bonds of any one maturity are to be redeemed on any one date, the Trustee shall select the particular Bonds to be redeemed randomly and in selecting the Bonds for redemption the Trustee shall treat each Bond of a denomination of more than $5,000 as representing that number of Bonds $5,000 denomination which is obtained by dividing the principal amount of the Bond by $5,000, and the portion of any Bond of a denomination of more than $5,000 to be redeemed shall be redeemed in an Authorized Denomination. The Trustee shall promptly notify the Issuer in writing of the numbers of the Bonds so selected for redemption in whole or in part on the redemption date.

Payment of Redeemed Bonds. Bonds or portions thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price thereof, together with accrued interest to the date fixed for redemption, upon presentation and surrender of the Bonds to be redeemed at the office specified in the notice of redemption. If there shall be called for redemption less than the full principal amount of a Bond, the Issuer shall execute and deliver and the Trustee shall authenticate, upon surrender of the Bond, and without charge to the Owner thereof, Bonds of like interest rate and maturity in an aggregate principal amount equal to the unredeemed portion of the principal amount of the Bonds so surrendered in such Authorized Denominations as shall be specified by the Owner. If any Bond or any portion thereof shall have been duly called for redemption and payment of the redemption price, together with unpaid interest accrued to the date fixed for redemption, shall have been made or provided for by the Issuer, then interest on the Bond or portion thereof shall cease to accrue from the date fixed for redemption, and from and after that date the Bond or portion thereof shall no longer be entitled to any lien, benefit or security under the Trust Agreement, and the Owner thereof shall have no rights in respect of the Bond or portion thereof except to receive payment of the redemption price, and unpaid interest accrued to the date fixed for redemption.

Purchase in Lieu of Redemption. In lieu of redemption of any Bond, amounts on deposit in the Proceeds Fund, the Principal Fund or in the Redemption Fund may also be used and withdrawn by the Trustee at any time prior to selection of Bonds for redemption having taken place with respect to such amounts, upon a written order from the Issuer for the purchase of such Bonds at public or private sale as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Fund) as the Issuer may in its discretion determine, but not in excess of the redemption price thereof plus accrued interest to the purchase date.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds from the sale of the Bonds and other funds are estimated to be applied as set forth below:

Sources:	
Principal Amount of Bonds	$10,470,000.00
Plus Original Issue Premium	1,135,237.70
Total Sources	$11,605,237.70
Uses:	
Deposit to Local Agency Accounts (1)	$9,643,782.96
Deposit to Debt Service Reserve Fund	697,000.00
Deposit to Capitalized Interest Fund (2)	364,995.83
Expense Fund(3)	61,600.00
Costs of Issuance (4)	576,108.91
Underwriter's Discount	261,750.00
Total Uses	$11,605,237.70

(1) Includes certain transfers of funds directly to Local Agency Participants and to special districts or other legal entities levying development impact fees within the borders of the Series 2017C Districts, which fees are being financed through SCIP.

(2) Capitalized interest on the Local Obligations to September 2, 2018.

(3) Includes ongoing program administration expenses.

(4) Includes the fees and expenses of Bond Counsel and Disclosure Counsel, cost of printing the preliminary and final Official Statements, Trustee fees and expenses, and costs of formation of the Series 2017C Districts.

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DEBT SERVICE SCHEDULE

The annual debt service on the Bonds, assuming no early redemptions, is set forth below.

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
Statewide Community Infrastructure Program Revenue Bonds
Series 2017C

Annual Debt Service

Year Ending (September 2)	Bond Principal	Bond Interest	Total
2018*		$364,995.83	$364,995.83
2019	$165,000.00	523,500.00	688,500.00
2020	180,000.00	515,250.00	695,250.00
2021	185,000.00	506,250.00	691,250.00
2022	200,000.00	497,000.00	697,000.00
2023	210,000.00	487,000.00	697,000.00
2024	215,000.00	476,500.00	691,500.00
2025	225,000.00	465,750.00	690,750.00
2026	235,000.00	454,500.00	689,500.00
2027	245,000.00	442,750.00	687,750.00
2028	260,000.00	430,500.00	690,500.00
2029	275,000.00	417,500.00	692,500.00
2030	290,000.00	403,750.00	693,750.00
2031	300,000.00	389,250.00	689,250.00
2032	310,000.00	374,250.00	684,250.00
2033	330,000.00	358,750.00	688,750.00
2034	350,000.00	342,250.00	692,250.00
2035	370,000.00	324,750.00	694,750.00
2036	390,000.00	306,250.00	696,250.00
2037	400,000.00	286,750.00	686,750.00
2038	420,000.00	266,750.00	686,750.00
2039	445,000.00	245,750.00	690,750.00
2040	470,000.00	223,500.00	693,500.00
2041	495,000.00	200,000.00	695,000.00
2042	515,000.00	175,250.00	690,250.00
2043	540,000.00	149,500.00	689,500.00
2044	570,000.00	122,500.00	692,500.00
2045	600,000.00	94,000.00	694,000.00
2046	630,000.00	64,000.00	694,000.00
2047	650,000.00	32,500.00	682,500.00
Total	$10,470,000.00	$9,941,245.83	$20,411,245.83

* Paid from capitalized interest.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

Limited Obligation

The Bonds are secured by a lien on and pledge of (i) Revenues, as hereinafter defined, (ii) proceeds of Bonds held by the Trustee in the Reserve Fund, and (iii) investment income with respect to any moneys held by the Trustee in the funds related to the Bonds (other than the Rebate Fund and the Local Agency Accounts, as more particularly defined below). Revenues (as more particularly defined below) consist primarily of payments made under the Local Obligations.

The Local Obligations are special, limited obligations of the Issuer and are secured by an irrevocable pledge of certain revenues of the Issuer, consisting primarily of monies received by the Issuer as payment of assessments levied against property within the Series 2017C Districts which secure the Local Obligations. Timely payments of principal of, premium, if any, and interest on the Local Obligations are calculated to be sufficient to provide the Issuer with money to pay the principal of, premium, if any, and interest on the Bonds when due.

All obligations of the Issuer under the Trust Agreement and the Bonds are special limited obligations of the Issuer, payable solely from and secured by Revenues and the amounts in the funds established by the Trust Agreement (except amounts in the Rebate Fund and the Local Agency Accounts, as more particularly defined below). The obligations of the Issuer under the Trust Agreement and the Local Obligations shall not be general obligations of the Issuer, but shall be limited obligations, payable solely from the assessments and the funds pledged therefor under the Trust Agreement. Neither the faith and credit of the Issuer nor of the State of California (the "State") or any political subdivision thereof is pledged to the payment of the Bonds or the Local Obligations.

The Local Obligations are payable solely from and secured solely by the assessments and the amounts in the redemption funds created with respect to such Local Obligations (the "Local Obligation Redemption Funds") under the Trust Agreement. Notwithstanding any other provision of the Trust Agreement, the Issuer is not obligated to advance available surplus funds to cure any deficiency in the Local Obligation Redemption Funds, provided, however, the Issuer is not prevented from so advancing funds in its sole discretion.

The Bonds are special, limited obligations of the Issuer, payable from the Revenues described in the Trust Agreement and secured as to the payment of the principal of and the redemption premiums, if any, and the interest on the Bonds in accordance with their terms and the terms of the Trust Agreement, solely by the Revenues and the Local Obligations. The Bonds shall not constitute a charge against the general credit of the Issuer, any of its members or program participants, any Applicable County or any Local Agency Participant, and under no circumstances shall the Issuer be obligated to pay principal of or redemption premiums, if any, or interest on the Bonds except from the Revenues and the Local Obligations. Neither the State nor any public agency (other than the Issuer) nor any member or program participant of the Issuer is obligated to pay the principal of or redemption premiums, if any, or interest on the Bonds, and neither the faith and credit nor the taxing power of the State, any public agency thereof, any member or program participant of the Issuer, any Applicable County or any Local Agency Participant is pledged to the payment of the principal of or redemption premiums, if any, or interest on the Bonds. The payment of the principal of or redemption premiums, if any, or interest on, the Bonds does not constitute a debt, liability or obligation of the State or any public agency (other than the Issuer) or any member of the Issuer. The Issuer has no taxing power.

Revenues

The Bonds are secured by a lien on and pledge of Revenues under the Trust Agreement. "Revenues" means the Local Obligation Revenues and all investment earnings on any moneys held in the Funds or accounts established under the Trust Agreement, except the Rebate Fund and the Local Agency Accounts. "Local Obligations Revenues" means: (i) all moneys collected and received by the Issuer on account of unpaid assessments, or reassessments, or securing Local Obligations, including amounts collected in the normal course via the county property tax roll of the Applicable Counties and thereafter remitted to the Issuer, (ii) Property Owner Prepayments, and (iii) amounts received by the Issuer as a result of superior court foreclosure proceedings brought to enforce payment of delinquent installments, but excluding therefrom any amounts explicitly included therein on account of collection charges, administrative cost charges, or attorney's fees and costs paid as a result of foreclosure actions.

Under the Trust Agreement, all of the Revenues and the amounts in the Funds established by the Trust Agreement (except amounts in the Rebate Fund and the Local Agency Accounts) are pledged by the Issuer to secure the payment of the principal of and interest on the Bonds in accordance with their terms and the provisions of the Trust Agreement. This pledge constitutes a lien on and security interest in the Revenues upon the physical delivery thereof. In the Trust Agreement, the Issuer transfers in trust and assigns to the Trustee, for the benefit of the Owners from time to time of the Bonds, all of the Revenues and all of the right, title and interest of the Issuer in the Local Obligations. The Trustee shall be entitled to and shall collect and receive all of the Revenues, and any Revenues collected or received by the Issuer shall be deemed to be held, and to have been collected or received, by the Issuer and shall forthwith be paid by the Issuer to the Trustee. The Trustee also is entitled to and may take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Issuer or separately, all of the rights and obligations of the Issuer, if any, with respect to the Local Obligations.

The Trust Agreement provides for the establishment and maintenance of separate Local Obligation Redemption Funds. So long as any part of the Local Obligations remains outstanding, the Issuer is required to deposit into the Local Obligation Redemption Funds, upon receipt, any and all Local Obligation Revenues received by the Issuer. The Issuer further acknowledges in the Trust Agreement that, pursuant to the Local Obligation Statute and the Local Obligation Resolution, no temporary loan or other use whatsoever may be made of the Local Obligation Revenues, and the Local Obligation Redemption Funds constitute a trust fund for the benefit of the Trustee, as registered owner of the Local Obligations.

The Trustee will withdraw from the appropriate Local Obligation Redemption Funds all sums due and payable for the principal of and the interest on the Local Obligations, and the Local Obligations and the interest thereon shall not be paid out of any other funds. Such amounts, received by the Trustee as registered owner of the Local Obligations, shall constitute Revenues. All Revenues, other than Revenues derived from Property Owner Prepayments (which shall be deposited in the Redemption Fund and administered in accordance with the Trust Agreement), received by the Trustee shall be deposited by the Trustee into the Revenue Fund. Not later than five (5) Business Days prior to each Interest Payment Date and Principal Payment Date on the Bonds, the Trustee shall transfer Revenues from the Revenue Fund, in the amounts specified in the Trust Agreement, for deposit into the Interest Fund, Principal Fund, Reserve Fund and Expense Fund in the order of priority set forth in the Trust Agreement. Any amount remaining in the Revenue Fund after making such deposits shall be transferred to each Local Obligation Redemption Fund on a proportionate basis.

Assessments

The Local Obligations are issued upon and are secured by the unpaid assessments together with interest thereon and such unpaid assessments together with interest thereon constitute a trust fund for the redemption and payment of the principal of the Local Obligations and the interest thereon. All the Local Obligations are secured by the monies in the Local Obligation Redemption Funds created pursuant to the assessment proceedings and by the assessments levied. Principal of and interest on the Local Obligations are payable exclusively out of the Local Obligation Redemption Funds.

Unpaid assessments do not constitute a personal indebtedness of the owners of the parcels within the Series 2017C Districts and the owners have made no commitment to pay the principal of or interest on the Bonds. In the event of delinquency, proceedings may be conducted only against the real property securing the delinquent assessment. Thus, the value of the real property within the Series 2017C Districts is an important factor in determining the investment quality of the Bonds. Excerpts from appraisals of land values of certain portions of the property within of the Series 2017C Districts are set forth in Appendix H hereto. The unpaid assessments are not required to be paid upon sale of property within the Series 2017C Districts. There is no assurance the owners shall be able to pay the assessment installments or that they shall pay such installments even though financially able to do so.

The assessment installments will be collected and transferred by the Applicable Counties to the Issuer in approximately equal semi-annual installments, together with interest on the declining balances, and are payable and become delinquent at the same time and bear the same percentage penalties and interest after delinquency as do general property taxes. The assessment installments will appear on the property tax bills mailed by the Applicable Counties to each affected property owner as a separate line item. The properties upon which the assessments were levied are subject to the same provisions for sale and redemption as are properties for nonpayment of general taxes.

NEITHER THE FAITH AND CREDIT OF THE ISSUER NOR THE FAITH AND CREDIT NOR TAXING POWER OF THE LOCAL AGENCY PARTICIPANTS, THE APPLICABLE COUNTIES, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE LOCAL OBLIGATIONS. THE ISSUER HAS NO TAXING POWER.

Priority of Lien

The assessments and each installment thereof and any interest and penalties thereon constitute a lien against the parcels on which they were imposed until the same are paid. Such lien is subordinate to all fixed special assessment liens previously imposed upon the same property, but has priority over all private liens and over all fixed special assessment liens which may thereafter be created against the property, except with respect to the issuance of parity local obligations in accordance with the terms of the Trust Agreement as described below under the heading "—Additional Bonds and Parity Local Obligations." Such lien is co-equal to and independent of the lien for general taxes and any lien imposed under the Mello-Roos Community Facilities Act of 1982, as amended. There is currently overlapping debt on certain of the properties within the Series 2017C Districts. See the table entitled "Series 2017C Projects – Descriptions and Value-to-Lien Ratios" under the heading "THE PROJECTS AND THE ASSESSED PROPERTY" and "BONDOWNERS' RISKS – Future Overlapping Indebtedness" herein.

Additional Bonds and Parity Local Obligations

The Trust Agreement does not provide for the issuance and delivery of any additional bonds secured by a lien and charge upon the Revenues equal to and on parity with the lien and charge securing the Bonds. The Issuer may not issue any additional local obligations on a parity with the Local Obligations, except that additional parity local obligations secured by Assessment District No. 16-03 for the County of Sonoma ("A.D. 16-03 (County of Sonoma") may be issued, and may be purchased with the proceeds of bonds to be issued by the Issuer, provided: (i) the value of A.D. 16-03 (County of Sonoma) parcels subject to assessment will be, following the issuance of the additional parity obligations, at least three (3) times the sum of all the local obligations secured by the such parcels following such issuance (including the Local Obligations) based upon an MAI appraisal not more than 90 days old; (ii) the Issuer has received the written consent to the issuance of the additional parity local obligations from all those persons and entities owning parcels within A.D. 16-03 (County of Sonoma) as of the date of issuance of the Bonds, unless such persons no longer own such A.D. 16-03 (County of Sonoma) parcels at the time of the issuance of the additional parity local obligations, in which case their consent is not required; and (iii) all property taxes and assessments are current.

Limited Obligation Upon Delinquency

ALL OBLIGATIONS OF THE ISSUER UNDER THE TRUST AGREEMENT AND THE BONDS ARE SPECIAL OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM AND SECURED BY REVENUES AND THE AMOUNTS IN THE RESERVE FUND. THE LOCAL OBLIGATIONS ARE LIMITED OBLIGATION IMPROVEMENT BONDS UNDER SECTION 8769 OF THE LOCAL OBLIGATION STATUTE AND ARE PAYABLE SOLELY FROM AND ARE SECURED SOLELY BY THE ASSESSMENTS AND THE AMOUNTS IN THE LOCAL OBLIGATION REDEMPTION FUNDS.

THE ISSUER HAS NO OBLIGATION TO ADVANCE MONIES TO PAY BOND DEBT SERVICE IN THE EVENT OF DELINQUENT ASSESSMENT INSTALLMENTS. BONDOWNERS SHOULD NOT RELY UPON THE ISSUER TO ADVANCE MONIES TO THE LOCAL OBLIGATION REDEMPTION FUNDS. NOTWITHSTANDING THE FOREGOING, THE ISSUER MAY, AT ITS SOLE OPTION AND IN ITS SOLE DISCRETION, ELECT TO ADVANCE AVAILABLE SURPLUS FUNDS TO PAY FOR ANY DELINQUENT INSTALLMENTS PENDING SALE, REINSTATEMENT, OR REDEMPTION OF ANY DELINQUENT PROPERTY.

Collection of Assessments

Pursuant to the Local Obligation Statute, installments of principal and interest sufficient to meet annual debt service on the Local Obligations will be billed by the Applicable Counties to the owner of each parcel within the Series 2017C Districts to which the issue of Local Obligations relates and against which there are assessments. Upon receipt by the Applicable Counties, such assessment installments are to be transferred to the Trustee for deposit into the Local Obligation Redemption Funds, which shall be held by the Trustee and used to pay principal and interest payments on the Local Obligations as they become due. The assessment installments billed against each parcel each year represent pro rata shares of the total principal and interest coming due that year, based on the percentage which the assessment against that parcel bears to the total of assessments in connection with the financing. Payment of the principal of and interest on each series of Local Obligations is secured by moneys in the Local Obligation Redemption Funds.

The Issuer has no obligation to advance funds to the Local Obligation Redemption Funds except to the extent that delinquent assessments are paid or proceeds from foreclosure sales are realized. Additionally, the Issuer has covenanted to cause the institution of judicial foreclosure proceedings following a delinquency, and thereafter to diligently cause prosecution to completion of such foreclosure proceedings upon the lien of delinquent unpaid assessments as set forth herein. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Covenant to Commence Superior Court Foreclosure." The Issuer is not required to bid at the foreclosure sale. The Local Obligations are a limited obligation of the Issuer and the Issuer has no obligation to advance funds to pay the Local Obligations, except as provided in the Trust Agreement.

Reserve Fund

The Trustee, as custodian (the "**Custodian**") has previously created, separate and apart from the Trust Agreement, a Reserve Fund, which will be a trust fund for the payment of the Bonds and any other SCIP revenue bonds designated by the Issuer to be so secured in a related trust agreement or indenture, subject to the provisions of the Trust Agreement (the "**SCIP Bonds**"). For a list of all SCIP Bonds currently held in trust within the Reserve Fund, see EXHIBIT I "SCIP BONDS RESERVE FUND." Within the Reserve Fund, the Custodian will establish a separate account therein which shall be known as the "SCIP 2017C Reserve Account".

The Custodian shall deposit in the SCIP 2017C Reserve Account from proceeds of the Bonds an amount equal to the "Reserve Requirement" which is, as of any date of calculation, an amount equal to the Maximum Annual Debt Service on all then Outstanding Bonds, provided, that as of the date of issuance of the Bonds, the amount required to be deposited in the Reserve Fund shall not exceed the lesser of: (a) Maximum Annual Debt Service on the Bonds, (b) 125% of average Annual Debt Service on the Bonds, or (c) 10% of the amount (within the meaning of Section 148 of the Internal Revenue Code of 1986) of the Bonds. The monies in the Reserve Fund shall constitute a trust fund for the benefit of the Owners of the Bonds, shall be held by the Custodian, and shall be administered by the Custodian in accordance with and pursuant to the provisions of the Trust Agreement. The Reserve Requirement with respect to the Bonds as of the date of issuance will be $697,000.

A series of revenue bonds may be designated as SCIP Bonds and may be payable from the pooled Reserve Fund in accordance with the Trust Agreement upon satisfaction of the following: (i) The trust agreement or indenture for such SCIP Bonds shall contain the same provisions for application of the Reserve Fund as are set forth in the Trust Agreement; (ii) the Issuer shall establish a reserve account within the Reserve Fund for the new series of SCIP Bonds in an amount equal to maximum annual debt service on such series of SCIP Bonds; provided, that as of the date of issuance of the SCIP Bonds, the amount required to be deposited in the related reserve account is not required to exceed the lesser of (a) maximum annual debt service on the SCIP Bonds to be so designated, (b) 125% of average annual debt service on the SCIP Bonds to be so designated, or (c) 10% of the amount (within the meaning of Section 148 of the Code) of the SCIP Bonds to be so designated; and (iii) no series of local obligations being acquired by and constituting the trust estate for the SCIP Bonds to be designated shall exceed the greater of (a) $10,000,000 and (b) 10% of the total outstanding principal amount of all SCIP Bonds to be payable from the Reserve Fund after the issuance of the new series of SCIP Bonds to be designated.

All moneys in the Reserve Fund will be used and withdrawn by the Custodian and transferred to the Trustee solely for the purpose of paying the interest on or the principal or the redemption premiums, if any, of, the

Bonds or any other SCIP Bonds, but solely in the event that insufficient moneys are available in the Interest Fund, the Principal Fund, or the Redemption Fund for such purpose. If moneys in the Interest Fund, the Principal Fund, or the Bond Redemption Fund and the SCIP 2017C Reserve Account are insufficient to pay the interest on or the principal or the redemption premiums, if any, of, the Bonds, the Trustee shall request from the Custodian and the Custodian shall transfer to the Trustee from all other reserve accounts within the Reserve Fund, pro rata, the amount sufficient to make such payment. All earnings on amounts on deposit in the SCIP 2017C Reserve Account will be retained in the SCIP 2017C Reserve Account, except that in the event the amount on deposit in the SCIP 2017C Reserve Account is equal to the Reserve Requirement, then earnings on the investment of moneys on deposit in the SCIP 2017C Reserve Account will be transferred to the Trustee for deposit in the Local Obligation Redemption Funds.

In the event of a Property Owner Prepayment, the Trustee shall request from the Custodian and transfer to the Bond Redemption Fund from the SCIP 2017C Reserve Account an amount equal to the proportionate share of the SCIP 2017C Reserve Account allocable to such prepayment as provided in the Trust Agreement, and such amount will be credited against the assessment which is being so prepaid.

THE ISSUER HAS NO OBLIGATION TO REPLENISH THE RESERVE FUND EXCEPT TO THE EXTENT THAT DELINQUENT ASSESSMENTS ARE PAID OR PROCEEDS FROM FORECLOSURE SALES ARE REALIZED.

Covenant to Commence Superior Court Foreclosure

The Issuer has covenanted in the Trust Agreement that it will monitor the payment of assessment installments payable with respect to each Assessed Parcel and will send delinquency notices to owners of Assessed Parcels as provided in the SCIP Manual adopted by the Issuer, as amended from time to time (the "**SCIP Manual**"). Notwithstanding any other provision of the Trust Agreement or of the SCIP Manual, in the event any assessment or installment thereof, including any interest thereon, is not paid by July 1 (with respect to delinquencies in the installment delinquent on the preceding December 10) or November 1 (with respect to installments delinquent on the preceding April 10) the Issuer covenants that it will within 10 business days of such dates order, and will thereafter diligently prosecute, judicial foreclosure proceedings upon such delinquency and interest thereon, which foreclosure proceedings shall be commenced and prosecuted without regard to available surplus funds of the Issuer; provided, that the Issuer shall not enforce the lien of any delinquent installment of the assessments in Assessment District No. 17-02 for the County of Sacramento for any Fiscal Year in which the Issuer has received or expects to receive one hundred percent (100%) of the amount of such installment from the County of Sacramento pursuant to the so-called "Teeter Plan." Pursuant to Section 8831 of the Streets and Highways Code, the Issuer shall be entitled to reasonable attorney's fees from the proceeds of any foreclosure sale.

Prior to July 1, 1983, the statutory right of redemption from a judicial foreclosure sale was limited to a period of one year from the date of sale. Legislation effective July 1, 1983 eliminated this right of redemption and provided in its place that before notice of sale of the foreclosed parcel can be given following court judgment of foreclosure, a redemption period of 120 days must elapse. Furthermore, if the purchaser at the sale is the judgment creditor (here, the Issuer – the Issuer has no obligation to bid or purchase at the foreclosure sale, and it is not expected that it would ever do so) an action may be commenced by the delinquent property owner within six months after the date of sale to set aside such sale. The constitutionality of the aforementioned legislation which eliminated the one year redemption period has not been tested and there can be no assurance that, if tested, such legislation will be upheld. In the event such Superior Court foreclosure or foreclosures are necessary, there may be a delay in payments to Owners pending prosecution of the foreclosure proceedings and receipt by the Issuer of the proceeds of the foreclosure sale; it is also possible that no bid for the purchase of the applicable property would be received at the foreclosure sale. See also "BONDOWNERS' RISKS – Bankruptcy and Foreclosure" and "– Collection of the Assessment" herein.

Local Agency Accounts

The Trustee shall transfer certain proceeds of the Local Obligations for deposit to a fee and acquisition fund (the "**Fee and Acquisition Fund**") established for SCIP pursuant to the Trust Agreement. The Trustee will account for such funds in the separate accounts and subaccounts (the "**Local Agency Accounts**") for each of the Local

Agency Participants, as provided in the SCIP Manual. Certain other proceeds of the Local Obligations may be transferred, in accordance with the Trust Agreement, directly to the Local Agency Participants or to special districts or other legal entities levying development impact fees within the borders of the Series 2017C Districts, which fees are being financed through SCIP. Amounts on deposit in the Local Agency Accounts shall be invested and disbursed in accordance with the terms of the SCIP Manual. Amounts in the Local Agency Accounts shall be the property of the Local Agency Participants as their interests appear, and shall not be available to the Issuer, the Trustee or the Owners for any purpose.

THE PROJECTS AND THE ASSESSED PROPERTY

Fees and Improvements

David Taussig & Associates, Inc., as the engineer of work for the Series 2017C Districts (the "**Engineer of Work**") has prepared Engineer's Reports (the "**Engineer's Reports**") relating to each of the Series 2017C Districts. Information about the Fees and Improvements, including descriptions, cost estimates and related information, can be found in the Engineer's Reports, which are available for review at the offices of the Issuer. See also APPENDIX G – "EXCERPTS FROM ENGINEER'S REPORTS."

A portion of the proceeds of the Local Obligations will be used to finance certain developer impact fees and certain public improvements relating to projects benefiting the property within the Series 2017C Districts. The Series 2017C Districts consist of non-contiguous areas located throughout the jurisdictions of the Local Agency Participants and comprise mostly undeveloped or partially developed parcels located in various developing areas within such jurisdictions.

Description of the Projects

The proposed development of the property within the Series 2017C Districts can be classified into six separate and distinct Projects, each of which has filed an application for SCIP financing. The table titled "Series 2017C Projects – Descriptions and Value-To-Lien Ratios" after the following section shows certain information relating to each of the Projects, including the value-to-lien ratio applicable to the Projects, individually and overall.

Appraisals

All of the Projects were independently appraised in connection with the issuance of the Bonds. Appraisals of the land within the Series 2017C Districts have been prepared by Seevers, Jordan, Ziegenmeyer, Rocklin, California (the "**Appraiser**") in connection with the issuance of the Bonds.

The appraisal report for the Sellers Avenue subdivision within Assessment District No. 17-02, City of Brentwood, County of Contra Costa ("**Sellers Ave**") estimates the land value of the project within such Series 2017C District as $9,660,000 as of October 2, 2017. The project consists of 96 single-family residential lots with final map approval on approximately 18.49± acres.

The appraisal report for the Elverta Park subdivision within Assessment District No. 17-02, County of Sacramento ("**Elverta Park**") estimates the land value of the project within such Series 2017C District as $4,160,000 as of October 26, 2017. The project consists of 40 single-family residential lots with final map approval on approximately 4.07± acres.

The appraisal report for the Calistoga subdivision within Assessment District No. 17-03, City of Sacramento, County of Sacramento ("**Calistoga**") estimates the land value of the project within such Series 2017C District as $3,185,000 as of October 26, 2017. The project consists of 35 single-family residential lots with final map approval on approximately 4.68± acres.

The appraisal report for the Silva Estates subdivision within Assessment District No. 17-04, City of Manteca, County of San Joaquin ("**Silva Estates**") estimates the land value of the project within such Series 2017C

District as $3,200,000 as of October 20, 2017. The project consists of 40 single-family residential lots with tentative map approval on approximately 9.86± acres.

The appraisal report for the Kawana Meadows subdivision within Assessment District No. 16-02, City of Santa Rosa, County of Sonoma ("**Kawana**") estimates the land value of the project within such Series 2017C District as $14,530,000 as of October 26, 2017. The project consists of 68 single-family residential lots and 6 parcels of multifamily residential use with final map approval on approximately 32.25± acres.

The appraisal report for the Paseo Vista subdivision within Assessment District No. 16-03, County of Sonoma ("**Paseo Vista**") estimates the land value of the project within such Series 2017C District as $16,580,000 as of October 26, 2017. The project consists of 117 single-family residential lots and 15 triplex lots with final map approval on approximately 12.55± acres.

Excerpts from the appraisals are attached to this Official Statement as Appendix H. The appraisals also reflect the proposed issuance of the Bonds. The appraisals do not assign contributory value to completed or partial homes but are based on "as is" land values at the time of inspection.

The appraisals are based on certain assumptions expressed therein, including the payment of the impact fees. The appraisals are also subject to the hypothetical condition that the various Fees and Improvements to be financed from proceeds of the Local Obligations are in place and available for use. Subject to those assumptions, the Appraiser estimated that the fee simple market value of the land within the Series 2017C Districts, as of the dates set forth above, in aggregate, is $51,315,000, based on the appraisals. The market values reported in the appraisals result in an approximate value-to-lien ratio of 5.72, considering the land values as of the dates set forth above, existing overlapping land secured debt, and the principal amount of the Bonds. The value-to-lien ratios of the individual parcels and Projects differ from the foregoing aggregate values. The following tables set forth the valuation based on the appraised value of the land and the value-to-lien ratios.

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Series 2017C Projects
Land Use Descriptions and Total Assessment Percentage

Local Agency/County	Project Name	Developer	Acreage	Zoning	Project Description	Total Units	Assessment Amount(1)	Assessment per Unit	Percent of Assessment
City of Brentwood, County of Contra Costa	Sellers Ave	Meritage Homes	18.49	PD-24	Single-Family Residential	96	$3,012,053	$31,376	21.1%
County of Sacramento	Elverta Park	Silverado 225, LLC	4.07	RD-7, RD-10	Single-Family Residential	40	$849,907	$21,248	6.0%
City of Sacramento, County of Sacramento	Calistoga	Next Generation Capital, LLC	4.68	R-1A	Single-Family Residential	35	$589,463	$16,842	4.1%
City of Manteca, County of San Joaquin	Silva Estates	Meritage Homes	10.65	R-1	Single-Family Residential	40	$786,655	$19,666	5.5%
City of Santa Rosa, County of Sonoma	Kawana Meadows	Kawana Meadows Development Corp.	30.93	PD	Single Family	68	$2,856,000	$42,000	20.0%
					Condo Units/ Below Market Multi-Family	74/19	$1,150,000	$12,366	8.1%
					Subtotal Kawana Meadows	161	$4,006,000		
Sonoma County PRMD, County of Sonoma	Paseo Vista	Paseo Vista	12.55	R-2	Single Family	117	$4,217,726	$36,049	29.6%
					Multi-Family Triplex Lots	45	$811,101	$18,024	5.7%
					Subtotal Paseo Vista	162	$5,028,827	$31,042	
Total			**81.37**			**534**	**$14,272,904**	**$26,728**	**100.0%**

(1) Pursuant to final Engineer's Reports. See APPENDIX G –"EXCERPTS FROM ENGINEER'S REPORTS."

Series 2017C Projects
Value-to-Debt Ratios

Local Agency/County	Project Name	Total Units	Direct Debt	Direct Debt per Unit	Percent of Total Debt	Overlapping Debt[1]	Total Direct and Overlapping Debt[1]	Appraised Values[2]	Building Permits Pulled	Permit Values[3]	Total Adjusted Value	Value-to-Debt[1]
City of Brentwood, County of Contra Costa	Sellers Ave	96	$2,570,000	$26,771	24.55%		$2,570,000	$9,660,000			$9,660,000	3.76
County of Sacramento	Elverta Park	40	$715,000	$17,875	6.83%		$715,000	$4,160,000	33	$7,153,782	$11,313,782	15.82
City of Sacramento, County of Sacramento	Calistoga	35	$505,000	$14,429	4.82%	$92,166	$597,166	$3,185,000	8	$1,917,273	$5,102,273	8.54
City of Manteca, County of San Joaquin	Silva Estates	40	$675,000	$16,875	6.45%		$675,000	$3,200,000			$3,200,000	4.74
City of Santa Rosa, County of Sonoma	Kawana Meadows	161	$4,005,000	$24,876	38.25%		$4,005,000	$14,530,000			$14,530,000	3.63
Sonoma County PRMD, County of Sonoma	Paseo Vista	162	$2,000,000	$12,346	19.10%		$2,000,000	$16,580,000			$16,580,000	8.29
Total		**534**	**$10,470,000**	**$19,607**	**100.00%**	**$92,166**	**$10,562,166**	**$51,315,000**	**41**	**$9,071,055**	**$60,386,055**	**5.72**

(1) Includes overlapping land-secured debt issued pursuant to the Improvement Bond Act of 1915 or the Marks-Roos Local Bond Pooling Act of 1985. Source: California Municipal Statistics, Inc.
(2) *Source*: Seevers Jordan Ziegenmeyer. See APPENDIX H – "EXCERPTS FROM APPRAISALS."
(3) Based on the value of building permits obtained by the Developers as of October 27, 2017.
Source: Except as otherwise noted, the Developers.

More detailed descriptions of the Fees and Improvements, the Projects and the Series 2017C Districts, including project diagrams and maps, are contained in the appendices to this Official Statement. See APPENDIX A – "THE PROJECTS AND THE ASSESSED PROPERTY"; APPENDIX F – "MASTER PARCEL TABLE"; and APPENDIX G –"EXCERPTS FROM ENGINEER'S REPORTS."

BONDOWNERS' RISKS

The following information should be considered by prospective investors in evaluating the Bonds. However, the following does not purport to be an exhaustive listing of risks and other considerations which may be relevant to investing in the Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such risks.

General

Under the provisions of the Local Obligation Statute, assessment installments, from which funds for the payment of annual installments of principal of and interest on the Bonds are derived, will be billed to properties against which there are assessments on the regular property tax bills sent to owners of such properties. Such assessment installments are due and payable, and bear the same penalties and interest for non-payment, as do regular property tax installments. A property owner cannot pay the county tax collector less than the full amount due on the tax bill, however it is possible to pay assessment installments directly to the Issuer in satisfaction of the obligation to pay that assessment without paying property taxes also then due. It should also be noted that the unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and assessment installment payments in the future.

Unpaid assessments do not constitute a personal indebtedness of the owners of the parcels within the Series 2017C Districts. Accordingly, in the event of delinquency, proceedings may be conducted only against the real property securing the delinquent assessment. Thus, the value of the real property within the Series 2017C Districts is an important factor in determining the investment quality of the Bonds. Certain information relating to land values within the Series 2017C Districts is set forth in Appendix A hereto. The unpaid assessments are not required to be paid upon sale of property within the Series 2017C Districts.

In order to pay debt service on the Bonds, it is necessary that unpaid installments of assessments on land within the Series 2017C Districts be paid in a timely manner. The Issuer has established a Reserve Fund from the proceeds of the Bonds to cover delinquencies in the event that installments are not paid on time. No assurance can be given that the owners will be able to pay the assessment installments or that they will pay such installments even if they are financially able to do so. The assessments are secured by a lien on the parcels within the Series 2017C Districts and the Issuer has covenanted to institute foreclosure proceedings to sell parcels with delinquent installments for amounts sufficient to cover such delinquent installments in order to obtain funds to pay debt service on the Local Obligations. See "Owners Not Personally Obligated to Pay Bonds or Assessments" below.

Failure by owners of the parcels to pay installments of assessments when due, depletion of the Reserve Fund, delay in foreclosure proceedings, or the inability of the Issuer to sell parcels which have been subject to foreclosure proceedings for amounts sufficient to cover the delinquent installments of assessments levied against such parcels may result in the inability of the Issuer to make full or punctual payments of debt service on the Local Obligations and Bondowners would therefore be adversely affected.

Owners Not Personally Obligated to Pay Bonds or Assessments

Unpaid assessments do not constitute a personal indebtedness of the owners of the parcels within the Series 2017C Districts and the owners have made no commitment to pay the principal of or interest on the Bonds or to support payment of the Bonds in any manner. There is no assurance that the owners have the ability to pay the assessment installments or that, even if they have the ability, they will choose to pay such installments. An owner may elect to not pay the assessments when due and cannot be legally compelled to do so. If an owner decides it is not economically feasible to develop or to continue owning its property

encumbered by the lien of the assessment, or decides that for any other reason it does not want to retain title to the property, the owner may choose not to pay assessments and to allow the property to be foreclosed upon. Such a choice may be made due to a decrease in the market value of the property. A foreclosure on the property will result in such owner's interest in the property being transferred to another party. Neither the Issuer nor any Bondholder will have the ability at any time to seek payment from the owners of property within the Series 2017C Districts of any assessment or any principal or interest due on the Bonds, or the ability to control who becomes a subsequent owner of any property within the Series 2017C Districts.

Bankruptcy and Foreclosure

The payment of assessments and the ability of the Issuer to foreclose the lien of a delinquent unpaid assessment, as discussed in "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Covenant to Commence Superior Court Foreclosure," may be limited by bankruptcy, insolvency, or other laws generally affecting creditors' rights or by State law relating to judicial foreclosure. In addition, the prosecution of a foreclosure could be delayed due to local court calendars or procedural delays.

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

Although bankruptcy proceedings should not cause the assessments to become extinguished, the Issuer has experienced delays in prosecuting foreclosure of assessment liens due to bankruptcy and bankruptcy could result in delinquent assessment installments not being paid timely and in full. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the Bonds.

Availability of Funds to Pay Delinquent Assessment Installments

Upon receipt of the proceeds from the sale of the Bonds, the Issuer will initially establish the SCIP 2017C Reserve Account within the Reserve Fund in an amount of the Reserve Requirement. The monies in the Reserve Fund shall constitute a trust fund for the benefit of the Owners of the Bonds and other SCIP Bonds, shall be held by the Trustee, and shall be administered by the Trustee in accordance with and pursuant to the provisions of the Trust Agreement. If a deficiency occurs in the Interest Fund or the Principal Fund for payment of interest on or principal of the Bonds or other SCIP Bonds, the Trustee will transfer into such funds an amount out of the Reserve Fund needed to pay debt service on the Bonds or SCIP Bonds, as applicable. There is no assurance that the balance in the Reserve Fund will always be adequate to pay the debt service on the Bonds in the event of delinquent assessment installments.

If, during the period of delinquency, there are insufficient funds in the Reserve Fund to pay the principal of and interest on the Bonds as it becomes due, a delay may occur in payments of principal and/or interest to the owners of the Bonds.

Collection of the Assessment

In order to pay debt service on the Bonds it is necessary that the assessment installments be paid in a timely manner. Should the installments of assessments not be paid on time, funds in the Reserve Fund may be utilized to pay debt service on the Bonds to the extent other funds are not available therefor.

The assessment installments are to be collected in the same manner as ordinary *ad valorem* real property taxes are collected and, except as provided in the special covenant for foreclosure described herein and in the Local Obligation Statute, is to be subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for *ad valorem* real property taxes. Pursuant to these procedures, if taxes are unpaid for a period of five years or more, the property may be deeded to the State and then is subject to sale by the county in which it is located.

Pursuant to the Local Obligation Statute, in the event any delinquency in the payment of an assessment installment occurs, the Issuer may commence an action in superior court to foreclose the lien therefor within specified time limits. In such an action, the real property subject to the unpaid assessment installment may be sold at judicial foreclosure sale. Such judicial foreclosure action is not mandatory. Amendments to the Local Obligation Statute enacted in 1988 and effective January 1, 1989, provide that under certain circumstances property may be sold upon foreclosure at a lesser Minimum Price or without a Minimum Price. "Minimum Price" as used in the Local Obligation Statute is the amount equal to the delinquent installments of principal or interest of the assessment or reassessment, together with all interest penalties, costs, fees, charges and other amounts more fully detailed in the Local Obligation Statute. The court may authorize a sale at less than the Minimum Price if the court determines that sale at less than the Minimum Price will not result in an ultimate loss to the Bondowners or, under certain circumstances, if owners of 75% or more of the outstanding Local Obligations consent to such sale.

Land Values

Customarily, the issuers of bonds obtain an appraisal of the market value of the property subject to the assessment in order to have an estimate of the security value of the parcels relative to the amount of the outstanding indebtedness of the Bonds. An appraisal of the market value of property was obtained with respect to the undeveloped properties within the Series 2017C Districts. Certain information regarding the Series 2017C Districts and the Projects is contained in the appendices to this Official Statement. See APPENDIX A – "THE PROJECTS AND THE ASSESSED PROPERTY," and APPENDIX F – "MASTER PARCEL TABLE." Additionally, excerpts from appraisals of land values of the undeveloped properties within the Districts are set forth in Appendix H hereto.

A value determined by an appraiser is an opinion with respect to the value of the property under the assumptions noted in the appraisal. It is important to consider the assumptions that contribute to the value, which often include assumptions that the property is free and clear of liens and that the improvements financed with the proposed bonds are completed and operational. The appraisals are based primarily upon a sales comparison approach, which determines the value of the subject property by comparing it to sales of comparable property, adjusted for differences between the subject and the comparable property, as well as the land residual analysis (a discounted cash flow), or extraction technique (static land residual analysis).

All of the Projects were independently appraised for purposes of the Bonds and values of those Projects described in this Official Statement are based on those appraisals. The appraisals, except as opinions about the future market effect on present values, do not try to anticipate or predict the future; and no assurance can be given that the properties in the Series 2017C Districts will not decline in value in the future.

No assurance can be given that the estimated values are equal to actual market value or that, if a parcel with delinquent assessment installments is foreclosed, any bid will be received for such property, or, if a bid is received, that such bid will be equal to the value estimated herein, or that such bid will be sufficient to cure the delinquent installments.

The value of property in the Series 2017C Districts is a critical factor in determining the investment quality of the Bonds. If a property owner defaults in the payment of the assessments, the Issuer's only remedy is to foreclose on the delinquent property in an attempt to obtain funds with which to pay the delinquent assessments. The value of the land may be adversely affected by changes in general economic conditions, water shortages, increased construction costs, environmental issues, fluctuations in the real estate market, and other similar factors, including development in surrounding areas that may compete with the developments within the Series 2017C Districts. There can be no assurance that land value within the Series 2017C Districts will not be adversely affected by these or other factors, including future governmental policies or environmental issues. The Series 2017C Districts are located throughout the State and are subject in each case to different risks of natural disaster, local or regional economic changes or changing land use regulations. A significant portion of the State is subject to some degree of risk of seismic activity.

Appraisal Risks

The Appraiser has estimated the market value of the property in the Series 2017C Districts on the basis of certain assumptions which the Appraiser believes to be reasonable under the circumstances. APPENDIX H –

"EXCERPTS FROM APPRAISALS." However, certain of the events assumed by the Appraiser have not yet occurred as of the date of this Official Statement or may prove to be untrue.

Although the Issuer believes that the Appraiser's methodology and assumptions are reasonable under the circumstances, the Appraiser's market value (subject to a hypothetical condition) conclusions are expressions of professional opinion only. No assurance can be given that the market values of property in the Series 2017C Districts are equal to or greater than the Appraiser's estimated market value (subject to a hypothetical condition), nor can any assurance be given that such market values will not decline during the period of time the Bonds are outstanding. The market values of the property in the Series 2017C Districts, subject to a hypothetical condition, can be adversely affected by a variety of factors, including, but not limited to, the occurrence of one or more of the special risk events discussed herein. A decline in the market value of a parcel in the Series 2017C Districts could lower the ability or willingness of the owner of such parcel to pay assessments when due and would decrease the amount recoverable at a foreclosure sale of such parcel.

Natural Disasters and Potential Drought Conditions

The Series 2017C Districts may be subject to unpredictable seismic activity, wildfires or flooding in the wake of fires or in the event of unseasonable rainfall. There is significant potential for destructive ground-shaking during the occurrence of a major seismic event. In the event of seismic activity or other natural disasters that result in substantial damage, it is possible that a significant portion of the properties within the product would be affected. There can be no assurance that the owners of properties within the Series 2017C Districts will elect to purchase earthquake insurance. In short, the occurrence of seismic activity, fires, flooding or other casualties in or around the Series 2017C Districts could result in substantial damage to both property and infrastructure in the Series 2017C Districts which, in turn, could substantially reduce the value of such properties and could affect the ability or willingness of the owners to pay assessments when due and would decrease the amount recoverable at a foreclosure sale of such properties.

In the fall of 2017, a historic number of acres were affected by wildfires that broke out in Northern California, including the Tubbs Fire and the Nuns Fire in Sonoma County. According to the California Department of Forestry and Fire Prevention ("CAL FIRE"), CAL FIRE responded to 250 new wildfires between October 8 and November 6 across California. At the peak of the fires, 21 major wildfires burned a total of 245,000 acres, destroying an estimated 8,900 structures and causing 43 confirmed deaths. The Tubbs Fire started at approximately 9:45 p.m. on Sunday, October 8, 2017, in the City of Santa Rosa to the east and northeast of Forestville. In total, 36,807 acres burned in the Tubbs Fire across Sonoma, Napa and Lake Counties. The fire destroyed 6,957 homes and structures, damaged a further 486 homes and other structures, and claimed at least 22 lives. The Nuns Fire started at approximately 10:00 p.m. on Sunday, October 8, 2017. During its blaze, the Nuns Fire merged with five other fires (Adobe, Norrbom, Pressley, Partrick and Oakmont) that also began during an October 8 windstorm. The fire burned a total of 56,556 acres across Sonoma County and Napa County, including hundreds of homes and other structures, and claimed two lives. As of November 17, 2017, both the Tubbs Fire and the Nuns Fire were 100% contained. The information contained in this Preliminary Official Statement was obtained from public sources and sources that the Issuer believes to be reliable, including CAL FIRE, but such information is not guaranteed as to accuracy or completeness. As of the date hereof, none of the Series 2017C Districts has sustained property damage from wildfires during the fall of 2017.

In the winter of 2016-17, the counties of Sacramento and San Joaquin experienced flooding due to unseasonably heavy rain throughout northern California, resulting in property damage. The Federal Emergency Management Agency oversees the delineation of flood zones and is currently in the process of re-evaluating the level of protection provided by all existing flood protection systems in the country. All Series 2017C Districts are presently designated as Zone X, determined to be outside the 500-year floodplain. For more information on flood risk in the Series 2017C Districts, please see the appraisal excerpt for each district attached to this Official Statement as Appendix H.

From time to time certain parts of California, including areas where the Series 2017C Districts are located, may experience extended drought conditions. Extended drought conditions may impact development of undeveloped properties within the Series 2017C Districts and may affect the value of properties within the Series 2017C Districts.

Development Risks

The Series 2017C Districts comprise parcels with newly completed structures, parcels in various stages of development and undeveloped parcels. The completion of development of the land may be adversely affected by changes in general economic conditions, water shortages, increased construction costs, fluctuations in the real estate market, and other similar factors, including development in surrounding areas which may compete with the developments within the Series 2017C Districts. There can be no assurance that development within the Series 2017C Districts will not be adversely affected by these or other factors, including future governmental policies or environmental issues.

The assessment installments are to be collected from the owners of property located within the Series 2017C Districts regardless of the completion of the development of the properties within the Series 2017C Districts. Nevertheless, the extent of completion of the development of the property within the Series 2017C Districts and the landowners' success in selling the property to home buyers (or the landowners' success in selling or leasing commercial or industrial property) may affect the ability and willingness of landowners to pay the assessment and will affect the market value of any property foreclosed upon for nonpayment of installments of the assessment.

No assurance can be given that any development in progress or contemplated will be partially or fully completed, and in assessing the investment quality of the Bonds prospective purchasers should evaluate the risks of non-completion, especially as related to the concentration of ownership. (See "Concentration of Ownership" below.) Undeveloped land is less valuable than developed land and provides less valuable security to the Bondowners should it be necessary for the Issuer to foreclose due to the nonpayment of assessment installments. In addition, the extent of development of land in the Series 2017C Districts could affect the number of potential purchasers bidding, and the prices bid, at any foreclosure sale if the Issuer were to foreclose upon the lien of a delinquent unpaid assessment. Finally, a slowdown of the economic development process in any of the regions of the Series 2017C Districts could also adversely affect land values and reduce the proceeds received at a foreclosure sale in the event assessment installments are not paid when due.

No Independent Review of Valuation or Viability of Completed Projects

Property within the Series 2017C Districts is comprised of six separate and distinct Projects as described above and in Appendix A. Payment of assessments are inherently dependent upon the completion of the Projects, and the ability of the buyers of completed homes or lessees of commercial property to pay. Neither the Issuer nor the Underwriter has reviewed any business plan for continued ownership, development and/or operation of any Project. Similarly, neither the Issuer nor the Underwriter has conducted any independent evaluation of the existing or projected economic viability or profitability of any of the Projects, including review and/or evaluation of financial statements of any owner or developer of any parcel subject to an assessment. The information contained herein regarding the proposed Projects and the owners of the parcels within the Series 2017C Districts has been supplied by such owners and the Underwriter has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of such information.

In the event an owner or developer experiences financial difficulties, including difficulties resulting from construction or operation of a Project, the value of the affected parcel within a Series 2017C District may decline and/or such owner or developer may elect to refrain from payment of future assessment installments for such parcel. See also "Development Risks" above.

Concentration of Ownership

All of the property within each Series 2017C District is currently owned by no more than two owners. See APPENDIX A – "THE PROJECTS AND THE ASSESSED PROPERTY." The fact that most of the property providing ultimate security for the payment of the Bonds is controlled by only a small number of owners means that the timely payment of the assessment installments and, therefore, the Bonds, will depend initially upon the willingness and ability of this finite number of owners to pay the assessments when due. This concentration of ownership increases the risk that delinquencies in the payment of the assessments will adversely affect payment of debt service on the Bonds. The only asset of each owner of property within the Series 2017C Districts which constitutes security for the Local Obligations is such owner's real property holdings located within the Series 2017C Districts.

There can be no assurance that the undeveloped Projects will be fully developed. See "BONDOWNERS' RISKS – Bankruptcy and Foreclosure" and "– Development Risks" and "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Covenant to Commence Superior Court Foreclosure" herein.

Property or Loan Owned by Federal Agencies or Instrumentalities

Portions of the property within the Series 2017C Districts may now or in the future secure loans. Any such loan is subordinate to the lien of the Assessments. However (a) in the event that any of the financial institutions making any loan that is secured by real property within the Series 2017C Districts is taken over by the Federal Deposit Insurance Corporation ("FDIC"), (b) the FDIC or another federal entity acquires an assessment parcel, (c) the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the United States Department of Housing and Urban Development or similar federal agency or instrumentality has a mortgagee interest in a loan on property subject to an assessment lien, or (d) if a lien is imposed on the property by the Drug Enforcement Agency, the Internal Revenue Service or other similar federal government agency, and, prior thereto or thereafter, the loan or loans go into default, the ability of the Issuer to collect interest and penalties specified by state law and to foreclose the lien of a delinquent unpaid assessment may be limited.

In the event that a property subject to the assessment lien is owned by the federal government or a private deed of trust secured by such a property is owned by a federal government entity, the ability to foreclose on the delinquent property to collect assessment installments may be limited. Federal courts have held that, based on the supremacy clause of the United States Constitution, in the absence of Congressional intent to the contrary, a state or local agency cannot foreclose to collect delinquent taxes or assessments if foreclosure would impair the federal government interest. As a result, if a federal government entity owns a parcel subject to assessments or special taxes, the applicable state or local government cannot foreclose on that parcel. Moreover, if a federal government entity has a mortgage interest on a parcel subject to assessments or special taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to preserve the federal government mortgage interest. In *Rust v. Johnson*, 597 F. 2d 174 (1979), the United States Court of Appeal, Ninth Circuit, which includes California, held that the Federal National Mortgage Association ("**Fannie Mae**") is a federal instrumentality for purposes of this doctrine, and not a private entity; therefore an exercise of state power over a mortgage interest held by Fannie Mae constitutes an exercise of state power over property of the United States in violation of the supremacy clause.

Specifically, with respect to the FDIC, on June 4, 1991, the FDIC issued a Statement of Policy Regarding the Payment of State and Local Real Property Taxes. The 1991 Policy Statement was revised and superseded by a new Policy Statement effective January 9, 1997 (the "**Policy Statement**"). The Policy Statement provides that real property owned by the FDIC is subject to state and local real property taxes only if those taxes are assessed according to the property's value, and that the FDIC is immune from real property taxes assessed on any basis other than property value. According to the Policy Statement, the FDIC will pay its property tax obligations when they become due and payable and will pay claims for delinquent property taxes as promptly as is consistent with sound business practice and the orderly administration of the institution's affairs, unless abandonment of the FDIC's interest in the property is appropriate. The FDIC will pay claims for interest on delinquent property taxes owed at the rate provided under state law, to the extent the interest payment obligation is secured by a valid lien. The FDIC will not pay any amounts in the nature of fines or penalties and will not pay nor recognize liens for such amounts. If any property taxes (including interest) on FDIC owned property are secured by a valid lien (in effect before the property became owned by the FDIC), the FDIC will pay those claims. The Policy Statement further provides that no property of the FDIC is subject to levy, attachment, garnishment, foreclosure or sale without the FDIC's consent. In addition, the FDIC will not permit a lien or security interest held by the FDIC to be eliminated by foreclosure without the FDIC's consent.

Under the Policy Statement, it is unclear whether the FDIC considers the assessments to be "real property taxes" which they intend to pay.

The Issuer is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency with respect to an assessment on a parcel in which the FDIC has an interest, although prohibiting the lien of the FDIC to be foreclosed on at a judicial foreclosure sale would likely reduce the number of or eliminate the persons willing to purchase such a parcel at a foreclosure sale. Purchasers of the Bonds should assume that the Issuer will be unable to foreclose on any parcel owned by the FDIC. Such an outcome could cause a draw on the Reserve Fund (to the extent funds are then on deposit in the Reserve Fund) and perhaps, ultimately, a default in payment of the Bonds. The Issuer has not undertaken to determine whether the FDIC currently has, or is likely to acquire, any interest in any of the parcels in the Series 2017C Districts, and therefore expresses no view concerning the likelihood that the risks described above will materialize while the Bonds are outstanding.

Ballot Initiatives

From time to time constitutional initiatives or other initiative measures may be adopted by California voters. The adoption of any such initiative might place limitations on the ability of the State or any political subdivisions thereof, including the Applicable Counties or the Local Agency Participants and the cities and counties that make up the Issuer, to increase revenues or to increase appropriations, or on the ability of the landowners to complete their developments.

Hazardous Substances

While governmental taxes, assessments and charges are a common claim against the value of a taxed parcel, other less common claims may be relevant. One of the most serious in terms of the potential reduction in the value that may be realized to pay the assessment is a claim with regard to a hazardous substance. In general, the owners and operators of a parcel within the Series 2017C Districts may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as “CERCLA” or “Superfund Act,” is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance condition of property whether or not the owner (or operator) had anything to do with creating or handling the hazardous substance. The effect therefore, should any of the parcels within the Series 2017C Districts be affected by a hazardous substance, is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the owner is obligated to remedy the condition. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the value of a property that is realizable upon a delinquency and foreclosure. The statutorily required environmental impact studies prepared for the developments did not identify any hazardous substances.

The estimated appraised or assessed values of the real property within the Series 2017C Districts do not take into account the possible liability of the owner (or operator) for the remedy of a hazardous substance condition of any parcel. The Issuer is not aware that the owner (or operator) of any of the land within the Series 2017C Districts has such a current liability with respect to such land. However, it is possible that such liabilities do currently exist and that the Issuer is not aware of them.

Parity Taxes and Special Assessments

The assessment and each installment thereof and any interest and penalties thereon constitute a lien against the parcels on which they were imposed until the same are paid. Such lien is subordinate to all fixed special assessment liens previously imposed upon the same property, but has priority over all private liens and over all fixed special assessment liens which may thereafter be created against the property. Such lien is co-equal to and independent of the lien for general taxes and any lien imposed under the Mello-Roos Community Facilities Act of 1982, as amended.

As of the date of issuance of the Bonds, there will be no other assessment or special tax liens on any of the property within the Series 2017C Districts which is prior to the lien of the Series 2017C Districts’ assessments.

Future Overlapping Indebtedness

The ability of an owner of land within the Series 2017C Districts to pay the assessments could be affected by the existence of other taxes and assessments imposed upon the property subsequent to the date of issuance of the Local Obligations. In addition, other public agencies whose boundaries overlap those of the Series 2017C Districts could, without the consent of the Issuer, and in certain cases without the consent of the owners of the land within the Series 2017C Districts, impose additional taxes or assessment liens on the property within the Series 2017C Districts to finance public improvements to be located inside of or outside of the Series 2017C Districts.

Future Private Indebtedness

At the present time, most of the property in the Series 2017C Districts is under construction or undeveloped. In order to develop any improvements on that land, the property owners will need to construct private improvements, the cost of which may increase the private debt for which the land in the Series 2017C Districts or other land or collateral owned by the property owners is security over that contemplated by the Local Obligations, and such increased debt could reduce the ability or desire of the property owners to pay the assessments secured by the land in the Series 2017C Districts. It should be noted however, that the lien of any private financing secured by the land within the Series 2017C Districts would be subordinate to the lien of the assessments.

No Acceleration Provision

The Trust Agreement does not contain a provision allowing for the acceleration of the principal of the Bonds or the Local Obligations in the event of a payment default or other default under the terms of the Bonds, the Local Obligations or the Trust Agreement.

Limited Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price.

Risks Relating to Tax-Exempt Status of the Bonds

As further described in "TAX EXEMPTION" below, failure of the Issuer or the Local Agency Participants to comply with the requirements of the Internal Revenue Code of 1986 (the "**Code**") and the related legal authorities, or changes in the federal tax law or its application, could cause interest on the Bonds to be included in the gross income of Holders for federal income tax purposes, possibly from the date of original issuance of the Bonds. Further, the opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of interest on the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("**IRS**") or the courts.

The IRS has an ongoing program of auditing obligations that are issued and sold as bearing tax-exempt interest to determine whether, in the view of the IRS, interest on such obligations is included in the gross income of the owners thereof for federal income tax purposes. The IRS has announced that its audit efforts will focus in part on "developer-driven bond transactions," including certain tax increment financings and certain assessment bond transactions. In recent audits, the IRS has asserted that interest on such "developer-driven" obligations can be taxable, in certain circumstances, even when those transactions otherwise meet all applicable tax law requirements. It cannot be predicted if this IRS focus could lead to an audit of the Bonds or what the result would be of any such audit.

If an audit of the Bonds is commenced, under current procedures parties other than the Issuer and the Local Agency Participants would have little, if any, right to participate in the audit process. Moreover, because achieving judicial review in connection with an audit of tax-exempt obligations is difficult, obtaining an independent review of IRS positions with which the Issuer or the Local Agency Participants legitimately disagree, may not be practicable. Any action of the IRS, regardless of the outcome, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of obligations presenting similar tax issues, may affect the market price for, or the marketability of, the Bonds. Finally, if the IRS ultimately determines that the interest on the Bonds is not excluded from the gross income of Bondholders for federal income tax purposes, the Issuer may not have the resources to settle with the IRS, the Bonds are not required to be redeemed, and the interest rate on the Bonds will not increase.

CONSTITUTIONAL LIMITATIONS ON TAXATION AND APPROPRIATIONS

Property Tax Rate Limitations - Article XIIIA

On June 6, 1978, the California voters added Article XIIIA to the State Constitution which limits the amount of any *ad valorem* taxes on real property to one percent (1%) of the property's "full cash value," except that additional *ad valorem* property taxes may be levied to pay debt service on indebtedness approved prior to July 1, 1978 and (as a result of an amendment to Article XIIIA approved by California voters on June 3, 1986) on bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978, by two-thirds of the voters voting on such indebtedness. Further, as a result of an amendment to Article XIIIA and the addition of Article XIIID approved by the voters on November 5, 1996, additional *ad valorem* taxes may be levied to pay the bonded indebtedness of school and community college districts that has been approved by 55% of the voters voting on such indebtedness. Article XIIIA defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed or a change in ownership has occurred after the 1975 assessment period." This cash value may be increased at a rate not to exceed two percent (2%) per year to account for inflation. The United States Supreme Court has upheld the validity of Article XIIIA in a case decided in June 1992.

Article XIIIA as originally implemented has been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster and in various other minor or technical ways.

Legislation Implementing Article XIIIA

Legislation has been enacted and amended a number of times since 1978 to implement Article XIIIA. Under current law, local agencies are no longer permitted to levy directly any *ad valorem* property tax. The 1% property tax is automatically levied annually by the county and distributed according to a formula among using agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1978. Any special tax to pay voter-approved indebtedness is levied in addition to the basic 1% property tax.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the "taxing area" based upon their respective "situs." Any such allocation made to a local agency continues as part of its allocation in future years.

Beginning in the 1981-82 fiscal year, assessors in California no longer record property values on tax rolls at the assessed value of 25% of market value which was expressed as $4.00 per $100 of assessed value. All taxable property is now shown at full market value on the tax rolls. Consequently, the basic tax rate is expressed as $1 per $100 of taxable value.

Appropriation Limitation - Article XIIIB

On November 6, 1979, the voters of the State approved Proposition 4, known as the Gann Initiative, which added Article XIIIB to the State Constitution. On June 5, 1990, the voters approved Proposition 111, which amended Article XIIIB in certain respects. Under Article XIIIB, as amended, state and local government entities have an annual "appropriations limit" which limits the entity's ability to spend certain moneys which are called "appropriations subject to limitation" (consisting of most tax revenues and certain state subventions, together called "proceeds of taxes" and certain other funds) in an amount higher than the "appropriations limit." Article XIIIB does not affect the appropriation of moneys which are excluded from the definition of "appropriations subject to limitation," including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved according to law by a vote of the electors of the issuing entity voting in an election for that purpose.

In general terms, the "appropriations limit" is to be based on the adjusted fiscal year 1986-87 appropriations limit, which is traced back through an annual adjustment process to the 1978-79 fiscal year. Annual adjustments reflect changes in California per capita personal income (or, at the option of the affected local agency, changes in assessed value caused by local nonresidential new construction), population and services provided by these entities. Among other provisions of Article XIIIB, if the revenues of such entities in any fiscal year and the following fiscal year exceed the amounts permitted to be spent in such years, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

Property Tax Collection Procedures

In California, taxes in respect of real property are collected on either the "secured roll" or the "unsecured roll." Real property taxes which are a lien on the real property sufficient, in the opinion of the county assessor, to secure payment of the taxes, are collected on the secured roll. A tax levied on the unsecured roll does not become a lien against the real property. A common example of such a tax is when a public agency leases its land to a private user. The privately-owned leasehold interest is taxed on the unsecured roll. Generally, all real property, title to which is owned by a private person or entity, is taxed on the secured roll, and the tax lien has priority over all other liens arising pursuant to State law, regardless of the time of the creation of the other liens. The method of collecting and enforcing the taxes on the secured roll and on the unsecured roll are substantially different.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent on December 10 and April 10, respectively, and a ten percent (10%) penalty attaches to any delinquent payment. In addition property on the secured roll with respect to which taxes are due is delinquent on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the county tax collector.

Historically, property taxes are levied for each fiscal year on taxable real and personal property situated in the taxing jurisdiction as of the preceding January 1. A bill enacted in 1983, SB 813 (Statutes of 1983, Chapter 498), however, provided for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Thus, this legislation eliminated delays in the realization of increased property taxes from new assessments. As amended, SB 813 provided increased revenue to taxing jurisdictions to the extent that supplemental assessments of new construction or changes of ownership occur subsequent to the January 1 lien date.

Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent, if unpaid, on the following August 31. A ten percent (10%) penalty is also attached to delinquent taxes in respect of property on the unsecured roll, and further, an additional penalty of 1½% per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer, (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer, (3) filing a certificate of delinquency for record in the county recorder's office, in order to obtain a lien on certain property of the taxpayer, and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes in respect of property on the secured roll is the sale of the property securing the taxes to the State for the amount of taxes which are delinquent.

Proposition 218

On November 5, 1996, the voters of the State approved Proposition 218, the so-called "Right to Vote on Taxes Act." Proposition 218 added Articles XIIIC and XIIID to the State Constitution, which contain a number of provisions affecting the ability of the Issuer to levy and collect both existing and future taxes, assessments, fees and charges.

Article XIIID requires that, beginning July 1, 1997, the proceedings for the levy of any assessment by a local agency (including, if applicable, any increase in such assessment or any supplemental assessment) must be conducted in conformity with the provisions of Section 4 of Article XIIID. Any challenge (including any constitutional challenge) to the proceedings or the assessment or special tax must be brought within 30 days after the date the assessment or special tax was levied. The Issuer believes it has fully complied, in all material respects, with the requirements of Proposition 218 in authorizing the Local Obligations.

Article XIIIC removes limitations on the initiative power in matters of local taxes, assessments, fees and charges. Article XIIIC does not define the term "assessment," and it is unclear whether this term is intended to include assessments (or reassessments) levied under the Act. In the case of the unpaid assessments which are pledged as security for payment of the Local Obligations, the laws of the State provide that Article XIIIC shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after that date, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights protected by Section 10 of Article I of the United States Constitution. The laws of the State also provide a mandatory, statutory duty of the County Auditors of the Applicable Counties to post installments on account of the unpaid assessments to the property tax roll of the Applicable Counties each year while any of the Local Obligations are outstanding in amounts equal to the principal of and interest on the Bonds coming due in the succeeding calendar year. The Issuer does not believe that the initiative power can be used to reduce or repeal the unpaid assessments which are pledged as security for payment of the Local Obligations or to otherwise interfere with performance of the mandatory, statutory duty of the County Auditors of the Applicable Counties with respect to the unpaid assessments which are pledged as security for payment of the Local Obligations.

The interpretation and application of Proposition 218 will ultimately be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainly the outcome of such determination.

THE ISSUER

The Issuer is a joint exercise of powers authority duly organized and operating pursuant to Article 1 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code, and pursuant to an Amended and Restated Joint Exercise of Powers Agreement dated June 1, 1988, and is authorized to issue the Bonds pursuant to the Marks-Roos Local Bond Pooling Act of 1985 (Article 4, Chapter 5, Division 7, Title 1 of the California Government Code) for the purpose of pooling various local obligations issued by certain local agencies, including the Local Obligations. The Issuer has no taxing power.

The Issuer has sold and delivered obligations other than the Bonds, which other obligations are and will be secured by instruments separate and apart from the Trust Agreement and the Bonds. The holders of such obligations of the Issuer have no claim on the security for the Bonds, and the owners of the Bonds will have no claim on the security for such other obligations issued by the Issuer.

CONTINUING DISCLOSURE

The Issuer has covenanted for the benefit of owners of the Bonds to provide certain financial information and data relating to the Bonds and the Assessments not later January 15 in each year commencing with its report for the 2016-2017 fiscal year (the "**Annual Report**") and to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed by BLX Group LLC with the Municipal Securities Rulemaking Board (MSRB) or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5) (the "**Rule**"). Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at http://emma.msrb.org. These covenants have been made in order to assist the Underwriter in complying with Securities Exchange Commission Rule 15c2-12(b)(5). The specific nature of the information to be contained in the Annual Report or the notices of material events is summarized in APPENDIX D – "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

The Issuer has separately contracted with BLX Group LLC, David Taussig & Associates, Inc., or other consultants, for its continuing disclosure undertakings with respect to its bond issues. Certain event filings related to unscheduled draws on reserve funds and defeasance of bonds were not filed in a timely manner but have since been corrected. Certain operating data relating to the Issuer's Statewide Community Infrastructure Program Revenue Bonds, Series 2014B was not originally included in the timely filed annual report for fiscal year 2014-15 but was included 6 days after the filing due date. The City of Bakersfield's audited financial statement for fiscal year 2011-12 was timely filed but incorrectly associated with CUSIPs for the bonds refunded by the Issuer's Limited Obligation Revenue Bonds (City of Bakersfield Consolidated Reassessment District No. 12-1), Series 2012 (the "**2012 Bakersfield Bonds**"). The Issuer has since corrected this filing. No annual report was filed for the 2012 Bakersfield Bonds for fiscal year 2011-12 because the required annual report content was contained in the official statement for the 2012 Bakersfield Bonds dated November 8, 2012. The Issuer has filed a notice on EMMA to this effect. In addition, the FY 2012-2013 annual report for the Issuer's Community Facilities District No. 2002-1 (River Run Seniors Apartments – Corona) of the California Statewide Communities Development Authority, filed on January 10, 2014, was not originally linked to two of the bond CUSIPS at time of posting to EMMA. This has since been corrected.

LEGAL OPINION

The validity of the Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Issuer. A complete copy of the proposed form of the Bond Counsel Opinion is contained in APPENDIX E hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the Issuer by Orrick, Herrington & Sutcliffe LLP as issuer and disclosure counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Jones Hall, A Professional Corporation, San Francisco, California.

TAX EXEMPTION

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Issuer ("**Bond Counsel**"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. As discussed further below, legislation has been introduced which, if enacted, would repeal the alternative minimum tax for tax years beginning after December 31, 2017. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX E hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Issuer and the Local Agency Participants have made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. Legislation has been introduced in Congress which, if enacted, would significantly change the income tax rates for individuals and corporations and would repeal the alternative minimum tax for tax years beginning after December 31, 2017. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Issuer or the Local Agency Participants, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Issuer and the Local Agency Participants have covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Issuer, the Local Agency Participants or the Beneficial Owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS.

Under current procedures, parties other than the Issuer, the Local Agency Participants and their respective appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Issuer or the Local Agency Participants legitimately disagree, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the Issuer, the Local Agency Participants or the Beneficial Owners to incur significant expense.

NO LITIGATION

There is no action, suit, or proceeding known by the Issuer to be pending or threatened at the present time restraining or enjoining the delivery of the Local Obligations or the Bonds or the collection of assessments levied by the Issuer in the Series 2017C Districts or in any way contesting or affecting the validity of the Bonds, the Trust Agreement, the Local Obligations, the Local Obligation Resolution or any proceedings of the Issuer taken with respect to the execution or delivery thereof.

NO RATING

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

UNDERWRITING

RBC Capital Markets, LLC, the Underwriter of the Bonds, has agreed to purchase the Bonds from the Issuer at a purchase price of $11,343,487.70, being the aggregate principal amount of the Bonds $10,470,000.00, plus an original issue premium of $1,135,237.70, and less an Underwriter's discount of $261,750.00. The purchase contract pursuant to which the Underwriter is purchasing the Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased. The obligation of the Underwriter to make such purchase is subject to certain terms and conditions set forth in such contract of purchase.

The public offering prices of the Bonds may be changed from time to time by the Underwriter. The Underwriter may offer and sell Bonds to certain dealers and others at a price lower than the offering price stated on the cover page hereof.

The Underwriter and its respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage and asset management. In the ordinary course of business, the Underwriter and its respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and its respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the Issuer. The Underwriter and its respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriter and its respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Issuer.

MISCELLANEOUS

All quotations from, and summaries and explanations of the Trust Agreement, the Local Obligations, the Bonds, the Act, the Local Obligation Statute or other statutes and documents contained herein do not purport to be complete, and reference is made to said documents and statutes for full and complete statements of their provisions.

This Official Statement is submitted only in connection with the sale of the Bonds by the Issuer. All estimates, assumptions, statistical information and other statements contained herein, while taken from sources considered reliable, are not guaranteed by the Issuer or the Underwriter. The information contained herein should not be construed as representing all conditions affecting the Issuer, SCIP or the Bonds.

All information contained in this Official Statement pertaining to the Issuer has been furnished by the Issuer and the execution and delivery of this Official Statement has been duly authorized by the Issuer.

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY

By: ______________________
Authorized Signatory

EXHIBIT I

SCIP BONDS RESERVE FUND

The Custodian has previously created, separate and apart from the Trust Agreement, a Reserve Fund, which will be a trust fund for the payment of the SCIP Bonds. Each series of SCIP Bonds is secured by local obligations issued under the Local Obligation Statute for assessment districts created by the Issuer under the Municipal Improvement Act of 1913 (Division 12 of the Streets and Highways Code) (the "SCIP Assessment Districts"). See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS—Reserve Fund." Property in the SCIP Assessment Districts is security for the assessments levied to repay the related local obligations. The following table describes the amounts of each Reserve Requirement for each of the SCIP Bonds, together with the balance in each SCIP Reserve Account. The amounts on deposit in each account of the Reserve Fund secure only the SCIP Bonds and not the related local obligations.

SCIP Bonds and SCIP Reserve Accounts
Expected as of Date of Issuance of the Bonds

Series	Outstanding Principal Amount	Reserve Requirement	Reserve Account Balance
2017B	$19,915,000.00	$1,261,431.28	$1,261,431.28
2017C	10,470,000.00	697,000.00	697,000.00
Total:	$30,385,000.00	$1,958,431.28	$1,958,431.28

The following tables set forth the property valuation of the SCIP Assessment Districts related to each series of SCIP Bonds, based on the value of the land and the value-to-lien ratios. Values in the tables below may be based on appraisals that were performed in connection with the issuance of the related series of SCIP Bonds. The appraisals, except as opinions about the future market effect on present values, do not try to anticipate or predict the future; and no assurance can be given that the appraised properties will not decline in value in the future. No assurance can be given that the estimated values are equal to actual market value or that, if a parcel with delinquent assessment installments is foreclosed, any bid will be received for such property, or, if a bid is received, that such bid will be equal to the value estimated herein, or that such bid will be sufficient to cure the delinquent installments. The value of the land may be or may have been adversely affected by changes in general economic conditions, water shortages, increased construction costs, environmental issues, fluctuations in the real estate market, and other similar factors, including development in surrounding areas that may compete with the development of such property. The Issuer has not undertaken to have an update to the appraisals performed.

Any assessed values are the property values determined by the related county assessor's office for property tax purposes. Such assessed value determinations may be subject to appeal by property owners. The resolution of an appeal may result in a reduction to the County Assessor's original taxable value and a tax refund to the applicant/property owner. Although such a result would not reduce the assessments on the property, any reduction in the assessed taxable values of property would have an adverse impact on the value-to-lien ratios discussed herein and could lessen the ability or willingness of the owners of such property to pay their assessments. Moreover, assessed values do not necessarily represent the current market value for any parcel.

See "BONDOWNERS' RISKS – Land Values" and "—Appraisal Risk".

SCIP Bonds, SCIP 2017B Reserve Account
Value-to-Debt Ratios

Local Agency/County	Project Name	Total Units	Direct Debt	Direct Debt per Unit	Percent of Total Debt	Overlapping Debt(1)	Total Direct and Overlapping Debt(1)	Appraised or Assessed Values(2)	Building Permits Pulled	Permit Values	Total Adjusted Value	Value-to-Debt(1)
City of Lincoln, County of Placer	Lakeside 6 Phase 2	52	$1,765,000	$33,942	8.86%		$1,765,000	$7,070,000			$7,070,000	4.01
County of Placer	Country House Memory Care	1 (42 rooms)	$1,245,000	$1,245,000	6.25%		$1,245,000	$1,343,791(3)	1	$4,100,986(4)	$5,444,777	4.37
County of Placer	Morgan Ranch	61	$1,490,000	$24,426	7.48%		$1,490,000	$8,050,000			$8,050,000	5.40
City of San Diego, County of San Diego	Pacific Highlands Ranch (Unit 17)	164	$7,660,000	$46,707	38.46%	$1,764,718	$9,424,718	$113,380,000	90	$36,883,619(4)	$150,263,619	15.94
City of San Diego, County of San Diego	Pacific Highlands Ranch (Unit 18)	69	$3,245,000	$47,029	16.29%	$449,222	$3,694,222	$71,860,000			$71,860,000	19.45
City of San Diego, County of San Diego	Pacific Highlands Ranch (Unit 20)	26	$1,240,000	$47,692	6.23%	$317,813	$1,557,813	$24,480,000	26	$14,238,946(4)	$38,718,946	24.85
City of Manteca, County of San Joaquin	Evans Estates #5	69	$895,000	$12,971	4.49%		$895,000	$9,320,000			$9,320,000	10.41
City of Manteca, County of San Joaquin	Sundance, Unit 2	132	$2,375,000	$17,992	11.93%		$2,375,000	$16,100,000			$16,100,000	6.78
Total		**574**	**$19,915,000**	**$34,695**	**100.00%**	**$2,531,753**	**$22,446,753**	**$251,603,791**	**117**	**$55,223,552**	**$306,827,343**	**13.67**

(1) Includes overlapping land-secured debt issued pursuant to the Improvement Bond Act of 1915 or the Marks-Roos Local Bond Pooling Act of 1985. Estimated assuming building permits are pulled for all units. Source: California Municipal Statistics, Inc.
(2) *Source*: Seevers Jordan Ziegenmeyer and Placer County Assessor's Office. *See* the Official Statement of the Issuer, dated October 3, 2017, with respect to the California Statewide Communities Development Authority Statewide Infrastructure Program Revenue Bonds, Series 2017B.
(3) Assessed valuation as of January 1, 2017.
(4) Based on the value of building permits obtained by the developers as of October 3, 2017.
Source: Except as otherwise noted, the developers.

SCIP Bonds, Series 2017C
Value-to-Debt Ratios

Local Agency/County	Project Name	Total Units	Direct Debt	Direct Debt per Unit	Percent of Total Debt	Overlapping Debt(1)	Total Direct and Overlapping Debt(1)	Appraised Values(2)	Building Permits Pulled	Permit Values(3)	Total Adjusted Value	Value-to-Debt(1)
City of Brentwood, County of Contra Costa	Sellers Ave	96	$2,570,000	$26,771	24.55%		$2,570,000	$9,660,000			$9,660,000	3.76
County of Sacramento	Elverta Park	40	$715,000	$17,875	6.83%		$715,000	$4,160,000	33	$7,153,782	$11,313,782	15.82
City of Sacramento, County of Sacramento	Calistoga	35	$505,000	$14,429	4.82%	$92,166	$597,166	$3,185,000	8	$1,917,273	$5,102,273	8.54
City of Manteca, County of San Joaquin	Silva Estates	40	$675,000	$16,875	6.45%		$675,000	$3,200,000			$3,200,000	4.74
City of Santa Rosa, County of Sonoma	Kawana Meadows	161	$4,005,000	$24,876	38.25%		$4,005,000	$14,530,000			$14,530,000	3.63
Sonoma County PRMD, County of Sonoma	Paseo Vista	162	$2,000,000	$12,346	19.10%		$2,000,000	$16,580,000			$16,580,000	8.29
Total		**534**	**$10,470,000**	**$19,607**	**100.00%**	**$92,166**	**$10,562,166**	**$51,315,000**	**41**	**$9,071,055**	**$60,386,055**	**5.72**

(1) Includes overlapping land-secured debt issued pursuant to the Improvement Bond Act of 1915 or the Marks-Roos Local Bond Pooling Act of 1985. Source: California Municipal Statistics, Inc.
(2) *Source*: Seevers Jordan Ziegenmeyer. See APPENDIX H – "EXCERPTS FROM APPRAISALS."
(3) Based on the value of building permits obtained by the Developers as of October 27, 2017.
Source: Except as otherwise noted, the Developers.

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APPENDIX A

THE PROJECTS AND THE ASSESSED PROPERTY

Introduction

The Bonds are secured by Local Obligations issued under the Local Obligation Statute for assessment districts created by the Issuer under the Municipal Improvement Act of 1913 (Division 12 of the Streets and Highways Code) (the "**Series 2017C Districts**"). Each of the Projects for which the Local Obligations are issued has made an application for financing under SCIP through the city or county that grants building permits for the Project (the "**Local Agency Participants**"). All Projects within are included within a separate Series 2017C District created by the Issuer for each project by county (each, an "**Applicable County**"). Neither the Local Agency Participants nor the Applicable Counties have any obligations with respect to the Local Obligations or the assessment districts, except that each Applicable County is required to include the assessment installments in the regular property tax bills it sends to the owners of property within the Series 2017C Districts. The Issuer, through its Assessment Administrator and Program Administrator, is responsible for all accounting, administration, reporting and collection activities with respect to the Series 2017C Districts and the Local Obligations.

The Series 2017C Districts

The Series 2017C Districts consist of non-contiguous areas within the Counties of Contra Costa, Sacramento, San Joaquin, and Sonoma (the "**Applicable Counties**"), and comprise parcels with newly completed structures, parcels in various stages of development and undeveloped parcels, located in various developing areas of the above-named counties. The total land area of the Series 2017C Districts is approximately 81.90± acres. The Series 2017C Districts comprise land planned for both residential and commercial use. Property within the Series 2017C Districts is comprised of six separate and distinct Projects. See "**The Projects**" below. All of the six projects are under construction.

The Series 2017C Districts were formed to finance the payment of certain, but not all, development impact fees and infrastructure improvements necessary for development within the jurisdictions of the Local Agency Participants (collectively, the "**Fees and Improvements**") consisting generally of infrastructure improvements and development impact fees related to infrastructure improvements such as sanitary sewer facilities, storm drain facilities, water facilities, drainage facilities, park improvements, roadways and roadway improvements. Proceeds of the Local Obligations will be used in part to reimburse developers for their costs of the authorized Fees they have paid, and the Improvements when complete, and to prepay certain other Fees.

Property in the Series 2017C Districts is security for the assessments levied to repay the Local Obligations. Appraisal reports (the "**Appraisal Reports**") have been prepared for the real property within the Series 2017C Districts. The appraised value for the property described in the Appraisal Reports amounts to an aggregate value of property in the Series 2017C Districts of approximately $51,315,000 as of the dates set forth in the Appraisal Reports. The combined estimated valuation of property in the Series 2017C Districts is approximately 5.72 times the aggregate principal amount of the lien of the assessments securing the Local Obligations (based on the principal amount of the Local Obligations) plus overlapping land secured debt. See Table A-1 hereafter in this Appendix A. See APPENDIX F for a detailed listing of information for each individual parcel in the Series 2017C Districts. For a further description of the Appraisal Reports, see "THE PROJECTS AND THE ASSESSED PROPERTY – Appraisals" in the Official Statement.

Table A-1
Series 2017C Projects
Land Use Descriptions and Total Assessment Percentage

Local Agency/County	Project Name	Developer	Acreage	Zoning	Project Description	Total Units	Assessment Amount[1]	Assessment per Unit	Percent of Assessment
City of Brentwood, County of Contra Costa	Sellers Ave	Meritage Homes	18.49	PD-24	Single-Family Residential	96	$3,012,053	$31,376	21.1%
County of Sacramento	Elverta Park	Silverado 225, LLC	4.07	RD-7, RD-10	Single-Family Residential	40	$849,907	$21,248	6.0%
City of Sacramento, County of Sacramento	Calistoga	Next Generation Capital, LLC	4.68	R-1A	Single-Family Residential	35	$589,463	$16,842	4.1%
City of Manteca, County of San Joaquin	Silva Estates	Meritage Homes	9.86	R-1	Single-Family Residential	40	$786,655	$19,666	5.5%
City of Santa Rosa, County of Sonoma	Kawana Meadows	Kawana Meadows Development Corp.	32.25	PD	Single Family	68	$2,856,000	$42,000	20.0%
					Condo Units/ Below Market Multi-Family	74/19	$1,150,000	$12,366	8.1%
					Subtotal Kawana Meadows	161	$4,006,000		
Sonoma County PRMD, County of Sonoma	Paseo Vista	Paseo Vista	12.55	R-2	Single Family	117	$4,217,726	$36,049	29.6%
					Multi-Family Triplex Lots	45	$811,101	$18,024	5.7%
					Subtotal Paseo Vista	162	$5,028,827	$31,042	
Total			**81.90**			**534**	**$14,272,904**	**$26,728**	**100.0%**

(1) Pursuant to final Engineer's Reports. See APPENDIX G –"EXCERPTS FROM ENGINEER'S REPORTS."

Table A-2
Series 2017C Projects
Value-to-Debt Ratios

Local Agency/County	Project Name	Total Units	Direct Debt	Direct Debt per Unit	Percent of Total Debt	Overlapping Debt(1)	Total Direct and Overlapping Debt(1)	Appraised Values(2)	Building Permits Pulled	Permit Values(3)	Total Adjusted Value	Value-to-Debt(1)
City of Brentwood, County of Contra Costa	Sellers Ave	96	$2,570,000	$26,771	24.55%		$2,570,000	$9,660,000			$9,660,000	3.76
County of Sacramento	Elverta Park	40	$715,000	$17,875	6.83%		715,000	$4,160,000	33	$7,153,782	$11,313,782	15.82
City of Sacramento, County of Sacramento	Calistoga	35	$505,000	$14,429	4.82%	$92,166	597,166	$3,185,000	8	$1,917,273	$5,102,273	8.54
City of Manteca, County of San Joaquin	Silva Estates	40	$675,000	$16,875	6.45%		675,000	$3,200,000			$3,200,000	4.74
City of Santa Rosa, County of Sonoma	Kawana Meadows	161	$4,005,000	$24,876	38.25%		4,005,000	$14,530,000			$14,530,000	3.63
Sonoma County PRMD, County of Sonoma	Paseo Vista	162	$2,000,000	$12,346	19.10%		2,000,000	$16,580,000			$16,580,000	8.29
Total		**534**	**$10,470,000**	**$19,607**	**100.00%**	**$92,166**	**$10,562,166**	**$51,315,000**	**41**	**$9,071,055**	**$60,386,055**	**5.72**

(1) Includes overlapping land-secured debt issued pursuant to the Improvement Bond Act of 1915 or the Marks-Roos Local Bond Pooling Act of 1985. Source: California Municipal Statistics, Inc.
(2) *Source*: Seevers Jordan Ziegenmeyer. See APPENDIX H – "EXCERPTS FROM APPRAISALS."
(3) Based on the value of building permits obtained by the Developers as of October 27, 2017.
Source: Except as otherwise noted, the Developers.

Status of Development

The following table summarizes the development status of the Projects.

Table A-3
Series 2017C Projects
Status of Development for Projects[(1)]

City/County	Project Name	Land Use	Subdivision Map Status	Development Status	Units
City of Brentwood, County of Contra Costa	Sellers Ave	Single-Family Residential	Final	Site work underway	96
County of Sacramento	Elverta Park	Single-Family Residential	Final	33 building permits pulled in the District, with home construction underway. In the greater Elverta Park Subdivision of 225 single-family lots, 53 homes have been sold and 21 homes have closed.	40
City of Sacramento, County of Sacramento	Calistoga	Single-Family Residential	Final	8 building permits have been pulled with home construction underway.	35
City of Manteca, County of San Joaquin	Silva Estates	Single-Family Residential	Final (To be approved Dec. 19, 2017)	Site development including site clearing and grading has commenced.	40
City of Santa Rosa, County of Sonoma	Kawana Meadows	Residential; 68 single-family lots and 6 multi-family parcels representing 74 units (condo conversion map in process) and 19 below market multi- family units	Final	Site work underway, with grading for 3 multi-family lots (30 condo units) expected to be completed by the end of 2017.	161
Sonoma County PRMD, County of Sonoma	Paseo Vista	Residential; 117 single-family lots and 15 triplex lots representing 45 units	Final	Site development in Phase 1 commenced in 2015 and targeted for completion by the end of 2017 which includes 2 triplex lots and 27 single-family homes. Currently 3 model single-family homes exist and in-tract improvement work has commenced including grading for the entire site.	162

(1) Compiled by RBC Capital Markets, LLC from information provided by each respective Developer.

Teeter Plan

Any county may elect from time to time to apply the procedures described in Sections 4701 through 4717, inclusive, of the Revenue and Taxation Code of the State of California, commonly referred to as the "**Teeter Plan**," with respect to property tax collection and disbursement procedures. These sections provide an alternative method of apportioning secured taxes whereby agencies levying taxes through a county's tax roll may receive 100% of their taxes from the county whether or not they are actually paid by the property owners at or near the time the local agencies would have received the tax revenues had all taxes been paid. The counties finance this outlay through a special tax loss reserve fund (the "**Tax Loss Reserve Fund**") accumulated from previously collected delinquent penalties. All of the Applicable Counties employ the Teeter Plan. Among the Applicable Counties, Contra Costa County, Sacramento County and San Joaquin County employ the Teeter Plan for assessment districts (the "**Teeter Plan Counties**"). Sacramento County determines whether to include a particular direct levy annually and may make that determination on an assessment district by assessment district basis or a parcel by parcel basis. In addition, Sacramento County may not decide to include a particular parcel or assessment district that had been included in its Teeter Plan in the previous year.

For the Teeter Plan Counties, this method of apportioning taxes has been extended to all assessments collected on the County tax roll. Although a local agency currently receives the total levy for its special assessments, without regard to actual collections, the basic legal liability for assessment deficiencies at all times remains with the sponsoring agency and, therefore, the alternative method of tax apportionment only assists the sponsoring agency in the current financing of the maturing debt service requirements. A county board of supervisors may discontinue the procedures under the Teeter Plan altogether, or with respect to any tax or assessment levying agency in such county, if the rate of secured tax and assessment delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured rolls for that agency.

The special assessment installments for the Series 2017C District situated in the Teeter Plan Counties (the "**Teeter Plan Districts**") will be collected pursuant to the procedures described above. Thus, so long as Teeter Plan Counties maintain a policy of collecting assessments pursuant to these procedures and they meet the Teeter Plan requirements, the Issuer will receive 100% of the annual assessment installments levied without regard to actual collections in the applicable Teeter Plan District. There is no assurance, however, that the Board of Supervisors of the Teeter Plan Counties will maintain their policies of apportioning assessments pursuant to the Teeter Plan procedures.

Potential investors should not rely on any assumption that the Teeter Plan Counties will or will not apply the Teeter Plan in any given year.

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Residential Effective Tax Rates

The following table sets forth the projected tax rates for residential Projects within the Series 2017C Districts by Project for Fiscal Year 2017-18. The estimated tax rates and amounts presented herein are based on the best available information available at this time. The actual amounts charged are expected to vary and may increase in future years.

Table A-4
Series 2017C Projects
Residential Effective Tax Rates

City/ County	Project Name	Home Price[1]	*Ad Valorem* Tax Rate	Direct Levies[2]	SCIP 2017C	Total Effective Tax Rate	Number of Parcels
City of Brentwood, County of Contra Costa	Sellers Ave	$625,000	1.136%	0.091%	0.287%	1.514%	96
County of Sacramento	Elverta Park	$365,000	1.228%	0.125%	0.341%	1.693%	40
City of Sacramento, County of Sacramento	Calistoga	$400,000	1.050%	0.164%	0.255%	1.470%	35
City of Manteca, County of San Joaquin	Silva Estates	$500,000	1.110%	0.003%	0.236%	1.349%	40
City of Santa Rosa, County of Sonoma	Kawana Meadows	$545,000	1.192%	0.008%	0.305%	1.505%	161
Sonoma County PRMD, County of Sonoma	Paseo Vista	$390,000	1.192%	0.012%	0.213%	1.418%	162

(1) Represents estimated base home price as further described in each appraisal. The home price used for Kawana Meadows reflects the median home price in Santa Rosa per the appraisal. *Source*: Seevers Jordan Ziegenmeyer.
(2) *Source*: David Taussig & Associates, Inc.
(3) The effective tax rate for Silva Estates is estimated to be 1.494% if the project participates in the Manteca Unified School District Community Facilities District No. 1989-1 (Weston Ranch), San Joaquin, California.

The Projects

A description of each of the Projects is set forth below. The following information has been obtained by the Issuer from the developers of the Projects, the Local Agency Participants and other sources believed by the Issuer to be reliable, but have not been independently verified by the Issuer or any of its consultants. Therefore, no assurance can be given that this information is accurate, complete or up-to-date.

Sellers Avenue (City of Brentwood, County of Contra Costa; 24.55% of the Local Obligations). The Series 2017C Districts will include the Sellers Avenue subdivision ("**Sellers Avenue**"), also known as "Palermo", a single-family residential development located at the southern terminus of Ghiggeri Drive, east of Guthrie Lane, within the City of Brentwood, County of Contra Costa, California. The project is mapped to include 96 detached single-family residential lots on approximately 18.49± acres, with a typical lot size of approximately 5,000 square feet. The property owner is Meritage Homes of California, Inc. ("**Meritage**"). The 96 lots represent Assessment District No. 17-02, City of Brentwood, County of Contra Costa.

A tentative map for the property was approved on April 12, 2016, with final map approval by the City of Brentwood City Council on November 10, 2017. Project improvement plans have also been approved. Land Development on the property commenced on September 9, 2017. Project grading has been completed and underground utilities are currently being installed.

The project includes two access points to the site, the primary access will be at Sellers Avenue at the east end of the project. High-tension power lines run along the southern portion of the project within the 90 foot easement area. The area under the power lines is utilized for a 1.4 acre park site and a 0.6 acre water quality bio-filtration area. The two areas are dedicated to the City of Brentwood who will maintain these uses. A 30 foot wide landscape strip will be constructed along the eastern boundary of the project associated with the widening of Sellers Avenue.

The City of Brentwood has approved site landscaping for the project. The site is pre-plotted with the elevations assigned to each lot. Architectural design includes four floor plans each with three architectural elevations: Early California, Farmhouse and Italianate. The architecture was prepared by SDG Architects, Inc. Construction Drawings are currently in review with the City of Brentwood and are anticipated well in advance of the start construction date.

Site development, including rough grading, has commenced and is expected to finish in August 2018. Meritage anticipates starting vertical construction and sales in June of 2018, with the first closing expected in February 2019. Street improvements and public utilities, including electricity, natural gas, sewer, public water and telephone are available to the property.

An Environmental Site Assessment was performed on the property by Engeo on October 11, 2017. The project performed a preconstruction bird survey prior to land development, which complied with a Habitat Conservation Plan Report.

The costs authorized to be financed with proceeds of the Bonds include the funding of $2,400,000 in impact fees. The County of Contra Costa's assessed value of the parcels within Sellers Avenue is $3,012,052.68, and the appraised value of the property as of October 2, 2017 is $9,660,000.

While the information in this Official Statement reflects Meritage's current development expectations, no assurances can be given that home construction and conveyance to individual homebuyers will be carried out on the schedule or according to the plans described in this Official Statement.

Adjacent/Surrounding Properties. The property is adjacent to La Paloma High School to the north, Sellers Avenue, an electrical substation and vacant land to the east, a canal, light industrial property and vacant land to the south, and the Brentwood Police Department to the west. Certain areas to the south and east are outside the Urban Limit Line and cannot be annexed into the city for development without a public vote.

Developer Information. The developer is Meritage Homes of California, Inc., a California Corporation. Meritage Homes of California, Inc. is a wholly-owned subsidiary of Meritage Homes Corporation ("**Meritage Homes**"), a public company whose common stock is traded on the New York Stock Exchange under the symbol "MTH". The division president of Meritage Homes of California, Inc. is Barry Grant, who is responsible for the day to day operations of the developer. Meritage Homes is the eighth-largest public homebuilder in the United States, based on homes closed in 2016. Meritage Homes builds and sells single-family homes for first- time, move-up, luxury and active adult buyers across the Western, Southern and Southeastern United States. Meritage Homes builds in markets including Sacramento, San Francisco Bay area, southern coastal and Inland Empire markets in California; Houston, Dallas-Ft. Worth, Austin and San Antonio, Texas; Phoenix/Scottsdale, Green Valley and Tucson, Arizona; Denver and Fort Collins, Colorado; Orlando, Tampa and south Florida; Raleigh and Charlotte, North Carolina; Greenville-Spartanburg and York County, South Carolina; Nashville, Tennessee; and Atlanta, Georgia.

Meritage Homes has designed and built over 100,000 homes in its 31-year history, and has a reputation for its distinctive style, quality construction, and positive customer experience. Meritage Homes is the industry leader in energy-efficient homebuilding and has received the U.S. Environmental Protection Agency's ENERGY STAR Partner of the Year for Sustained Excellence Award every year since 2013 for innovation and industry leadership in energy efficient homebuilding.

Meritage Homes is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith files reports, proxy statements and other information, including financial statements, with the Securities and Exchange Commission. Such filings, include Meritage Homes' Annual Report on Form 10-K, as filed with the SEC.

The SEC maintains an Internet web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC, including Meritage Homes Corporation. The address of such Internet web site is www.sec.gov. All documents subsequently filed by Meritage Homes Corporation pursuant to the requirements of the Exchange Act after the date of this Official Statement will be available for inspection in such manner as the SEC prescribes.

Copies of Meritage Homes Annual Report and each of its other quarterly and current reports, including any amendments, are available from Meritage Homes' website at https://www.meritagehomes.com/, more specifically at http://investors.meritagehomes.com/CorporateProfile. The Internet address and references to filings with the SEC are included for reference only, and the information on these Internet sites and on file with the SEC are not a part of this Official Statement and are not incorporated by reference into this Official Statement.

Financing Plan. Meritage purchased the property from Sellers Avenue Partners, LLC on February 2, 2017 for $6,960,000. As of October 2, 2017, the date of inspection for appraisal, Meritage had expended approximately $3,600 per lot in development costs related to the Sellers Avenue project within the Series 2017C Districts. Meritage estimates that it will require an additional $86,644 per lot to complete site development for the Silva Estates project within the Series 2017C Districts. The project will be funded by Meritage Homes, Corp. with no outside financing. The project has been fully budgeted and funds have been allocated for such with prior corporate approval.

City Information. Sellers Avenue is located in the City of Brentwood. The city is located 55 miles east of San Francisco, in the far Eastern Contra Costa County region of the San Francisco Bay Area. The city was incorporated in 1948. According to the California Department of Finance, the City of Brentwood had a population of 61,055 as of January 1, 2017.

Elverta Park (County of Sacramento; 6.83% of the Local Obligations). The Series 2017C Districts will include the Elverta Park ("**Elverta Park**"), a single-family residential development located south of Elverta Road, west of Watt Avenue, within the unincorporated community of Antelope, Sacramento County, California. The project consists of 40 single-family residential lots encompassing a portion of Phase 1A of the Elverta Park subdivision, on approximately 4.07± acres, with lots ranging in size from 3,479 to 10,275 square feet and a typical lot size of approximately 4,750 square feet. Silverado 225, LLC ("**Silverado 225**") owns 37 of 40 assessor's parcels within the project; the remaining three assessor's parcels are owned by ETL Investments, LLC ("**ETL**" and, together with Silverado 225, the "**Owners**"). Silverado 225 is the developer for all parcels. The 40 residential lots represent Assessment District No. 17-02, County of Sacramento.

In total, the Elverta Park subdivision will comprise 225 single-family residential lots, which will be developed in three phases: Phase 1A containing 66 total lots, Phase 2 containing 66 total lots, and Phase 3 containing 93 total lots. The subdivision is being developed with two product lines: The Trails and The Arbors. The Trails will feature three floor plans that contain between 1,287 and 1,907 square feet in living area, with 3 to 4 bedrooms and up to 2.5 bathrooms. The Arbors will feature four floor plans that contain between 1,522 and 2,061 square feet in living area, with 2 to 4 bedrooms and up to 3.0 bathrooms. Homes within each product line will be one- and two-stories and will feature 2-car garages. Both product types share a single model complex and off-street Americans with Disabilities Act compliant parking lot. Silverado 225 intends to complete site improvements for the remaining phases and complete construction of the two product lines with three floor plans for The Trails and four floor plans for The Arbors.

The developer received tentative map approval on February 24, 2016. Improvement plans for Phase 1A were approved in June 2016 and final map approval for the phase was received on September 19, 2016. On-site improvements for Phase 1A were completed in October 2016 and building permits were pulled in December 2016. The developer anticipates pulling building permits for Phases 2 and 3 in November 2017 and October 2018, respectively, with construction estimated to start in February 2018 and February 2019, respectively. As of mid-September, 2017, the Developer had completed site improvements on all 66 lots within Phase 1A. Three models homes were complete and open for sales. The Developer has commenced construction on 56 production homes of which 19 have been completed and have closed escrow, 33 homes are sold and in escrow and 4 homes are unsold and available. As of October 16, 2017, the greater Elverta Park subdivision had sold 53 homes and closed on 21 homes.

Sacramento County prepared and approved an Environmental Impact Report (EIR) for a previous and undeveloped tentative plan on the property in question in January 2008. The County approved an Amended EIR for the Developer's revised tentative map on September 24, 2015. Additionally, Wallace-Kuhl prepared a Phase 1 Environmental Site Assessment on May 16, 2014, which was subsequently updated on February 1, 2016, and Tetra-Tech prepared a Phase 2 Screening Report on August 22, 2014. According to developer no additional environmental studies or assessments remain to be completed on the property.

The costs authorized to be financed with proceeds of the Bonds include the funding of $646,756.44 in impact fees. Sacramento County's assessed value of the parcels within AD No. 17-02 is $1,193,529, and the appraised value of the property as of October 26, 2017 is $4,160,000.

While the information in this Official Statement reflects Silverado 225's current development expectations, no assurances can be given that home construction and conveyance to individual homebuyers will be carried out on the schedule or according to the plans described in this Official Statement.

Adjacent/Surrounding Properties. The property is adjacent to Antelope Greens Golf Course and vacant land to the north, rural residential development to the south, retail and single-family residential development to the east and rural residential development, Cherry Island Golf Course and Sports Complex, as well as vacant land to the west.

Developer Information. The developer is Silverado 225, LLC, a California limited liability company managed by Silverado Homes Inc. Silverado Homes Inc. is headquartered in Roseville, CA; its predecessor companies were founded in 1987. The corporation develops, constructs and sells homes in Northern California under the name of Silverado Homes. In the last five years, Silverado 225 has undertaken the following projects: 289 senior homes within Silverado Village in Roseville, CA; 112 senior homes within Silverado Village, Placerville, CA; and 39 senior independent living rental units known as the Placerville Cottages in Placerville, CA. The developer has also processed entitlements and obtained a tentative map for 235 lots known as Hidden Hills in Lincoln, CA and 205 lots known as Ogden Ranch in Sacramento, CA. Silverado Homes Inc.'s predecessor companies have developed, built and sold over 5,000 homes over the past 30 years in Northern California.

Financing Plan. The Owners acquired the Elverta Park property on May 19, 2016 for a purchase price of approximately $6.35 million. As of June 30, 2017, Silverado had expended approximately $6.35 million in land acquisition, approximately $5.7 million in various site development costs, and approximately $5.8 million in home construction costs related to its Elverta Park property. The Owners have financed land acquisition and various site development and home construction costs related to its Elverta Park property within the Series 2017C with debt and equity both internal and external to the company. Silverado 225 and it investment partner, Strand Financial, have provided the equity for the project and Farmers & Merchants Bank has provided the site improvement and home construction financing for the project. Silverado expects to use the same financing sources to complete its development of the Elverta Park project within the Series 2017C and additional assessment districts expected to be formed in 2018.

County Information. Elverta Park is located in Antelope, an unincorporated community located in northern Sacramento County. Antelope encompasses the entirety of postal zip code 95843, totaling approximately 3,900 acres. The Antelope area benefits from its proximity to job centers in nearby Roseville and at the McClellan Air and Business Park (Formerly McClellan Air Force Base). The Elverta Park location in Antelope is approximately 10 miles from Sacramento International Airport. Antelope and Sacramento County lie in the north-central part of California, approximately 250 miles south of the Oregon border, 100 miles northeast of San Francisco, and 80 miles west of Lake Tahoe. According to the California State Department of Finance, Sacramento County had a population of 1,514,770 as of January 1, 2017.

Calistoga (City of Sacramento, County of Sacramento; 4.82% of the Local Obligations). The Series 2017C Districts will include the Calistoga subdivision ("**Calistoga**"), a single-family residential development located along the east line of Bruceville Road, north of Sheldon Road, within the city of Sacramento, Sacramento County. The project consists of 35 single-family residential lots on approximately 4.68± acres, with lots ranging in size from 3,200 to 6,828 square feet and a typical lot size of approximately 3,825 square feet. The property is owned by Calistoga Bruceville LLC ("**Calistoga Bruceville**"). The 35 residential lots represent Assessment District No. 17-03, City of Sacramento, County of Sacramento.

A tentative map was approved November 10, 2015 and improvement plans were approved in the summer of 2017. The final subdivision map was approved on July 26, 2017; however, individual Assessor's parcel numbers have yet to be assigned. The City of Sacramento is requiring an additional development agreement for the Calistoga subdivision. The project is zoned R1A – Single-unit or Duplex Dwelling Zone. Site Development for the project began in May of 2017 and has an estimated completion date in December 2017. The project consists of 35 single-family homes, each having one of four proposed floor plans. A model home and seven production homes are under construction and the model is expected to open in December. The developer has pulled eight building permits and plans to obtain additional permits before the end of the year. Subdivision development plans includes a pocket park and an urban garden on site.

Youngdahl Consulting prepared a Phase I site assessment in July of 2014. The site received a negative declaration approved by the City of Sacramento prior to the developer taking over ownership. According to developer no additional environmental studies or assessments remain to be completed on the property or the development.

The costs authorized to be financed with proceeds of the Bonds include the funding of $447,187 in impact fees. Sacramento County's assessed value of the parcels within AD No. 17-03 is $832,505, and the appraised value of the property as of October 26, 2017 is $3,185,000.

While the information in this Official Statement reflects Calistoga Bruceville's current development expectations, no assurances can be given that home construction and conveyance to individual homebuyers will be carried out on the schedule or according to the plans described in this Official Statement.

Adjacent/Surrounding Properties. The property is adjacent to suburban single-family residential development to the north and east, suburban single-family residential and retail development to the south, and suburban single-family residential and retail development and a vacant land parcel to the west.

Developer Information. The project is owned by Calistoga Bruceville LLC, a California limited liability company. The manager and developer of Calistoga is Next Generation Capital, the sole owner and Calistoga Bruceville LLC. Its principals have developed and constructed over 2,100 homes and 3,500 lots over four geographic regions with revenue exceeding $800 Million. Next Generation Capital has a 27 unit project nearby in West Sacramento nearing completion, a 31 unit project in Sacramento anticipated to break ground next year, a 21 unit project in Sacramento anticipated to break ground next year, a 22 unit project in West Sacramento anticipated to break ground next year, a 15 unit project in West Sacramento anticipated to break ground in the next 12 to 18 months, and several other projects in varying stages of development.

Financing Plan. Next Generation Capital purchased the property for $820,000 July 25th, 2014. Next Generation Capital assigned its interest to a single purpose entity, Calistoga Bruceville LLC, prior to obtaining a land loan on May 2, 2016. Next Generation Capital was the sole owner of Calistoga Bruceville LLC at the time of the transfer. Calistoga Bruceville LLC brought on Covet Capital as an equity investor for the project in April 2017. Next Generation Capital and its managers remain in control as managers and continue to have majority profit interest in the Calistoga project. Calistoga Bruceville LLC is funding the development work with cash; there are no outstanding development loans associated with the project. An existing land loan of $694,285 is due on February 1, 2018 to Genesis Capital, with extensions available. Home construction is being financed by loans totaling $1,954,189 have been provided by Genesis Capital. As of, November 20, 2017, Genesis Capital has confirmed that the developer is in good standing on all loans. As of the date of inspection for appraisal, the developer had expended approximately $729,004 in construction costs related to the Calistoga project within the Series 2017C Districts.

Calistoga Bruceville estimates that it will require an additional $1,168,479 to complete site development for the Calistoga project within the Series 2017C Districts.

City Information. Calistoga is located in the City of Sacramento. The City of Sacramento, the capital city of the State of California and the county seat of Sacramento County, is a charter city incorporated in 1850. The City of Sacramento is located along the confluence of the Sacramento River and the American River, approximately 88 miles east of San Francisco and 103 miles southwest of Lake Tahoe. According to the California State Department of Finance, the City of Sacramento had a population of 493,025 as of January 1, 2017.

Silva Estates (City of Manteca, County of San Joaquin; 6.45% of the Local Obligations). The Series 2017C Districts will include Silva Estates subdivision ("**Silva Estates**"), alternatively known as "Ruby Meadows II", a single-family residential development located along the east line of Union Road, South of E. Woodward Avenue, within the City of Manteca, County of San Joaquin, California. The project is mapped to include 40 detached single-family residential lots on approximately 9.86± acres, with an average lot size of 7,435 square feet. The project will feature six single-family floorplans ranging between 2,347 and 3,743 square feet. The property owner is Meritage Homes of California, Inc. The 40 lots represent Assessment District No. 17-04, City of Manteca, County of San Joaquin.

A tentative map for the property was approved on December 16, 2016. The final map is in process for approval by the City of Manteca and is set for City Council on December 19, 2017. The project is zoned R-1 for one-family dwelling development. As of November 15, 2017, site development including site clearing and grading had completion. Currently underground utilities are being installed. Meritage anticipates site completion in May 3, 2018.

Engeo Inc. completed a Phase I Environmental Site Assessment for the property on April 22, 2017. The report found satisfactory conditions and no additional investigation or efforts are needed. The project performed a preconstruction bird survey and complied with count Habitat Conservation Program requirements.

The costs authorized to be financed with proceeds of the Bonds include the funding of approximately $600,000 in public improvements. The County of San Joaquin's assessed value of the parcels within Silva Estates is $255,148, and the appraised value of the property as of October 20, 2017 is $3,200,000.

While the information in this Official Statement reflects Meritage's current development expectations, no assurances can be given that home construction and conveyance to individual homebuyers will be carried out on the schedule or according to the plans described in this Official Statement.

Adjacent/Surrounding Properties. The property is adjacent to single-family residential development to the east, south and west. Existing commercial and single-family residences are located northerly of the property beyond Westwood Avenue. Two large lot residences are located immediately north of the property with existing single family residences.

Developer Information. The developer is Meritage Homes of California, Inc., a California Corporation. For more information about Meritage, please see "Sellers Avenue – *Developer Information*" above.

Financing Plan. Meritage purchased the property for $1,280,000 on September 15, 2017 from a private individual. As of October 20, 2017, Meritage has expended approximately $254,500 ($6,362 per lot) in site development costs related to the Silva Estates project within the Series 2017C Districts. Meritage estimates that it will require an additional $47,023 per lot to complete site development for the Silva Estates project within the Series 2017C Districts. The project will be completely funded by Meritage Homes, Corp, without any outside financing. The project has been fully budgeted and funds have been allocated for development with prior corporate approval.

City Information. Silva Estates is located in the City of Manteca. Incorporated in 1918, the City of Manteca is located 76 miles due east of the San Francisco and 320 miles north of the Los Angeles in the San Joaquin Valley. It is midway between Stockton and Modesto on State Highway 99. The City of Manteca limits cover approximately 17.5 square miles of level terrain is surrounded by rich agricultural lands. Although industries based on agriculture are very important to the City of Manteca's economy, it has a diverse employment base. According to the California Department of Finance, the City of Manteca had a population of 76,247 as of January 1, 2017.

Kawana Meadows (City of Santa Rosa, County of Sonoma; 38.25% of the Local Obligations). The Series 2017C Districts will include a portion of the Kawana Meadows Subdivision ("**Kawana Meadows**"), a single-family residential development located east of Petaluma Hill Road and south of Kawana Springs Road, within the City of Santa Rosa, Sonoma County, California. The development consists of 161 new residences, comprised of 93 townhomes on 6 multi-family residential parcels and 68 single-family homes. The project is approximately 32.25± total acres in size and represent Assessment District 16-02, City of Santa Rosa, County of Sonoma. The property is owned by Kawana Meadows Development LLC ("**KM Development**").

Kawana Meadows consists of two product lines: multi-family residences called "The Residences at Taylor Mountain" and larger lots composed of single-family residences called "Taylor Mountain Estates." The single-family lots range from 5,663 square feet to 156,816 square feet with an average size of approximately 16,988 square feet. The multi-family parcels range from 0.34 to 2.31 acres (14,810 to 100,624 square feet), encompassing a total land area of 5.08 acres. The multi-family parcels are proposed to contain 74 for-sale units and 19 for-rent below market rate units.

The Kawana Meadows property was not damaged by the wildfires in Sonoma County during the fall of 2017. However, the project schedule was delayed by one week as a result of the fires. For more information about wildfires in Northern California during the fall of 2017, see "BONDOWNERS' RISKS–Natural Disasters and Potential Drought Conditions" in the Official Statement.

The project has a final map for 68 single-family lots and 6 multi-family residential parcels. The project is zoned as a planned development with land use designations of Low, Med-Low and Medium Density Residential in accordance with Santa Rosa General Plan 2035. KM Development is currently grading multifamily lots 1 through 3 and estimates completion of all undergrounding and joint trench work on the multifamily parcels by then end of 2017. The developer intends to have 30 condominium units on the market by early summer 2018. As of the date of appraisal inspection, approximately $4.5 million of an estimated $9 million in on-site improvement costs have been incurred, plus the $3.2 million acquisition cost. Off-site improvements are in place and include asphalt-paved roads along Petaluma Hill Road. Most public utilities and services are available to the property, including water, sewage disposal, refuse, electricity, gas, and telephone. All necessary environmental studies were completed by the prior owner prior to the recording of the final map. The property includes a designated midden area in 4 lots that requires excavation by an approved archeologist prior to grading; approximately $3 million of the $9 million in estimated on-site costs are associated with the cost to remedy the wetlands on the subject property.

The costs authorized to be financed with proceeds of the Bonds include the funding of $4,895,866.25 in public improvements. The assessed land value of the parcels within Kawana Meadows totals $3,178,156 and the appraised value of the property as of October 26, 2017 is $14,530,000.

While the information in this Official Statement reflects KM Development's current development expectations, no assurances can be given that home construction and conveyance to individual homebuyers will be carried out on the schedule or according to the plans described in this Official Statement.

Adjacent/Surrounding Properties. The property is adjacent to single-family residential development and vacant land to the north, a dairy farm and vacant land to the south, the Taylor Mountain Regional Park and Open Space Preserve to the east, and light industrial and single-family residential development, as well as some vacant land to the west.

Developer Information. The developer, owner and manager of the project is Kawana Meadows Development LLC, a California corporation. KM Development is not a publicly traded company. KM Development has retained the services of Contractor Manager, Inc. ("**CMI**") and its Chief Executive Officer, Will Oswald, to manage the project. Mr. Oswald founded CMI in 2007 as a construction management company. Mr. Oswald has approximately 25 years of experience in the construction industry and has successfully managed dozens of construction companies in the Bay Area as a construction company business manager.

Financing Plan. KM Development purchased the property for $3,200,000 from a private individual on June 5, 2015. As of December, 2017, KM Development has expended approximately $7,700,000 in land acquisition and various site development and home construction costs related to the Kawana Meadows project within the Series 2017C Districts. KM Development estimates that it will require an additional $4,500,000 to complete the Kawana Meadows project within the Series 2017C Districts. KM Development has a mezzanine loan with Bay Area Investment Fund II, LLC in the amount of $12,500,000. Bay Area Investment Fund II, LLC stated that KM Development was in good standing as of November 20, 2017.

City Information. Kawana Meadows is located in the City of Santa Rosa. The City of Santa Rosa is a charter city incorporated in 1868 and is the county seat of Sonoma County, California. The City of Santa Rosa is located 55 miles north of San Francisco and occupies approximately 41 square miles. According to the California State Department of Finance, the City of Santa Rosa had a population of 176,799 as of January 1, 2017.

Paseo Vista (County of Sonoma; 19.10% of the Local Obligations). The Series 2017C Districts will include Paseo Vista ("**Paseo Vista**"), a single-family residential development located east of Dutton Avenue, north of Hearn Avenue, within the City of Santa Rosa, County of Sonoma. The project consists of 117 single-family residential lots and 15 triplex lots on approximately 12.55± acres. Single-family lots range in size from 1,472 to 3,010 square feet with an average lot size of approximately 1,905 square feet. Triplex lots range in size from 2,469 to 3,947 square feet with an average lot size of approximately 3,112 square feet. The property is owned by Paseo Vista, Inc. ("**Paseo Vista, Inc.**"). The 162 total residential units represent Assessment District No. 16-03, County of Sonoma. The Paseo Vista property within Assessment District No. 16-03 was located in an unincorporated area of the County of Sonoma until November 1, 2017, at which time it was annexed into the City of Santa Rosa.

The Paseo Vista property was not damaged or affected by the wildfires in Sonoma County during the fall of 2017, nor does the developer anticipate any change to the development schedule as a result of the fires. For more information about wildfires in Northern California during the fall of 2017, see "BONDOWNERS' RISKS –Natural Disasters and Potential Drought Conditions" in the Official Statement.

Development of the Paseo Vista lots described herein will be completed in three phases. A grading permit has been issued for phase 1 of development, with grading permits expected for phases 2 and 3 in mid-August. A tentative subdivision map was approved in February 2012 and a final subdivision map was approved on August 15, 2017. The project has a General Plan Land Use Designation UR 10 and is zoned R2 (Medium Density Residential District), with a maximum density of 10 dwelling units per acre. Site development for the phase 1 of the property commenced in 2015, and is targeted for completion by the end of 2017. Site development for phase 2 and phase 3 of the property will commence after phase 1 completion. As of October 26, 2017, the date of inspection for the appraisal, off-site improvements are in place and include an asphalt-paved road along Dutton Avenue. Public utilities, including electricity, natural gas, sewer, public water and telephone are available to the property and will be extended to each of the proposed lots. Currently, three model home exist on the property and in-tract improvement work has commenced, including grading for the entire site and building pads and wet utilities for phase 1. Bond proceeds are expected to finance the remaining site development costs.

On May 6, 2016, Edd Clark & Associates, Inc. provided a Revised Soil and groundwater Management Plan for the development which included a summary of environmental studies for the property. In the report, the consultant opined that, based on the most recent groundwater sample analytical results, no future groundwater sampling or monitoring appeared to be warranted on the site. Tests for a variety of soil contaminants demonstrated that the concentrations of such contaminants were below regulatory agency levels of concern. A geophysical survey was conducted by NORCAL Geophysical Consultants, Inc. on the property in 2006. According to the developer, no additional environmental studies or assessments remain to be completed on the property or the development.

The costs authorized to be financed with proceeds of the Bonds include the funding of $3,443,546 in public improvements. Sonoma County's assessed value of the parcels within AD No. 16-03 is $1,946,756, and the appraised value of the property as of October 26, 2017 is $16,580,000.

While the information in this Official Statement reflects Paseo Vista, Inc.'s current development expectations, no assurances can be given that home construction and conveyance to individual homebuyers will be carried out on the schedule or according to the plans described in this Official Statement.

Adjacent/Surrounding Properties. The property is adjacent to residential development to the north, south and west. The property is adjacent to additional residential development and rail track for the new Sonoma-Marin Area Rail Transit (SMART) system to the east.

Developer Information. The developer is Paseo Vista, Inc., a California corporation. The directors of the corporation are Allan Henderson and Michael Gasparini. Paseo Vista, Inc. has completed multiple development projects in the San Francisco Bay Area, including a six lot and a twelve lot subdivision in Santa Rosa, California and a 32 lot subdivision in Vacaville, California.

Financing Plan. Paseo Vista, Inc. purchased the property in the year 2000 for $1,500,000. The property is not currently being marketed for sale. Paseo Vista, Inc. has obtained construction financing of approximately $10,000,000 from Exchange Bank for an extendable 24-month term. As of November 20, 2017, Exchange Bank stated that the construction financing to Paseo Vista, Inc. had been approved but not yet recorded, and thus there had been no payments made on the loans. According to the developer, the subject property requires approximately $5,000,000 in on-site improvement costs. As of the date of inspection, Paseo Vista, Inc. has expended approximately $1,048,098 in site development costs related to the Paseo Vista project within the Series 2017C Districts. Paseo Vista, Inc. estimates that it will require an additional $4,000,000 to complete site development for the Paseo Vista project within the Series 2017C Districts.

City and County Information. Paseo Vista was annexed into the City of Santa Rosa on November 1, 2017. Prior to such date, Paseo Vista was part of an unincorporated area of Sonoma County. For more information on the City of Santa Rosa, see "Kawana Meadows – *City Information*" above. Sonoma County is a suburban-rural region located in the northern San Francisco Bay Area, known for its wine production, redwood groves and 62 miles of Pacific Ocean coastline. Sonoma County is located north of San Francisco and west of Napa County. Population growth within the county has increased at a moderate rate of 0.7% per year, on average, for the past five years. According to the California State Department of Finance, Sonoma County had a population of 505,120 as of January 1, 2017.

APPENDIX B

SUMMARY OF TRUST AGREEMENT

The following is a brief summary of certain provisions of the Trust Agreement, dated as of December 1, 2017, under which the Bonds are issued. Summaries of certain portions of this document, and certain definitions, are also contained in the main portion of this Official Statement. This summary does not purport to be comprehensive or definitive and is qualified in its entirety by reference to the full terms of the Trust Agreement. Capitalized terms not otherwise defined herein have the meanings specified in the Trust Agreement.

DEFINITIONS

"Accountant" shall mean an independent certified public accountant, or a firm of independent certified public accountants, selected by the Authority.

"Act" shall mean Article 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended and supplemented from time to time.

"Acquisition Agreement" shall mean each acquisition agreement between a Local Agency Participant or a Third-Party Participant and the applicable developer relating to the construction and acquisition of the public capital improvements financed with the proceeds of the Series 2017C Bonds.

"Annual Bond Debt Service" shall mean, for each Fiscal Year, the sum of (1) the interest falling due on all Outstanding Bonds in such Fiscal Year, assuming that all Principal Installments are paid as scheduled (except to the extent that such interest is to be paid from the proceeds of sale of any Bonds), and (2) the scheduled Principal Installments of the Outstanding Bonds, payable in such Fiscal Year.

"Annual Local Obligation Debt Service" shall mean, for each Fiscal Year, the sum of (1) the interest falling due on all Outstanding Local Obligations in such Fiscal Year, assuming that all Principal Installments are paid as scheduled (except to the extent that such interest is to be paid from the proceeds of sale of any Local Obligations), and (2) the scheduled Principal Installments of the Outstanding Local Obligations, payable in such Fiscal Year.

"Applicable County" means, with respect to any Assessed Parcel, the county in which such parcel is located.

"Appraisal" shall mean, with respect to Assessed Parcels (i) an opinion of value of an independent appraiser who is a Member of the Appraisal Institute ("MAI") and is credentialed by the State of California Office of Real Estate Appraisers or (ii) the assessed value (land and improvements) shown on the most recent equalized assessment roll of the Applicable County.

"Assessed Parcel" shall mean a parcel of property which is within any Series 2017C District and upon which is levied assessments or reassessments securing Local Obligations.

"Average Annual Bond Debt Service" shall mean the average Fiscal Year Annual Bond Debt Service over all Fiscal Years during which the Bonds are scheduled to remain Outstanding.

"Authority" shall mean the California Statewide Communities Development Authority, a joint exercise of powers agency established pursuant to a Joint Exercise of Powers Agreement, dated June 1, 1988 and the laws of the State, and its successors.

"Authorized Bond Denominations" shall mean five thousand dollars ($5,000) and any integral multiple thereof, but not exceeding the principal amount of Bonds maturing on any one date.

"Authorized Local Obligations Denominations" shall mean any amount, expressed in dollars and cents, but not exceeding the principal amount of Local Obligations maturing on any one date.

"Authorized Officer" means any member of the Commission of the Authority and any other person as may be designated and authorized to sign on behalf of the Authority pursuant to a resolution adopted thereby.

"Bond" or "Bonds" shall mean any Bond or all of the Bonds of the California Statewide Communities Development Authority, Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, authorized and issued by the Authority and authenticated by the Trustee and delivered under this Trust Agreement.

"Bond Counsel" shall mean Orrick, Herrington & Sutcliffe LLP or any other attorney-at-law, or a firm of such attorneys appointed by the Authority, of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on obligations issued by states and their political subdivisions.

"Bond Redemption Fund" shall mean the Fund by that name established under the Trust Agreement.

"Bond Register" shall mean the registration books specified as such in the Trust Agreement.

"Book-Entry Bonds" shall mean any Bonds designated as Book-Entry Bonds pursuant to the Trust Agreement and registered in the name of the Nominee pursuant to the Trust Agreement.

"Business Day" shall mean any day other than (i) a Saturday or Sunday or (ii) a day on which the Corporate Trust Office of the Trustee is closed.

"Cash Flow Certificate" shall mean a written certificate executed by a Cash Flow Consultant.

"Cash Flow Consultant" shall mean RBC Capital Markets, LLC or any other financial consultant or firm of such consultants generally recognized to be well qualified in the financial consulting field relating to municipal securities such as the Bonds, appointed and paid by the Authority and who, or each of whom:

(1) is in fact independent and not under the domination of the Authority;

(2) does not have any substantial interest, direct or indirect, with the Authority; and

(3) is not connected with the Authority as a member, officer or employee of the Authority, but who may be regularly retained to make annual or other reports to the Authority.

The Cash Flow Consultant shall not be deemed to have a "financial advisory relationship" with the Authority within the meaning of California Government Code Section 53590(c).

"Chair" shall mean the Chair of the Authority.

"Code" shall mean the Internal Revenue Code of 1986, and the regulations thereunder.

"Continuing Disclosure Agreement" shall mean that certain Continuing Disclosure Agreement, dated as of the date of delivery of the Bonds, by and between the Authority and the Trustee.

"Corporate Trust Office" shall mean the office of the Trustee, at which at any particular time corporate trust business shall be administered, or such other office as the Trustee shall designate.

"Costs of Issuance Fund" shall mean the fund by that name established pursuant to the Trust Agreement.

"Custody Agreement" shall mean that certain Custody Agreement between the Trustee, as custodian, and the Authority, dated as of May 1, 2015.

"Dated Date" shall mean the date of issuance of the Bonds.

"Depository" shall mean the securities depository acting as Depository pursuant to the Trust Agreement.

"DTC" shall mean The Depository Trust Company, New York, New York, and its successors and assigns.

"Event of Default" shall mean any event of default specified as such in the Trust Agreement.

"Expense Fund" shall mean the Fund by that name established pursuant to and administered in accordance with the Trust Agreement.

"Expenses" shall mean all costs of issuing the Bonds and the Local Obligations and all administrative costs of the Authority that are charged directly or apportioned to the administration of the Local Obligations and the Bonds, such as salaries and wages of employees, audits, overhead and taxes (if any), legal and financial consultant fees and expenses, amounts necessary to pay to the United States of America or otherwise to satisfy requirements of the Code in order to maintain the tax-exempt status of the Bonds, and compensation, reimbursement and indemnification of the Trustee, together with all other reasonable and necessary costs of the Authority or charges required to be paid by it to comply with the terms of any refunding escrow agreement, the Trust Agreement, or the Bonds or in connection with the acquisition of the Local Obligations.

"Fee and Acquisition Fund" means the Fund by that name established pursuant to and administered in accordance with the Trust Agreement.

"Fiscal Year" shall mean the fiscal year of the Authority, which as of the date of the Trust Agreement is the period commencing on July 1 in each calendar year and ending on June 30 in the following calendar year.

"Funds" shall mean, collectively, the Revenue Fund, the Interest Fund, the Principal Fund, the Bond Redemption Fund, the Reserve Fund, the Local Obligation Fund, the Expense Fund, the Costs of Issuance Fund, the Surplus Fund, the Rebate Fund, and the Fee and Acquisition Fund including all accounts therein.

"Government Obligations" shall mean and include any of the following securities:

1. Obligations of, or obligations guaranteed as to principal and interest by, the U.S. or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the U.S. These include, but are not limited to:

- U.S. Treasury obligations: All direct or fully guaranteed obligations
- Farmers Home Administration: Certificates of beneficial ownership
- General Services Administration: Participation certificates
- U.S. Maritime Administration: Guaranteed Title XI financing
- Small Business Administration: Guaranteed participation certificates and Guaranteed pool certificates
- Government National Mortgage Association (GNMA): GNMA-guaranteed mortgage-backed securities and GNMA-guaranteed participation certificates
- U.S. Department of Housing & Urban Development: Local authority bonds
- Washington Metropolitan Area Transit Authority: Guaranteed transit bonds
- State and Local Government Series
- Veterans Administration: Guaranteed REMIC Pass-through Certificates

2. Obligations of government-sponsored agencies that are not backed by the full faith and credit of the U.S. government:

- Federal Home Loan Mortgage Corp. (FHLMC): Debt obligations

- Farm Credit System (formerly: Federal Land Banks, Federal Intermediate Credit Banks, and Banks for Cooperatives): Consolidated systemwide bonds and notes

- Federal Home Loan Banks (FHL Banks): Consolidated debt obligations

- Federal National Mortgage Association (FNMA): Debt obligations

- Student Loan Marketing Association (FNMA): Debt obligations

- Financing Corp. (FICO): Debt obligations

- Resolution Funding Corp. (REFCORP): Debt obligations

- U.S. Agency for International Development (U.S. A.I.D.): Guaranteed notes; provided that such securities mature at least 4 business days prior to the date invested funds are required to be available under the Trust Agreement.

3. Stripped securities where the principal-only and interest-only strips of noncallable obligations are issued by the U.S. Treasury and REFCORP securities stripped by the Federal Reserve Bank of New York.

"Interest Fund" shall mean the Fund by that name established pursuant to and administered in accordance with the Trust Agreement.

"Interest Payment Date" shall mean March 2 and September 2 in each year, commencing on March 2, 2018.

"Investment Securities" shall mean and include any of the following securities, to the extent permitted by the laws of the State:

(i) Direct obligations (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America and obligations of the Government National Mortgage Association), or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

(ii) Bonds, debentures or notes or other evidence of indebtedness payable in cash issued by the United States Treasury which represents the full faith and credit of the United States of America or the following Federal agencies: Federal Home Loan Bank, Export Import Bank of the United States, Federal Financing Bank, Federal Farm Credit Bank, Farmer's Home Administration, Federal Housing Administration, Maritime Administration, Public Housing Corporation, Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(iii) Certificates of deposit issued by commercial banks, state banking corporations (including the Trustee or any of its affiliates), savings and loan associations and mutual savings banks and properly secured at all times by collateral security described in (i) or (ii) above and rated at least "A/A2" or better by S&P or Moody's.

(iv) The following investments fully insured by the Federal Deposit Insurance Corporation ("FDIC"): (a) certificates of deposit, (b) savings accounts, (c) deposit accounts, or (d) depository receipts of banks, state banking corporations (including the Trustee or any of its affiliates), savings and loan associations and mutual savings banks.

(v) Repurchase agreements or collateralized investment agreements with banks, state banking corporations, savings and loan associations, or any broker-dealer with “retail customers” which falls under the jurisdiction of the Securities Investors Protection Corporation (SIPC), provided that: (a) the collateralization is at least one hundred six percent (106%), valued monthly, with remaining terms and maturities less than or equal to one year, (b) the Trustee or a third party on behalf of the Trustee will have possession of such obligations, (c) the Trustee will have perfected a first priority security interest in such obligations, (d) such obligations are free and clear of claims of third parties, and (e) failure to maintain the requisite collateral percentage will require the Trustee to liquidate the collateral, and (f) eligible collateral will include: (I) direct obligations of the Department of the Treasury of the United States of America, (including obligations of the Government National Mortgage Association), and (II) bonds, debentures or notes or other evidence of indebtedness payable in cash issued by any one or a combination of any of the following federal agencies: the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(vi) Money market funds rated at least “A/A2” or better by S&P or Moody’s, or money market funds comprised of obligations described in clause (i) above (or repurchase agreements or interest rate swap agreements collateralized by such obligations) including funds for which the Trustee, its parent and affiliates provide investment advisory or other management services.

(vii) Investment agreements or contracts issued by entities whose long-term debt or claims paying ability of which are rated in one of the top two long-term rating categories by S&P or Moody’s in form acceptable to the Authority, provided that any such contract or agreement shall in any event provide that if the investment rating assigned to the long term unsecured debt obligations of the financial institution by S&P or Moody’s falls below “A” or “A2”, respectively, the Trustee shall require immediate repayment of all funds invested thereunder.

(viii) Tax-exempt obligations rated in either of the two highest rating categories by S&P or Moody’s, including money market funds comprised solely of such obligations.

(ix) The Local Agency Investment Fund (Sections 53600-53609 of the Government Code of the State of California), as now in effect or as may be amended or recodified from time to time; provided, that such investment is held in the name and to the credit of the Trustee; and provided further, that the Trustee may restrict such investment if required to keep monies available for the purposes of the Trust Agreement.

(x) Commercial paper rated in the highest short-term rating category, as provided by Moody’s Investors Service, Inc. and Standard & Poor’s Corporation; provided that the issuing corporation is organized and operating within the United States, has total assets in excess of $500 million and has an “A” or higher rating for its long-term debt, if any, as provided by Moody’s or Standard & Poor’s.

(xi) Forward Purchase Agreements - The Program Administrator may direct the Trustee to enter into Forward Purchase Agreements subject to the following requirements (a) The Program Administrator may provide letters of direction and representation to the Trustee and to the provider of each Forward Purchase Agreement; and (b) Each Forward Purchase Agreement shall only provide for the purchase by the Trustee of investments described under paragraphs i, ii and x of Investment Securities above, at the times and in the amounts deemed appropriate by the Program Administrator for the applicable bond reserve or debt service fund.

“Letter of Representations” shall mean the letter of the Authority and the Trustee delivered to and accepted by the Depository on or prior to the issuance of the Bonds setting forth the basis on which the Depository serves as depository for such Bonds as originally executed or as it may be supplemented or revised or replaced by a letter to a substitute depository.

"Lien Amount" means, with respect to any Assessed Parcel, the sum of (A) the aggregate principal amount of the Local Obligations attributable to such Assessed Parcel plus (B) the aggregate principal amount of bonds, notes or other evidences of indebtedness other than the Local Obligations then outstanding and payable from assessments or reassessments to be levied on such Assessed Parcel, plus (C) a portion of the aggregate principal amount of bonds, notes or other evidences of indebtedness issued under the Mello-Roos Community Facilities District Act of 1982 and payable at least partially from special taxes to be levied on the Assessed Parcel (except to the extent such special taxes are made expressly subordinate to the assessments securing Local Obligations) (the "Other Mello-Roos Bonds") equal to the aggregate principal amount of the Other Mello-Roos Bonds multiplied by a fraction, the numerator of which is the amount of special taxes levied for the Other Mello-Roos Bonds on the Assessed Parcel and the denominator of which is the total amount of special taxes levied for the Other Mello-Roos Bonds on all parcels of land securing the Other Mello-Roos Bonds (such fraction to be determined based upon the maximum special taxes which could be levied the year in which maximum annual debt service on the Other Mello-Roos Bonds occurs), based upon information from the most recent available fiscal year.

"Local Agency Account" means each subaccount for each Local Agency Participant within the Fee and Acquisition Fund established pursuant to the Trust Agreement. Each respective Local Agency Account is referred to in the Acquisition Agreements as the "Acquisition Fund."

"Local Agency Participant" means a City or County which has adopted a resolution joining the Program and which has approved an application for financing with respect to an Assessed Parcel.

"Local Obligation Fund" shall mean the fund by that name established pursuant to and administered in accordance with the Trust Agreement.

"Local Obligation Resolution" shall mean, with respect to each of the Local Obligations, the respective resolution adopted by the Authority, providing for the issuance of the Local Obligations upon the security of unpaid assessments in each of the Series 2017C Districts and all resolutions supplemental thereto.

"Local Obligation Revenue" shall mean all moneys collected and received by the Authority on account of unpaid assessments, or reassessments, or securing Local Obligations including amounts collected in the normal course via the Applicable County property tax roll and thereafter remitted to the Authority, Property Owner Prepayments, and amounts received by the Authority as a result of superior court foreclosure proceedings brought to enforce payment of delinquent installments, but excluding therefrom any amounts explicitly included therein on account of collection charges, administrative cost charges, or attorney's fees and costs paid as a result of foreclosure actions.

"Local Obligations" shall mean the Limited Obligation Improvement Bonds for each of the Series 2017C Districts issued under the Trust Agreement and under the Local Obligation Statute.

"Local Obligation Statute" shall mean the Improvement Bond Act of 1915, Division 10 of the Streets and Highways Code (being Section 8500 and following thereof) and the Refunding Act of 1984 for 1915 Improvement Act Bonds (Division 11.5 of the Streets and Highways Code), as applicable.

"Maximum Annual Bond Debt Service" shall mean the largest Annual Bond Debt Service during the period from the date of such determination through the final maturity date of any Outstanding Bonds.

"Moody's" means Moody's Investors Service, and its successors.

"Nominee" shall mean the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to the Trust Agreement.

"Officer's Certificate" shall mean a certificate signed by an Authorized Officer.

"Opinion of Bond Counsel" shall mean a legal opinion signed by Bond Counsel.

"Outstanding" shall mean, with respect to the Bonds or Local Obligations, as the case may be, and as of any date, the aggregate of Bonds or Local Obligations authorized, issued, authenticated and delivered under the Trust Agreement, except:

(a) Bonds or Local Obligations canceled or surrendered to the Trustee for cancellation;

(b) Bonds or Local Obligations deemed to have been paid; and

(c) Bonds or Local Obligations in lieu of or in substitution for which other Bonds or Local Obligations shall have been authenticated and delivered pursuant to the Trust Agreement.

"Owner" shall mean, as of any date, the Person or Persons in whose name or names a particular Bond shall be registered on the Bond Register as of such date.

"Participants" shall mean those broker-dealers, banks and other financial institutions from time to time for which the Depository holds the Bonds as securities depository.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof.

"Prepayment Account" shall mean the prepayment account established pursuant to the Trust Agreement.

"Principal Fund" shall mean the Fund by that name established pursuant to and administered in accordance with the Trust Agreement.

"Principal Installment" shall mean, depending on context: (1) the principal amount of Outstanding Bonds due on any Principal Payment Date, including any mandatory term Bond redemptions; (2) the principal amount of Outstanding Local Obligations due on any Principal Payment Date, including any mandatory term bond redemptions; or (3) the principal portion of the annual assessment installments to be collected on the secured property tax bills of the Assessed Parcels.

"Principal Payment Date" shall mean September 2 of each year commencing September 2, 2018, and ending on the last date on which any Bonds are scheduled to mature.

"Program" shall mean the Statewide Community Infrastructure Program ("SCIP") established by the Authority and operated in accordance with the SCIP Manual.

"Program Administrator" shall mean BLX Group LLC, together with its successors and assigns.

"Property Owner Prepayments" shall mean that portion of Revenues which are initially paid to the Authority by or on behalf of a property owner to accomplish pay-off and discharge of a lien securing the Local Obligations (except the portion, if any, of such Revenues which represents accrued interest on the Local Obligations) and which are thereafter transmitted by the Authority to the Trustee, as assignee of the Authority with respect to the Local Obligations, for deposit in the Bond Redemption Fund for application in accordance with the Trust Agreement. Property Owner Prepayments do not include payments from the proceeds of any refunding bonds issued by or on behalf of the Authority.

"Proportionate Share" means a fraction, the numerator of which is the total principal and interest paid on Outstanding Local Obligations with respect to a Series 2017C District and the denominator of which is the total amount of principal and interest due to the date of calculation on Outstanding Local Obligations.

"Rebate Fund" shall mean the Fund by that name established pursuant to and administered in accordance with the Trust Agreement.

"Rebate Instructions" shall mean those calculations and directions required to be delivered to the Trustee by the Authority pursuant to the Tax Certificate.

"Rebate Requirement" shall mean the Rebate Requirement defined in the Tax Certificate.

"Record Date" shall mean the fifteenth (15th) day of the month preceding any Interest Payment Date, whether or not such day is a Business Day.

"Requisition of the Authority" shall mean a requisition of the Authority delivered to the Trustee pursuant to the Trust Agreement.

"Reserve Fund" shall mean the California Statewide Communities Development Authority Statewide Community Infrastructure Program Pooled Reserve Fund held by the Trustee, as Custodian, established pursuant to the Custody Agreement and the Trust Agreement.

"Reserve Requirement" shall mean, as of any date of calculation, Maximum Annual Bond Debt Service on all then Outstanding Bonds; provided, that as of the date of issuance of the Bonds, the amount required to be deposited in the Series 2017C Reserve Account shall not exceed the lesser of (i) Maximum Annual Bond Debt Service on the Bonds, (ii) 125% of Average Annual Debt Service, or (iii) 10% of the amount (within the meaning of Section 148 of the Code) of the Bonds. The Reserve Requirement with respect to the Bonds as of their date of issuance shall be $697,000.

"Revenue Fund" shall mean the Fund by that name established pursuant to and administered in accordance with the Trust Agreement.

"Revenues" shall mean Local Obligation Revenues and all other amounts received by the Trustee as the payment of interest or premiums on, or the equivalent thereof, and the payment or return of principal of, or the equivalent thereof, all Local Obligations, whether as a result of scheduled payments or Property Owner Prepayments or remedial proceedings taken in the event of a default thereon, and all investment earnings on any moneys held in the Funds or accounts established under the Trust Agreement, except the Rebate Fund.

"S&P" shall mean S&P Global Ratings and its successors.

"SCIP Manual" means the Manual of Procedures for the Program adopted by the Authority, as amended from time to time.

"Secretary" shall mean the Secretary of the Authority, or the deputy thereof.

"Series" shall mean, when used with reference to the Bonds, all of the Bonds authenticated and delivered on original issuance and identified pursuant to the Trust Agreement and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Trust Agreement.

"Series 2017C Districts" shall have the meaning ascribed thereto in the Trust Agreement.

"Series 2017C Reserve Account" shall mean the SCIP 2017C Reserve Account, established pursuant to the Custody Agreement and Section 5.07.

"Special Record Date" shall mean the date established by the Trustee pursuant to the Trust Agreement as a record date for the payment of defaulted interest on the Bonds.

"State" shall mean the State of California.

"Supplemental Trust Agreement" shall mean any trust agreement supplemental to or amendatory of the Trust Agreement which is duly executed and delivered in accordance with the provisions of the Trust Agreement.

"Surplus Fund" shall mean the Fund by that name established pursuant to and administered in accordance with the Trust Agreement.

"Tax Certificate" shall mean that certificate, relating to various federal tax requirements, including the requirements of Section 148 of the Code, signed by the Authority and dated the date the Bonds are issued, as the same may be amended or supplemented in accordance with its terms.

"Third-Party Participant" means a district, authority or other governmental entity, other than a City or County that levies impact fees within the jurisdiction of a Local Agency Participant and has approved the financing of such fees through SCIP.

"Treasurer" shall mean the Treasurer of the Authority.

"Trust Agreement" shall mean the Trust Agreement dated as of December 1, 2017, by and between the Authority and the Trustee, pursuant to which the Bonds are to be issued, as amended or supplemented from time to time in accordance with its terms.

"Trust Estate" shall mean all of the funds, revenues and assets described under "REVENUES AND FUNDS FOR BONDS – Establishment of Funds; Pledge of Revenues and Local Obligations."

"Trustee" shall mean Wilmington Trust, National Association, a national banking association, duly organized and existing under the laws of the United States, in its capacity as trustee under the Trust Agreement, and any successor as trustee under the Trust Agreement.

"Written Order" shall mean a written direction of the Authority to the Trustee signed by an Authorized Officer when used with reference to the Authority.

REVENUES AND FUNDS FOR BONDS

Establishment of Funds; Pledge of Revenues and Local Obligations. The Trustee agrees under the Trust Agreement to maintain, the following trust funds for the Bonds, which the Trustee shall keep separate and apart from all other funds and moneys held by it: the Revenue Fund, the Interest Fund, the Principal Fund, the Bond Redemption Fund, the Expense Fund, the Costs of Issuance Fund, the Local Obligation Fund, the Surplus Fund, the Rebate Fund, and the Fee and Acquisition Fund. All of the Revenues and the Local Obligations are pledged as security for the payment of the principal of and interest and redemption premiums, if any, on the Bonds.

Local Obligation Fund. All Local Obligations registered in the name of the Trustee shall be deposited into the Local Obligation Fund, which the Trustee is directed to establish and maintain.

Revenue Fund. All Revenues, other than Revenues derived from Property Owner Prepayments (which shall be identified in writing to the Trustee by the Authority and deposited in the Bond Redemption Fund), received by the Trustee shall be deposited by the Trustee into the Revenue Fund. On each Interest Payment Date and Principal Payment Date on the Bonds, the Trustee shall transfer Revenues from the Revenue Fund for deposit into the respective funds as set forth in the Trust Agreement, the requirements of each fund to be fully satisfied, leaving no deficiencies therein, prior to any deposit into any fund later in priority.

Interest Fund. The Trustee shall deposit in the Interest Fund on each Interest Payment Date from the Revenue Fund an amount of Revenues which together with any amounts then on deposit in said Interest Fund is equal to the interest on the Bonds due on such date. On each Interest Payment Date, the Trustee shall pay the interest due and payable on the Bonds on such date from the Interest Fund. All amounts in the Interest Fund shall be used and withdrawn by the Trustee solely for the purpose of paying interest on Bonds as it shall become due and payable.

Principal Fund. Having first satisfied the requirements of the Trust Agreement respecting deposits in the Interest Fund, the Trustee shall next deposit in the Principal Fund on each Principal Payment Date from the Revenue Fund an amount of Revenues which, together with any amounts then on deposit in the Principal Fund (other than amounts previously deposited on account of any Bonds which have matured but which have not been presented for payment), is sufficient to pay the Principal Installments on the Bonds when due on such Principal Payment Date. The Trustee shall pay the Principal Installments when due upon presentation and surrender of the subject Bonds.

Reserve Fund. The Trustee, as Custodian, has previously created, separate and apart from the Trust Agreement, an account known as the "California Statewide Communities Development Authority Statewide Community Infrastructure Program Pooled Reserve Fund" (the "Reserve Fund"), which shall be a trust fund for the payment of the Bonds and any other SCIP revenue bonds designated by the Authority to be so secured in a related trust agreement or indenture, subject to the provisions of the Trust Agreement (the "SCIP Bonds"). Within the Reserve Fund, the Custodian will establish a separate account therein which shall be known as the "SCIP 2017C Reserve Account". The Authority expressly designates the Bonds to be SCIP Bonds under the Trust Agreement.

The Custodian shall deposit in the SCIP 2017C Reserve Account the amounts required by the Trust Agreement. Except as provided in the paragraphs below, all moneys in the Reserve Fund shall be used and withdrawn by the Custodian and transferred to the Trustee solely for the purpose of paying the interest on or the principal or the redemption premiums, if any, of, the Bonds or any other SCIP Bonds; but solely in the event that insufficient moneys are available in the Interest Fund, the Principal Fund, or the Bond Redemption Fund for such purpose. If moneys in the Interest Fund, the Principal Fund, or the Bond Redemption Fund (as applicable) and the SCIP 2017C Reserve Account are insufficient to pay the interest on or the principal or the redemption premiums, if any, of, the Bonds, the Trustee shall request from the Custodian and the Custodian shall transfer to the Trustee an amount from all other reserve accounts within the Reserve Fund, pro rata, the amount sufficient to make such payment.

In the event of a redemption of Local Obligations resulting from a Property Owner Prepayment, the Trustee shall request from the Custodian and transfer to the Bond Redemption Fund from the SCIP 2017C Reserve Account an amount equal to the proportionate share of the Reserve Fund allocable to such prepayment, as specified in an Officer's Certificate. The Trustee shall notify the Authority of such amounts to be transferred.

If on any date of calculation the amounts in the SCIP 2017C Reserve Account are sufficient to pay in full all remaining installments of principal and interest on the Bonds as they become due and payable, all such amounts shall be applied as a credit against the Property Owner assessments for remaining payments due on the Local Obligations, and shall be applied to the payment of the interest on or the principal of the Local Obligations and the corresponding Bonds. The Reserve Requirement shall be reduced in an amount equal to the amount used to pay debt service on the Local Obligations and corresponding Bonds.

Except in the event the amount on deposit in the SCIP 2017C Reserve Account is equal to the Reserve Requirement, in which case a Proportionate Share of such excess amount on deposit in said SCIP 2017C Reserve Account shall be transferred to each Local Obligation Redemption Fund, the Trustee shall retain in the SCIP 2017C Reserve Account all earnings on amounts on deposit in the Reserve Fund which amounts shall be applied as provided above.

Notwithstanding any other provision of the Trust Agreement, the failure to maintain an amount in the SCIP 2017C Reserve Account equal to the Reserve Requirement shall not be an Event of Default.

Having first satisfied the requirements of the Trust Agreement respecting deposits in the Interest Fund and the Principal Fund, respectively, on each Principal Payment Date, the Trustee shall next transfer to the Custodian for deposit (i) in each reserve account of the Reserve Fund other than the SCIP 2017C Reserve Account, pro rata, an amount sufficient to replenish any draw made thereunder pursuant to Section 5.07(b) and then (ii) in the SCIP 2017C Reserve Account an amount of Revenues which, together with any other amounts on deposit in the SCIP 2017C Reserve Account, equal the Reserve Requirement.

A series of revenue bonds may be designated "SCIP Bonds" and may be payable from the pooled Reserve Fund in accordance with this section upon satisfaction of the following:

(i) The trust agreement or indenture for such SCIP Bonds shall contain the same provisions for application of the Reserve Fund as are set forth in the Trust Agreement; and

(ii) The Authority shall establish a reserve account within the Reserve Fund for the new series of SCIP Bonds in an amount equal to maximum annual debt service on such series of SCIP Bonds; provided, that as of the date of issuance of the SCIP Bonds, the amount required to be deposited in the related reserve account is not required to exceed the lesser of (a) maximum annual debt service on the SCIP Bonds to be so designated, (b) 125% of average annual debt service on the SCIP Bonds to be so designated, or (c) 10% of the amount (within the meaning of Section 148 of the Code) of the SCIP Bonds to be so designated; and

(iii) No series of local obligations being acquired by and constituting the trust estate for the SCIP Bonds to be designated shall exceed the greater of (a) $10,000,000 and (b) 10% of the total outstanding principal amount of all SCIP Bonds to be payable from the Reserve Fund after the issuance of the new series of SCIP Bonds to be designated.

Expense Fund. All amounts received from the collection of unpaid assessments that are allocable to administrative expenses and not retained by the Authority shall upon receipt be immediately transferred by the Trustee and deposited into the Expense Fund and applied in accordance with the Trust Agreement.

Having first satisfied the requirements of the Trust Agreement respecting deposits in the Interest Fund, the Principal Fund and the Reserve Fund, respectively, the Trustee shall next deposit in the Expense Fund from Revenues an amount specified in a Written Order. The Authority shall deliver to the Trustee within thirty (30) days after the beginning of each Fiscal Year a Written Order specifying the amount of Expenses it anticipates will be required to be paid in such Fiscal Year. The Authority may amend such Written Order at any time during the Fiscal Year by filing a new Written Order with the Trustee which shall supersede all previously filed Written Orders with respect to Expenses. Amounts in the Expense Fund shall be applied by the Trustee to the payment of Expenses upon receipt of a Requisition of the Authority stating the Person to whom payment is to be made, the amount and purpose of the payment and that (i) such payment is a proper charge against the Expense Fund, and (ii) such payment has not been previously paid from the Expense Fund. Any amounts remaining in the Expense Fund on the last day of each Fiscal Year shall be retained in the Expense Fund unless the Authority delivers a Written Order to the Trustee requesting that such amounts be transferred to the Authority. Any amounts so transferred shall be subject to the provisions of the Trust Agreement respecting the Bond Redemption Fund.

Surplus Fund. Having first satisfied the requirements of the Trust Agreement respecting deposits in the Interest Fund, Principal Fund, Reserve Fund and Expense Fund, respectively, the Trustee shall deposit the remaining amount in the Surplus Fund. On July 1 in each year, the Trustee shall first transfer to the Custodian for deposit in the Reserve Fund the amount necessary to (i) replenish, pro rata, any draws on other reserve accounts within the Reserve Fund and (ii) bring the amount in the Series 2017C Reserve Account to the Reserve Requirement, and thereafter, transfer a Proportionate Share for such fiscal year of any remaining Revenues to each Local Obligation Redemption Fund as a credit against unpaid assessments for the following fiscal year; provided that if there are insufficient moneys in any Local Obligation Redemption Fund to pay debt service on the related Local Obligations on the following Interest Payment Date, such amounts shall not be applied as a credit against unpaid assessments but shall instead be applied make up the expected shortfall on the Local Obligation debt service payment.

Bond Redemption Fund. All moneys held in or transferred to the Bond Redemption Fund as a result of property owner prepayments (including any amounts transferred from the Reserve Fund in connection therewith) shall be used for the purpose of redeeming or purchasing all or a portion of the Outstanding Bonds.

The Trustee shall use amounts in the Bond Redemption Fund for the payment of the redemption price of Bonds called for redemption or the purchase price of Bonds purchased in lieu of redemption, together with accrued interest to the redemption or purchase date.

Rebate Fund. The Trustee agrees under the Trust Agreement to establish and maintain a fund separate from any other fund established and maintained thereunder designated the Rebate Fund. The Trustee shall deposit in the Rebate Fund, from funds made available by the Authority, the Rebate Requirement, all in accordance with Rebate Instructions received from the Authority. The Trustee will apply moneys held in the Rebate Fund as provided in the

Trust Agreement and according to instructions provided by the Authority. Moneys held in the Rebate Fund are pledged to secure payment to the United States of America of the Authority's rebate liability, if any, with respect to the Bonds. The Authority and the Owners will have no rights in or claim to such moneys. The Trustee will invest all amounts held in the Rebate Fund in Investment Securities as directed in writing by the Authority and all investment earnings with respect thereto shall be deposited in the Rebate Fund.

Revenues Derived from Property Owner Prepayments. The Local Obligation Statute requires that amounts received by the Authority on account of Property Owner Prepayments be utilized, in accordance with the Local Obligation Statute, for the sole purpose of prior redemption of Local Obligations and not to pay current, scheduled debt service payments on the Local Obligations. Correspondingly, in order to maintain a proper matching between debt service payments on the Local Obligations and debt service payments on the Bonds, it is a requirement of the Trust Agreement that Revenues received by the Trustee which constituted Property Owner Prepayments when received by the Local Agency be utilized by the Trustee to redeem Bonds.

The Authority covenants for the benefit of the Owners that, as to each separate date upon which Bonds are to be redeemed from the proceeds of Property Owner Prepayments, the Written Orders of the Authority required pursuant to the Trust Agreement shall as nearly as possible apply such Local Obligations to the redemption of Bonds.

The Trust Agreement requires that all Revenues derived from Property Owner Prepayments received by the Trustee shall be immediately deposited in the Bond Redemption Fund to be used to redeem Bonds.

Fee and Acquisition Fund. The Trustee agrees to establish and maintain a fund separate from any other fund established and maintained hereunder designated the Fee and Acquisition Fund and a separate Local Agency Account therein for each Local Agency Participant and Third-Party Participant as described in the Trust Agreement. The Trustee shall deposit bond proceeds in Local Agency Accounts within the Fee and Acquisition Fund pursuant to the Trust Agreement. Amounts on deposit in the Local Agency Accounts within the Fee and Acquisition Fund shall be invested pursuant to the Trust Agreement.

Costs of Issuance Fund. Amounts in the Costs of Issuance Fund shall be applied by the Trustee to the payment of Costs of Issuance pursuant to the Trust Agreement. Any amounts remaining in the Costs of Issuance Fund on January 25, 2018 shall be transferred to the Expense Fund and the Costs of Issuance Fund shall be closed.

THE LOCAL OBLIGATIONS

Issuance of Local Obligations. The Local Obligations will be issued for each Series 2017C District as provided in the Trust Agreement upon the security of the aggregate amount of unpaid assessments (together with the interest thereon) and will represent and be secured by said assessments in accordance with the provisions of the Local Obligations Statute pursuant to the provisions of the respective Resolution of Intention for each Series 2017C District adopted by the Commission of the Authority and proceedings taken thereunder.

Registration and Denominations. The Local Obligations will be issued as fully registered bonds, registered in the name of the Trustee.

Pledge of Assessments to Local Obligations. The unpaid assessments for each of the Series 2017C Districts, as determined by the Authority, together with interest thereon computed at the rate specified in the Local Obligations, shall, in accordance with and consistent with the Local Obligation Statute, remain and constitute a trust fund for the redemption and payment of the principal of the Local Obligations and for the interest due thereon, and said assessments and each installment thereof and the interest and penalties thereon shall constitute a lien against the lots and parcels of land on which they are made until paid. The Treasurer shall annually make a record in his or her office showing the several installments of principal and interest on said assessments which are to be collected in each year during the term of the Local Obligations and shall transmit such record to the Auditor-Controller of each Applicable County; and an annual installment of said unpaid assessments shall be payable and shall be collected in each year corresponding in amount to the amount of the Local Obligations unpaid and to accrue that year, which amount shall be at least sufficient to pay the Local Obligations as the same become due, and an annual installment of interest on said unpaid assessments shall be payable and shall be collected in each year corresponding in amount to the amount of interest which will accrue on the Local Obligations outstanding for such year, which amount shall be sufficient to pay the interest thereon that shall become due in the next succeeding March and September. The annual portion of said unpaid assessments coming due in any year, together with the annual interest on such assessments, shall be payable in the same manner and at the same time and in the same number of installments as the general taxes on real property in each Applicable County are payable, and said unpaid assessment installments and said annual interest on said unpaid assessments shall be payable and become delinquent on the same dates and bear the same proportionate penalties and interest after delinquency as do general taxes on real property in each Applicable County.

Foreclosure Covenant. The Authority covenants in the Trust Agreement that it will monitor the payment of assessment installments payable with respect to each Assessed Parcel and will send delinquency notices to owners of Assessed Parcels as provided in the SCIP Manual. Notwithstanding any other provision of the Trust Agreement or of the SCIP Manual, in the event any assessment installments, including any interest thereon, are not paid by July 1 (with respect to delinquencies in the installment delinquent on the preceding December 10) or November 1 (with respect to installments delinquent on the preceding April 10), the Authority covenants that it will within 10 business days of such dates order, and will thereafter diligently prosecute, judicial foreclosure proceedings upon such delinquency and interest thereon, which foreclosure proceedings shall be commenced and prosecuted without regard to available surplus funds of the Authority; provided, that the Authority shall not enforce the lien of any delinquent installment of the assessments in Assessment District No. 17-02 for the County of Sacramento for any Fiscal Year in which the Authority has received or expects to receive one hundred percent (100%) of the amount of such installment from the County of Sacramento pursuant to the so-called "Teeter Plan." Pursuant to Section 8831 of the Streets and Highways Code, the Authority shall be entitled to reasonable attorney's fees from the proceeds of any foreclosure sale.

Local Obligation Redemption Funds. There is created and established under the Trust Agreement a separate fund for each of the Local Obligations to be known as the "California Statewide Communities Development Authority, Assessment District No. __-__ Local Obligation Redemption Fund for the City of _____, County of _____" (each such fund to be designated with the applicable city and county) which fund shall be kept by the Trustee and shall constitute a trust fund for the benefit of the registered owners of the Local Obligations. All sums received by the Treasurer which are received from the collection of unpaid assessments (except for those amounts allocable to administrative expenses), and of the interest and penalties thereon, shall upon receipt be immediately transferred to the Trustee and deposited in said fund. All sums to become due for the principal of and the interest on the Local Obligations shall be withdrawn by the Trustee from said fund for use for the payment of the principal of and the interest on the Local Obligations, and the Local Obligations and the interest thereon shall not be paid out of any other funds.

There is created and established within each Local Obligation Redemption Fund a Prepayment Account. The owner of an Assessed Parcel may prepay the assessment and remove the lien of the same from the Assessed Parcel by paying to the Authority the sum of the following amounts: (a) the amount of any delinquent installments of principal and interest, together with penalties accrued to the date of prepayment; (b) the unpaid, non-delinquent principal of the assessment, including principal posted to the tax roll for the current fiscal year but not yet paid; (c) an allowance for redemption premium, calculated by multiplying the amount of the unmatured principal (exclusive of principal due during the fiscal year of prepayment) by the redemption premium, being three percent (3%), of the principal amount so prepaid; (d) a reasonable fee, to be fixed by the Authority, for the cost of administering the prepayment and the advance redemption of Local Obligations; (e) interest accrued to the next statutory call date for the Local Obligations (which is the next Interest Payment Date which is not less than 90 days after the date of prepayment); and (f) less a credit for Series 2017C Reserve Account calculated to be an amount equal to the ratio of the total amount initially deposited to the Series 2017C Reserve Account to meet the Reserve Requirement with respect to the Local Obligations to the total amount originally assessed in the proceedings for the issuance of the Local Obligations, as specified in an Officer's Certificate to be delivered to the Trustee upon such prepayment pursuant to the Trust Agreement. Upon receiving any prepayment of an assessment, the Authority shall disburse the amount thereof as follows: (a) the administrative fee shall be applied by the Authority to pay administrative costs; (b) delinquent principal, interest and penalties shall be deposited in the applicable Local Obligation Redemption Fund unless the Series 2017C Reserve Account has been depleted on account of the delinquencies, in which case the delinquent amounts and penalties shall be deposited instead in the Series 2017C Reserve Account; (c) the installment of principal due in the fiscal year of prepayment shall be deposited in the applicable Local Obligation Redemption Fund; (d) interest accrued to the next Interest Payment Date shall be deposited in the applicable Local Obligation Redemption Fund; and (e) the balance of such prepayment shall be deposited in the Prepayment Account to be used to advance the maturity of Local Obligations to the next redemption date as provided in Part 11.1 of the Local Obligation Statute.

All moneys in each Local Obligation Redemption Fund shall be invested in Investment Securities maturing (or otherwise available for withdrawal at par without penalty) not later than the date on which such moneys are required for disbursement as provided in the Trust Agreement, and all interest earned on such investments shall be credited to said fund. All surplus remaining in said fund after payment of all Local Obligations and the interest thereon shall be applied as directed by the Authority in accordance with the Local Obligation Statute.

Local Agency Accounts. The Trustee shall transfer from the proceeds of the Local Obligations and certain other funds, the amounts specified in the Trust Agreement for deposit to the Fee and Acquisition Fund. The Authority will account for such funds as provided in the SCIP Manual.

Amounts on deposit in the Local Agency Accounts and subaccounts therein shall be invested and disbursed by the Trustee in accordance with the terms of the SCIP Manual and, if applicable, the Acquisition Agreements. Amounts in each Local Agency Account shall be the property of the Local Agency Participants and the Third-Party Participants as their interests appear, and shall not be available to the Authority, the Trustee or the Owners for any purpose.

Defeasance of Local Obligations. The Local Obligations may be refunded and defeased pursuant to the provisions of the Local Obligation Statute.

Issuance of Parity Local Obligations. The Authority may not issue any additional local obligations on a parity with the Local Obligations issued under the Trust Agreement, except that additional parity local obligations secured by Assessment District No. 16-03 (County of Sonoma) (the "A.D. 16-03 Sonoma County") may be issued, and may be purchased with the proceeds of bonds to be issued by the Authority, provided: (i) the value of A.D. 16-03 Sonoma County parcels subject to assessment will be, following the issuance of the additional parity obligations, at least three times the sum of all the local obligations secured by the such parcels following such issuance (including the Local Obligations) based upon an MAI appraisal not more than 90 days old; (ii) the Authority has received the written consent to the issuance of the additional parity local obligations from all those persons and entities owning parcels within A.D. 16-03 Sonoma County as of the date of issuance of the Bonds, unless such persons no longer own such A.D. 16-03 Sonoma County parcels at the time of the issuance of the additional parity local obligations, in which case their consent is not required; and (iii) all property taxes and assessments are current.

SECURITY FOR AND INVESTMENT OF MONEYS

Security. All moneys required to be deposited with or paid to the Trustee in any of the Funds (other than the Rebate Fund and the Fee and Acquisition Fund) referred to in any provision of the Trust Agreement shall be held by the Trustee in trust, and except for moneys held for the payment or redemption of Bonds or the payment of interest on Bonds, shall, while held by the Trustee, be subject to the lien and pledge created thereby.

Investment of Funds. So long as the Bonds are Outstanding and there is no default under the Trust Agreement, moneys on deposit to the credit of each Local Obligation Redemption Fund, the Revenue Fund, the Interest Fund, the Principal Fund, the Reserve Fund, the Rebate Fund, the Expense Fund, the Surplus Fund, the Bond Redemption Fund and all accounts within such funds shall, at the request of an Authorized Officer of the Authority, be invested by the Trustee in Investment Securities having maturities or otherwise providing for availability of funds when needed for purposes of the Trust Agreement.

Notwithstanding anything to the contrary contained in the Trust Agreement, an amount of interest received with respect to any Investment Security equal to the amount of accrued interest, if any, paid as part of the purchase price of such Investment Security shall be credited to the Fund (or account) from which such accrued interest was paid. The securities purchased with the moneys in each such Fund shall be deemed a part of such Fund.

Investments in the Revenue Fund, the Interest Fund, the Principal Fund, the Reserve Fund, the Surplus Fund, the Bond Redemption Fund and each Local Obligation Redemption Fund, may be commingled for purposes of making, holding and disposing of investments, notwithstanding provisions in the Trust Agreement for transfer to or holding in particular Funds amounts received or held by the Trustee; provided, that the Trustee shall at all times account for such investments strictly in accordance with the Funds to which they are credited and otherwise as provided in the Trust Agreement.

All earnings on the investment of the moneys on deposit in any fund shall remain a part of such fund; provided that, in the event the amount on deposit in the Series 2017C Reserve Account is equal to the Reserve Requirement, then a Proportionate Share of such excess amount on deposit in said Series 2017C Reserve Account shall be transferred to each Local Obligation Redemption Fund.

COVENANTS OF THE AUTHORITY

Payment of Bonds; No Encumbrances. The Authority shall cause the Trustee to promptly pay, from Revenues and other funds derived from the Trust Estate pledged under the Trust Agreement, the principal of and redemption premium, if any, on and the interest on every Bond issued under and secured by the Trust Agreement at the place, on the dates and in the manner specified therein and in such Bonds according to the true intent and meaning thereof. The Authority shall not issue any bonds, notes or other evidences of indebtedness or incur any obligations payable from or secured by the Revenues or the Local Obligations, other than the Bonds and any refunding bonds issued pursuant to the Trust Agreement.

Enforcement and Amendment of Local Obligations. The Authority and Trustee shall enforce all of their rights with respect to the Local Obligations to the fullest extent necessary to preserve the rights and protect the security of the Owners under the Trust Agreement.

The Authority and the Trustee may, without the consent of or notice to the Owners consent to any amendment, change or modification of any Local Obligation that may be required (a) to conform to the provisions of the Trust Agreement (including any modifications or changes contained in any Supplemental Trust Agreement), (b) for the purpose of curing any ambiguity or inconsistency or formal defect or omission, (c) so as to add additional rights acquired in accordance with the provisions of such Local Obligation, (d) in connection with any other change therein which is not to the material prejudice of the Trustee or the Owners of the Bonds pursuant to an Opinion of Bond Counsel, (e) in the Opinion of Bond Counsel, to preserve or assure the exemption of interest on the Bonds from federal income taxes or the exemption from California personal income tax or (f) any other amendment to the Local Obligation (or consent to any change or modification of the applicable Series 2017C Districts), including a change to the method of apportionment of assessments, provided, that the following conditions are met:

(a) no territory outside the exterior boundaries of the applicable Series 2017C Districts (as originally formed) may be assessed to secure any Local Obligation;

(b) the Trustee shall have received a certificate of the Cash Flow Consultant to the effect that, after giving effect to the change or modification, the value of each Assessed Parcel as shown by an Appraisal is at least equal to three (3.0) times the Lien Amount; and

(c) the owners of 100% of the Assessed Parcels affected by such change have consented in writing to such change.

Except for amendments, changes or modifications provided for in the preceding paragraph, neither the Authority nor the Trustee shall consent to any amendment, change or modification of any Local Obligation without the mailing of notice and the written approval or consent of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding given and procured as provided in this section. If at any time the Authority shall request the consent of the Trustee to any such proposed amendment, change or modification of a Local Obligation, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be mailed to the Owners. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file with the Trustee for inspection by all Owners. Nothing contained in this section shall be construed to prevent the Trustee, with the consent of the Authority, from settling a default under any Local Obligation on such terms as the Trustee may determine to be in the best interests of the Owners.

Further Documents. The Authority covenants that it will from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the purpose of the Trust Agreement; provided, that no such instruments or actions shall pledge the faith and credit or the taxing power of the State or any political subdivision of the State.

Tax Covenants. The Authority will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of interest on the Bonds under Section 103 of the Code.

If the Authority shall provide to the Trustee an Opinion of Bond Counsel that any specified action required under this section is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest with respect to the Bonds, the Trustee and the Authority may conclusively rely on such Opinion in complying with the requirements of this section, and the covenants under the Trust Agreement shall be deemed to be modified to that extent.

The provisions of the Trust Agreement regarding tax covenants shall survive the defeasance of the Bonds.

Maintenance of Existence. The Authority shall maintain the existence, powers and authority of the Authority as a joint powers authority under California law.

Continuing Disclosure. The Authority and the Trustee covenant and agree in the Trust Agreement that they will comply with and carry out all of their respective obligations under the Continuing Disclosure Agreement. See APPENDIX D – "FORM OF CONTINUING DISCLOSURE AGREEMENT."

DEFAULTS AND REMEDIES

Events of Default. The following shall constitute "Events of Default" under the Trust Agreement:

(a) if payment of interest on the Bonds shall not be made when due; or

(b) if payment of any Principal Installment shall not be made when due and payable, whether at maturity, by proceedings for redemption, or otherwise; or

(c) if the Authority shall fail to observe or perform in any material way any other agreement, condition, covenant or term contained in the Trust Agreement on its part to be performed, and such failure shall continue for sixty (60) days after written notice specifying such failure and requiring the same to be remedied shall have been given to the Authority, as the case may be, by the Trustee or by the Owner(s) of not less than a majority in aggregate principal amount of the Bonds Outstanding, provided, that if such default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the Authority within the applicable period and diligently pursued until the default is corrected.

Proceedings by Trustee; No Acceleration. Upon the happening and continuance of any Event of Default, the Trustee, in its discretion may, or at the written request of the Owners of not less than a majority in aggregate principal amount of Bonds Outstanding shall (but only if indemnified to its satisfaction from any liability, expenses or costs), do the following:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Owners, including the right to receive and collect the Revenues;

(b) bring suit upon or otherwise enforce any defaulting Local Obligation;

(c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Owners;

(d) as a matter of right, have a receiver or receivers appointed for the Trust Estate and of the earnings, income, issues, products, profits and revenues thereof pending such proceedings, with such powers as the court making such appointment shall confer; and

(e) take such action with respect to any and all Local Obligations or Investment Securities as the Trustee shall deem necessary and appropriate, subject to the limitations of the Trust Agreement.

The Trustee shall have no right to declare the principal of all of the Bonds then Outstanding, or the interest accrued thereon, to be due and payable immediately.

Effect of Discontinuance or Abandonment. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the Trustee and the Owners shall be restored to their former positions and rights under the Trust Agreement, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Rights of Owners. Anything in the Trust Agreement to the contrary notwithstanding, subject to certain limitations and restrictions as to the rights of the Owners set forth in the Trust Agreement, upon the happening and continuance of any Event of Default, the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding shall have the right, upon providing the Trustee security and indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Trust Agreement.

The Trustee may refuse to follow any direction that conflicts with law or the Trust Agreement or that the Trustee determines is prejudicial to rights of other Owners or would subject the Trustee to personal liability without adequate indemnification therefor.

Restriction on Owner's Action. In addition to the other restrictions on the rights of Owners to request action upon the occurrence of an Event of Default and to enforce remedies set forth in this article, no Owner of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of any trust under the Trust Agreement, or any other remedy under the Trust Agreement or on the Bonds, unless such Owner previously shall have given to the Trustee written notice of an Event of Default as provided above and unless the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding shall have made written request of the Trustee to institute any such suit, action, proceeding or other remedy, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted in the Trust Agreement, or to institute such action, suit or proceeding in its or their name; nor unless there also shall have been offered to the Trustee security and indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are declared in every such case to be conditions precedent to the execution of the trusts of the Trust Agreement or for any other remedy under the Trust Agreement, it being understood and intended that no one or more Owners of the Bonds secured by the Trust Agreement shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of the Trust Agreement, or to enforce any rights under the Trust Agreement or under the Bonds, except in the manner provided in the Trust Agreement, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Trust Agreement, and for the equal benefit of all Owners of Outstanding Bonds; subject, however, to the provisions of this section. Notwithstanding the foregoing provisions of this section or any other provision of the Trust Agreement, the obligation of the Authority shall be absolute and unconditional to pay, but solely from the Trust Estate, the principal of and the redemption premiums, if any, on and the interest on the Bonds to the respective Owners thereof at the respective due dates thereof, and nothing in the Trust Agreement shall affect or impair the right of action, which is absolute and unconditional, of such Owners to enforce such payment.

Power of Trustee to Enforce. All rights of action under the Trust Agreement or under any of the Bonds secured by the Trust Agreement which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceedings instituted by the Trustee shall be brought in its own name, as Trustee, for the equal and ratable benefit of the Owners subject to the provisions of the Trust Agreement.

Remedies Not Exclusive. No remedy in the Trust Agreement conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given under the Trust Agreement or now or hereafter existing at law or in equity or by statute.

Waiver of Events of Default; Effect of Waiver. Upon the written request of the Owners of at least a majority in aggregate principal amount of all Outstanding Bonds the Trustee shall waive any Event of Default under the Trust Agreement and its consequences. The Trustee may waive any Event of Default under the Trust Agreement and its consequences at any time. If any Event of Default shall have been waived, the Trustee shall promptly give written notice of such waiver to the Authority and shall give notice thereof by first class mail, postage prepaid, to all Owners of Outstanding Bonds if such Owners had previously been given notices of such Event of Default; but no such waiver, rescission and annulment shall extend to or affect any subsequent Event of Default, or impair any right or remedy consequent thereon.

No delay or omission of the Trustee or of any Owner to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default, or an acquiescence therein; and every power and remedy given by this article to the Trustee and to the Owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Application of Moneys. Any moneys received by the Trustee as a result of an enforcement of one or more remedies as described above, after payment of all fees and expenses of the Trustee, and the fees and expenses of its counsel incurred in representing the Owners, be applied as follows:

(a) unless the principal of all of the Outstanding Bonds shall be due and payable,

FIRST - To the payment of the Owners entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest, and if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege;

SECOND - To the payment of the Owners entitled thereto of the unpaid principal of and redemption premiums, if any, on any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of the Trust Agreement) in the order of their due dates, and if the amount available shall not be sufficient to pay in full the principal of and redemption premiums, if any, on such Bonds due on any particular date, then to the payment ratably, according to the amount due on such date, to the Persons entitled thereto without any discrimination or privilege; and

THIRD - To be held for the payment to the Owners entitled thereto as the same shall become due of the principal of and redemption premiums, if any, on and interest on the Bonds which may thereafter become due, either at maturity or upon call for redemption prior to maturity, and if the amount available shall not be sufficient to pay in full such principal and redemption premiums, if any, due on any particular date, together with interest then due and owing thereon, payment shall be made in accordance with the FIRST and SECOND paragraphs hereof.

(b) if the principal of all of the Outstanding Bonds shall be due and payable, to the payment of the principal and redemption premiums, if any, and interest then due and unpaid upon the Outstanding Bonds without preference or priority of any of the principal of or the redemption premium, if any, on any Outstanding Bond over any other Outstanding Bond or of any interest on any Outstanding Bond over any other Outstanding Bond, ratably, according to the amounts due respectively for principal and redemption premiums, if any, and interest, to the

Owners entitled thereto without any discrimination or preference except as to any difference in the respective amounts of interest specified in the Outstanding Bonds.

(c) after having first satisfied all obligations to Owners of Bonds pursuant to subsections (a) and (b) above, then any remaining moneys received by the Trustee pursuant to this section shall be transferred to the Authority.

(d) whenever moneys are to be applied as described in this section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The Trustee shall give, by mailing by first class mail as it may deem appropriate, such notice of the deposit with it of any such moneys.

THE TRUSTEE

Appointment and Acceptance of Duties. The Trustee accepts and agrees to the trusts created under the Trust Agreement, to all of which the Authority agrees and the respective Owners of the Bonds, by their purchase and acceptance thereof, agree.

Duties, Immunities and Liability of Trustee. The Trustee shall, prior to an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in the Trust Agreement, and no implied duties or obligations shall be read into the Trust Agreement against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by the Trust Agreement, and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

The Authority may, in the absence of an Event of Default, and upon receipt of an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or if at any time the Trustee shall cease to be eligible, or shall become incapable of acting, or shall commence a case under any bankruptcy, insolvency or similar law, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take control or charge of the Trustee or its property or affairs for the purpose of rehabilitation, conservation or liquidation, shall, remove the Trustee by giving written notice of such removal to the Trustee, and thereupon the Authority shall promptly appoint a successor Trustee by an instrument in writing.

The Trustee may, subject to certain limitations set forth below, resign by giving written notice of such resignation to the Authority and by giving notice of such resignation by mail, first class postage prepaid, to the Owners at the addresses listed in the Bond Register. Upon receiving such notice of resignation, the Authority shall promptly appoint a successor Trustee by an instrument in writing.

Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and shall have accepted appointment within thirty (30) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of himself and all other Owners) may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee.

Any Trustee appointed under the provisions of this section shall be a trust company or bank having the powers of a trust company, having a corporate trust office in California, having a combined capital and surplus of at least fifty million dollars ($50,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible, the Trustee shall resign immediately in the manner and with the effect specified in this section.

No provision in the Trust Agreement shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of any duties thereunder. The Trustee shall be entitled to interest on all moneys advanced by it under the Trust Agreement at its prime rate then in effect plus two percent.

In accepting the trust created by the Trust Agreement, the Trustee acts solely as Trustee for the Owners and not in its individual capacity, and under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

The Trustee makes no representation or warranty, express or implied, as to the compliance with legal requirements of the use contemplated by the Authority of the funds under the Trust Agreement including, without limitation, the purchase of the Local Obligations under the Trust Agreement; provided, however, that the Trustee shall not acquire Local Obligations other than pursuant to the requirements of the Trust Agreement.

The Trustee shall not be responsible for the validity or effectiveness or value of any collateral or security securing any Local Obligation. The Trustee shall not be responsible for the recording or filing of any document relating to this Agreement or any Local Obligation or of financing statements (or continuation statements in connection therewith) or mortgage or of any supplemental instruments or documents of further assurance as may be required by law in order to perfect the security interests or lien on or in any collateral or security securing any Local Obligation. The Trustee shall not be deemed to have made representations as to the security afforded thereby or as to the validity or sufficiency of any such document, collateral or security.

The Trustee shall not be deemed to have knowledge of any Event of Default under the Trust Agreement unless and until it shall have actual knowledge thereof at its corporate trust office in San Francisco, California.

The Trustee shall not be accountable for the use or application by the Authority or any other party of any funds which the Trustee has released under the Trust Agreement.

The Trustee shall provide a monthly accounting of all Funds held pursuant to the Trust Agreement (and all funds held by the Trustee as trustee or fiscal agent pursuant to any Local Obligation) to the Authority within fifteen (15) Business Days after the end of such month and shall provide statements of account for each annual period beginning July 1 and ending June 30, within 90 days after the end of such period. Such accounting shall show in reasonable detail all financial transactions during the accounting period and the balance in any Funds and accounts (including the Local Obligation Fund) created under the Trust Agreement as of the beginning and close of such accounting period.

Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under the Trust Agreement, shall succeed to the rights and obligations of such Trustee without the execution or filing of any paper or any further act.

MODIFICATION OF TRUST AGREEMENT AND SUPPLEMENTAL TRUST AGREEMENTS

Supplemental Trust Agreements Without Consent of Owners. The Authority may, without the consent of the Owners, enter into a Supplemental Trust Agreement or Supplemental Trust Agreements, which thereafter shall form a part of the Trust Agreement, for any one or more of the following purposes:

(a) to add to the agreements and covenants of the Authority contained in the Trust Agreement other agreements and covenants thereafter to be observed, or to surrender any right or power in the Trust Agreement reserved to or conferred upon the Authority; provided, that no such agreement, covenant or surrender shall materially adversely affect the rights of any Owner;

(b) to cure any ambiguity, to supply any omission or to cure, correct or supplement any defect or inconsistent provisions contained in the Trust Agreement or in any Supplemental Trust Agreement;

(c) to make any change which does not materially adversely affect the rights of any Owner;

(d) to grant to the Trustee for the benefit of the Owners additional rights, remedies, powers or authority;

(e) to subject to the Trust Agreement additional collateral or to add other agreements of the Authority;

(f) to modify the Trust Agreement or the Bonds to permit qualification under the Trust Indenture Act of 1939, as amended, or any similar statute at the time in effect, or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States of America; or

(g) to evidence the succession of a new Trustee.

The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment of the Trust Agreement any particular Bond would be affected by any modification or amendment of the Trust Agreement and any such determination shall be binding and conclusive on the Authority, the Authority and all Owners of Bonds. For all purposes of this section, the Trustee shall be entitled to rely upon and shall be fully protected in relying upon an Opinion of Bond Counsel, in form and substance satisfactory to it, with respect to the extent, if any, to which any action affects the rights under the Trust Agreement of any Owner.

Supplemental Trust Agreements With Consent of Owners. Any modification or alteration of the Trust Agreement or of the rights and obligations of the Authority or the Owners of the Bonds may be made with the consent of the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding; provided, that no such modification or alteration shall be made which will reduce the percentage of aggregate principal amount of Bonds the consent of the Owners of which is required for any such modification or alteration, or permit the creation by the Authority of any lien prior to or on a parity with the lien of the Trust Agreement upon the Trust Estate or which will affect the times, amounts and currency of payment of the principal of or the redemption premiums, if any, on or the interest on the Bonds or affect the rights, duties or obligations of the Trustee without the consent of the party affected thereby.

DEFEASANCE

Defeasance. If and when the Bonds shall become due and payable in accordance with their terms or through redemption proceedings as provided in the Trust Agreement, or otherwise, and the whole amount of the principal and the redemption premiums, if any, and the interest so due and payable upon all of the Bonds shall be paid, or provision shall have been made for the payment of the same, together with all other sums payable under the Trust Agreement by the Authority, including all fees and expenses of the Trustee, then and in that case, the Trust Agreement and the lien created thereby shall be completely discharged and satisfied and the Authority shall be released from the agreements, conditions, covenants and terms of the Authority contained in the Trust Agreement, and the Trustee shall assign and transfer all property (in excess of the amounts required for the foregoing) then held by the Trustee free and clear of any encumbrances as provided in the Trust Agreement and shall execute such documents as may be reasonably required by the Trustee or the Authority in this regard.

Notwithstanding the satisfaction and discharge of the Trust Agreement, those provisions of the Trust Agreement relating to the maturity of the Bonds, interest payments and dates thereof, exchange and transfer of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, nonpresentment of Bonds, and the duties of the Trustee in connection with all of the foregoing, remain in effect and shall be binding upon the Trustee and the Owners and the Trustee shall continue to be obligated to hold in trust any moneys or investments then held by the Trustee for the payment of the principal of and redemption premiums, if any, on and interest on the Bonds, to pay to the Owners of Bonds the funds so held by the Trustee as and when such payment becomes due, and those provisions of the Trust Agreement relating to the compensation and indemnification of the Trustee and relating to the tax covenants of the Authority shall remain in effect and shall be binding upon the Trustee and the Authority.

Bonds Deemed to Have Been Paid. If moneys shall have been set aside and held by the Trustee for the payment or redemption of any Bonds and the interest installments therefor at the maturity or redemption date thereof, such Bonds shall be deemed to be paid within the meaning and with the effect provided above. Any Outstanding Bond shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed above under the subsection entitled "Defeasance" if (a) in case said Bonds are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee in form satisfactory to the Trustee irrevocable instructions to mail notice of redemption of such Bonds on such redemption date, (b) there shall have been deposited with the Trustee in escrow either moneys in an amount which shall be sufficient, or noncallable Government Obligations the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Trustee at the same time, shall be sufficient (as verified by a report of a nationally recognized independent certified public accountant), to pay when due the principal of and the redemption premiums, if any, and the interest due and to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event any of such Bonds are not to be redeemed within the next succeeding sixty (60) days, the Authority shall have given the Trustee in form satisfactory to the Trustee irrevocable instructions to mail, as soon as practicable in the same manner as a notice of redemption, a notice to the Owners of such Bonds that the deposit required by (b) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this section and stating such maturity or redemption dates upon which moneys are to be available for the payment of the principal of and redemption premiums, if any, on and interest on such Bonds. Neither the securities nor moneys deposited with the Trustee pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and redemption premiums, if any, on and interest on such Bonds; provided, that any cash received from such principal or interest payments on such obligations deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable and at the direction of the Authority, be reinvested in Government Obligations maturing at times and in amounts, together with the other moneys and payments with respect to Government Obligations then held by the Trustee pursuant to this section, sufficient to pay when due the principal of and redemption premiums, if any, and interest to become due on such Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any earnings not needed for such purpose shall, upon receipt by the Trustee of a Written Order so directing, be paid over to the Authority as received by the Trustee free and clear of any trust, lien or pledge.

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APPENDIX C

THE BOOK-ENTRY SYSTEM

The information in this APPENDIX C has been provided by DTC for use in securities offering documents, and the Issuer takes no responsibility for the accuracy or completeness thereof. The Issuer cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the beneficial owners either (a) payments of interest, principal or premium, if any, with respect to the Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the Bonds, or that they will so do on a timely basis or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the bonds (the "Bonds"). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each series and maturity of the Bonds, each in the principal amount of such series and maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any series and maturity exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such series and maturity.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as defaults and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and Paying Agent and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Paying Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to Issuer or Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

$10,470,000
California Statewide Communities Development Authority
Statewide Community Infrastructure Program Revenue Bonds
Series 2017C

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the California Statewide Communities Development Authority (the "Authority") and Wilmington Trust, National Association (the "Trustee") in connection with the issuance by the Authority of its Statewide Community Infrastructure Program Revenue Bonds, Series 2017C (the "Bonds"). The Bonds are being issued pursuant to a Trust Agreement, between the Authority, as Issuer (the "Issuer"), and the Trustee (the "Trust Agreement"). The proceeds of the Bonds are being used by the Issuer to fund certain Limited Obligation Improvement Bonds of the Authority (the "Local Obligations"), the proceeds of which will be used to pay the cost of certain infrastructure improvements eligible to be funded under the Municipal Improvement Act of 1913 (Division 12, commencing with Section 10000 of the Streets and Highways Code of the State of California). Pursuant to Section 8.06 of the Trust Agreement, the Authority and the Trustee covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Authority and the Trustee for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (defined below). The Authority and the Trustee acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Agreement, and has no liability to any person, including any Holder or Beneficial Owner of the Bonds, with respect to the Rule.

SECTION 2. Definitions. In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Authority pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Disclosure Representative" shall mean any Member of the Authority or his or her designee, or such other person as the Authority shall designate in writing to the Trustee from time to time.

"Dissemination Agent" shall mean any Dissemination Agent designated in writing by the Authority and which has filed with the Trustee a written acceptance of such designation.

"Holder" shall mean the person in whose name any Bond shall be registered.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at http://emma.msrb.org.

"Participating Underwriter" shall mean any of the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Authority shall, or shall cause the Dissemination Agent to, not later than January 15 in each year, commencing with the report for the 2016-17 Fiscal Year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided, that the audited financial statements of the Authority may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date, and such later filing of the audited financial statements will not constitute a default hereunder. The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the Bonds by name and CUSIP number.

(b) Not later than 15 business days prior to said date, the Authority shall provide the Annual Report to the Dissemination Agent (if other than the Authority). If the Authority is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Authority shall send a notice to the MSRB in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall (if the Dissemination Agent is other than the Authority) file a report with the Authority certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to the MSRB.

SECTION 4. Content of Annual Reports. The Authority's Annual Report shall contain or include by reference the following:

(a) Audited financial statements of the Authority.

(b) A schedule showing the aggregate amount of all outstanding Local Obligations, the combined debt service schedule for all such Local Obligations, the amount of outstanding Bonds, and the debt service schedule for such Bonds.

(c) A statement of the amounts on deposit in the Reserve Fund and each Reserve Account therein, with a table showing the Reserve Requirement for each series of SCIP Bonds and the principal amount of each series of SCIP Bonds then outstanding.

(d) Information concerning any delinquencies in the payment of assessment installments securing the Local Obligations including (i) the total amount of delinquencies in each assessment district, both as a dollar amount and as a percentage of the total levy for the Fiscal Year and (ii) with respect to any delinquency of an owner which holds land subject to more than 5% of the assessment liens securing Local Obligations, the following information:

1. Assessor's Parcel Number

2. Record owner of the parcel;

3. Amount of delinquency, including separate statement of amounts representing principal on Local Obligations, interest on Local Obligations, administrative expenses levy, penalties and interest on delinquency;

4. Due date of first delinquent installment; and

5. Status of foreclosure action, if any.

(e) Updated values (using assessed values) broken out by land and structure value and remaining Assessment Amounts by Assessor's Parcel Numbers for all of the parcels in the Districts in the form set forth in the Master Parcel Table as Appendix F to the Official Statement relating to the Bonds.

Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the Authority or related public entities, which have been made available to the public on the MSRB's website. The Authority shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Authority shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than ten business days after the occurrence of the event:

1. principal and interest payment delinquencies;

2. unscheduled draws on debt service reserves reflecting financial difficulties;

3. unscheduled draws on credit enhancements reflecting financial difficulties;

4. substitution of credit or liquidity providers, or their failure to perform;

5. issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

6. tender offers;

7. defeasances;

8. rating changes; or

9. bankruptcy, insolvency, receivership or similar event of the obligated person.

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) The Authority shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten business days after the occurrence of the event:

1. unless described in paragraph 5(a)(5), adverse tax opinions or other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

2. modifications to rights of Bond holders;

3. optional, unscheduled or contingent Bond calls;

4. release, substitution, or sale of property securing repayment of the Bonds;

5. non-payment related defaults;

6. the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; or

7. appointment of a successor or additional trustee or the change of name of a trustee.

(c) The Trustee shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Disclosure Representative, inform such person of the event, and request that the Authority promptly notify the Trustee in writing whether or not to report the event pursuant to subsection (g).

(d) Whenever the Authority obtains knowledge of the occurrence of a Listed Event, because of a notice from the Trustee pursuant to subsection (b) or otherwise, the Authority shall as soon as possible determine if such event would be material under applicable federal securities laws.

(e) If the Authority learns of the occurrence of a Listed Event described in Section 5(a), or determines that knowledge of the occurrence of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, the Authority shall promptly notify the Trustee in writing. Such notice shall instruct the Trustee to report the occurrence pursuant to subsection (g). Notwithstanding the foregoing, notice of the Listed Event described in subsections (a)(7) or (b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Certificates pursuant to the Trust Agreement.

(f) If in response to a request under subsection (b), the Authority determines that the Listed Event described in Section 5(b) would not be material under applicable federal securities laws, the Authority shall so notify the Trustee in writing and instruct the Trustee not to report the occurrence pursuant to subsection (g).

(g) If the Trustee has been instructed by the Authority to report the occurrence of a Listed Event, the Trustee shall promptly file a notice of such occurrence with the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(4) and (5) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the Holders of affected Bonds pursuant to the Trust Agreement.

SECTION 6. Termination of Reporting Obligation. The Authority's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Authority's obligations under the Local Obligations are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Certificate in the same manner as if it were the Authority and the original Authority shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Authority shall give notice of such termination or substitution in the same manner as for a Listed Event under Section 5(f).

SECTION 7. Dissemination Agent. The Authority may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Authority pursuant to this Disclosure Certificate. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent. The initial Dissemination Agent shall be BLX Group LLC.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Authority and the Trustee may amend this Disclosure Certificate (and the Trustee shall agree to any amendment so requested by the Authority) and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Trust Agreement for amendments to the Trust Agreement with the consent of Holders, or (ii) does not, in the opinion of the Trustee or nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Authority shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Authority. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(f), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Authority chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the Authority shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Authority or the Trustee to comply with any provision of this Disclosure Certificate, the Trustee may (and, at the request of any Participating Underwriter or the Holders of at least 25% aggregate principal amount of Outstanding Bonds, shall), or any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority or the Trustee, as the case may be, to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Trust Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the Authority or the Trustee to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. Article X of the Trust Agreement is hereby made applicable to this Disclosure Certificate as if this Disclosure Certificate were (solely for this purpose) contained in the Trust Agreement. The Dissemination Agent (if other than the Trustee or the Trustee in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Authority agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Authority under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Notices. Any notices or communications to or among any of the parties to this Disclosure Certificate may be given as set forth in Exhibit B hereto.

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Authority, the Trustee, the Dissemination Agent, the Participating Underwriters, and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: December 21, 2017.

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

By: ______________________________
Authorized Signatory

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

By: ______________________________
Authorized Officer

EXHIBIT A

FORM OF NOTICE TO THE MUNICIPAL SECURITIES RULEMAKING BOARD
OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
Name of Bond Issue:	STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM REVENUE BONDS, SERIES 2017C
Date of Issuance:	December 21, 2017

NOTICE IS HEREBY GIVEN that the California Statewide Communities Development Authority (the "Authority") has not provided an Annual Report with respect to the above-named Bonds as required by Section 8.06 of the Trust Agreement dated as of December 1, 2017, between the Authority and the Trustee and Sections 3 and 4 of the Continuing Disclosure Certificate dated the date of issuance. The Authority anticipates that the Annual Report will be filed by _____________.

Dated: _______________

WILMINGTON TRUST, NATIONAL ASSOCIATION,
on behalf of Authority

cc: Authority

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APPENDIX E

PROPOSED FORM OF BOND COUNSEL OPINION

December 21, 2017

California Statewide Communities Development Authority
Sacramento, California

California Statewide Communities Development Authority
Statewide Community Infrastructure Program Revenue Bonds, Series 2017C
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the California Statewide Communities Development Authority (the "Issuer") in connection with the issuance of $10,470,000 aggregate principal amount of its Statewide Community Infrastructure Program Revenue Bonds, Series 2017C (the "Bonds"), issued pursuant to the provisions of a trust agreement, dated as of December 1, 2017 (the "Trust Agreement"), between the Issuer and Wilmington Trust, National Association, as trustee (the "Trustee") providing for the issuance, sale and delivery of the Bonds approved by a resolution of the Issuer adopted on November 16, 2017. The Bonds are issued for the purpose of enabling the Issuer to fund certain limited obligation improvement bonds of the Issuer (the "Local Obligations"), which will in turn be used to fund certain development impact fees to pay for public capital improvements for certain participating local governmental agencies (the "Local Agency Participants"), to directly fund certain public capital improvements for some of the Local Agency Participants, to fund a reserve fund for the Bonds, and to pay costs of issuance of the Bonds. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Trust Agreement.

In such connection, we have reviewed the Trust Agreement, the Tax Certificate, certificates of the Issuer, the Trustee, the Local Agency Participants and others, an opinion of counsel to the Trustee, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. We disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents and of the legal conclusions contained in the opinion, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Trust Agreement and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes.

We call attention to the fact that the rights and obligations under the Bonds, the Trust Agreement and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against joint powers authorities in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the Trust Agreement or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute the valid and binding limited obligations of the Issuer.

2. The Trust Agreement has been duly executed and delivered by, and constitutes the valid and binding obligation of, the Issuer. The Trust Agreement creates a valid pledge, to secure the payment of the principal of and redemption premium, if any, and interest on the Bonds, of the Revenues and any other amounts held by the Trustee in any fund or account established pursuant to the Trust Agreement (other than the Rebate Fund, the Fee and Acquisition Fund and the Local Agency Accounts) and the Local Obligations, subject to the provisions of the Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein.

3. The Bonds are not a lien or charge upon the funds or property of the Issuer except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State of California or of any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The Bonds are not a debt of the State of California, and said State is not liable for the payment thereof.

4. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. Interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although we observe that it is included in adjusted current earnings when calculating corporate alternative minimum taxable income. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per

APPENDIX F

MASTER PARCEL TABLE

County	City	Project Name	APN/Lot Number[1]	Acreage[1]	Overlapping CFD Debt	Assessment Amount[1]	Direct Bonded Debt	Appraised Value[2]	Building Permit Value	Total Value (Appraised Plus Building Permit)	Value to Lien Ratio[3]
Sonoma	Santa Rosa	Kawana Meadows	044-460-001	0.78	$0.00	$200,000.00	$4,005,000	$14,530,000		$14,530,000	3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-002	0.78	$0.00	$187,500.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-003	0.50	$0.00	$87,500.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-004	0.37	$0.00	$75,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-005	0.34	$0.00	$75,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-006	0.54	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-007	0.31	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-008	0.84	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-009	1.30	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-010	0.21	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-011	0.17	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-012	0.17	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-013	0.15	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-014	0.14	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-015	0.19	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-016	0.18	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-017	0.15	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-018	0.17	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-019	0.21	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-020	0.18	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-021	1.34	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-022	1.30	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-023	1.06	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-024	0.24	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-025	0.19	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-026	0.15	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-027	0.15	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-028	0.17	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-029	0.18	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-030	0.18	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-031	0.19	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-032	0.19	$0.00	$42,000.00					3.63

County	City	Project Name	APN/Lot Number[1]	Acreage[1]	Overlapping CFD Debt	Assessment Amount[1]	Direct Bonded Debt	Appraised Value[2]	Building Permit Value	Total Value (Appraised Plus Building Permit)	Value to Lien Ratio[3]
Sonoma	Santa Rosa	Kawana Meadows	044-460-033	0.21	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-034	0.22	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-035	0.68	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-036	0.26	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-037	0.26	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-038	0.22	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-039	0.39	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-040	0.22	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-041	0.19	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-042	0.17	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-043	0.27	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-044	0.31	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-045	0.20	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-046	0.70	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-048	0.13	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-049	0.18	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-050	0.64	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-051	0.54	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-052	0.44	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-053	0.33	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-054	0.23	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-055	0.20	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-056	0.23	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-057	0.18	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-058	0.21	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-059	0.19	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-060	0.19	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-061	0.19	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-062	0.18	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-063	0.18	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-064	0.17	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-065	0.17	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-066	0.17	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-067	0.20	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-068	0.29	$0.00	$42,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-069	0.30	$0.00	$42,000.00					3.63

County	City	Project Name	APN/Lot Number[1]	Acreage[1]	Overlapping CFD Debt	Assessment Amount[1]	Direct Bonded Debt	Appraised Value[2]	Building Permit Value	Total Value (Appraised Plus Building Permit)	Value to Lien Ratio[3]
Sonoma	Santa Rosa	Kawana Meadows	044-460-070	2.31	$0.00	$525,000.00					3.63
Sonoma	Santa Rosa	Kawana Meadows	044-460-071	5.76	$0.00	$210,000.00					3.63
Sonoma	Santa Rosa	Paseo Vista	043-041-001	3.71	$0.00	$2,054,789.53	$2,000,000	$16,580,000		$16,580,000	8.29
Sonoma	Santa Rosa	Paseo Vista	043-041-046	2.37	$0.00	$1,189,614.99					8.29
Sonoma	Santa Rosa	Paseo Vista	125-501-007	6.12	$0.00	$1,784,422.48					8.29
Sonoma	Santa Rosa	Paseo Vista	125-501-015	0.35	$0.00	$0.00					8.29
Sacramento	Sacramento	Calistoga	117-1580-001	4.68	$92,166.40	$16,841.80	$505,000	$3,185,000	$1,917,273	$5,102,273	8.54
Sacramento	Sacramento	Calistoga	117-1580-002			$16,841.80					8.54
Sacramento	Sacramento	Calistoga	117-1580-003			$16,841.80					8.54
Sacramento	Sacramento	Calistoga	117-1580-004			$16,841.80					8.54
Sacramento	Sacramento	Calistoga	117-1580-005			$16,841.80					8.54
Sacramento	Sacramento	Calistoga	117-1580-006			$16,841.80					8.54
Sacramento	Sacramento	Calistoga	117-1580-007			$16,841.80					8.54
Sacramento	Sacramento	Calistoga	117-1580-008			$16,841.80					8.54
Sacramento	Sacramento	Calistoga	117-1580-009			$16,841.80					8.54
Sacramento	Sacramento	Calistoga	117-1580-010			$16,841.80					8.54
Sacramento	Sacramento	Calistoga	117-1580-011			$16,841.80					8.54
Sacramento	Sacramento	Calistoga	117-1580-012			$16,841.80					8.54
Sacramento	Sacramento	Calistoga	117-1580-013			$16,841.80					8.54
Sacramento	Sacramento	Calistoga	117-1580-014			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-015			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-016			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-017			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-018			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-019			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-020			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-021			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-022			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-023			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-024			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-025			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-026			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-027			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-028			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-029			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-030			$16,841.81					8.54

County	City	Project Name	APN/Lot Number[1]	Acreage[1]	Overlapping CFD Debt	Assessment Amount[1]	Direct Bonded Debt	Appraised Value[2]	Building Permit Value	Total Value (Appraised Plus Building Permit)	Value to Lien Ratio[3]
Sacramento	Sacramento	Calistoga	117-1580-031			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-032			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-033			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-034			$16,841.81					8.54
Sacramento	Sacramento	Calistoga	117-1580-035			$16,841.81					8.54
Sacramento	Antelope	Elverta Park	203-2090-001	0.11	$0.00	$21,247.68	$715,000	$4,160,000	$241,318	$11,313,782	15.82
Sacramento	Antelope	Elverta Park	203-2090-002	0.12	$0.00	$21,247.68					15.82
Sacramento	Antelope	Elverta Park	203-2090-003	0.09	$0.00	$21,247.68					15.82
Sacramento	Antelope	Elverta Park	203-2090-004	0.12	$0.00	$21,247.68					15.82
Sacramento	Antelope	Elverta Park	203-2090-005	0.09	$0.00	$21,247.68					15.82
Sacramento	Antelope	Elverta Park	203-2090-006	0.09	$0.00	$21,247.68			$166,977		15.82
Sacramento	Antelope	Elverta Park	203-2090-007	0.08	$0.00	$21,247.67			$166,977		15.82
Sacramento	Antelope	Elverta Park	203-2090-008	0.08	$0.00	$21,247.67			$209,537		15.82
Sacramento	Antelope	Elverta Park	203-2090-009	0.08	$0.00	$21,247.67					15.82
Sacramento	Antelope	Elverta Park	203-2090-010	0.08	$0.00	$21,247.67			$239,033		15.82
Sacramento	Antelope	Elverta Park	203-2090-011	0.08	$0.00	$21,247.67			$207,569		15.82
Sacramento	Antelope	Elverta Park	203-2090-012	0.12	$0.00	$21,247.67			$250,115		15.82
Sacramento	Antelope	Elverta Park	203-2090-013	0.11	$0.00	$21,247.67					15.82
Sacramento	Antelope	Elverta Park	203-2090-014	0.09	$0.00	$21,247.67					15.82
Sacramento	Antelope	Elverta Park	203-2090-031	0.12	$0.00	$21,247.67			$224,553		15.82
Sacramento	Antelope	Elverta Park	203-2090-032	0.12	$0.00	$21,247.67			$329,729		15.82
Sacramento	Antelope	Elverta Park	203-2090-036	0.12	$0.00	$21,247.67			$199,424		15.82
Sacramento	Antelope	Elverta Park	203-2090-037	0.11	$0.00	$21,247.67			$243,451		15.82
Sacramento	Antelope	Elverta Park	203-2090-038	0.12	$0.00	$21,247.67			$326,430		15.82
Sacramento	Antelope	Elverta Park	203-2090-039	0.11	$0.00	$21,247.67			$226,134		15.82
Sacramento	Antelope	Elverta Park	203-2090-040	0.11	$0.00	$21,247.67			$197,885		15.82
Sacramento	Antelope	Elverta Park	203-2090-041	0.11	$0.00	$21,247.67			$226,648		15.82
Sacramento	Antelope	Elverta Park	203-2090-042	0.12	$0.00	$21,247.67			$252,368		15.82
Sacramento	Antelope	Elverta Park	203-2090-043	0.11	$0.00	$21,247.67			$232,002		15.82
Sacramento	Antelope	Elverta Park	203-2090-044	0.11	$0.00	$21,247.67			$209,537		15.82
Sacramento	Antelope	Elverta Park	203-2090-048	0.09	$0.00	$21,247.67			$207,569		15.82
Sacramento	Antelope	Elverta Park	203-2090-049	0.09	$0.00	$21,247.67			$165,433		15.82
Sacramento	Antelope	Elverta Park	203-2090-050	0.09	$0.00	$21,247.67			$165,373		15.82
Sacramento	Antelope	Elverta Park	203-2090-055	0.09	$0.00	$21,247.67			$207,569		15.82
Sacramento	Antelope	Elverta Park	203-2090-056	0.13	$0.00	$21,247.67			$209,084		15.82
Sacramento	Antelope	Elverta Park	203-2090-057	0.11	$0.00	$21,247.67			$161,331		15.82

County	City	Project Name	APN/Lot Number[1]	Acreage[1]	Overlapping CFD Debt	Assessment Amount[1]	Direct Bonded Debt	Appraised Value[2]	Building Permit Value	Total Value (Appraised Plus Building Permit)	Value to Lien Ratio[3]
Sacramento	Antelope	Elverta Park	203-2090-058	0.13	$0.00	$21,247.67			$165,433		15.82
Sacramento	Antelope	Elverta Park	203-2090-059	0.08	$0.00	$21,247.67			$239,033		15.82
Sacramento	Antelope	Elverta Park	203-2090-060	0.08	$0.00	$21,247.67			$239,033		15.82
Sacramento	Antelope	Elverta Park	203-2090-061	0.08	$0.00	$21,247.67			$207,569		15.82
Sacramento	Antelope	Elverta Park	203-2090-062	0.09	$0.00	$21,247.67			$194,322		15.82
Sacramento	Antelope	Elverta Park	203-2090-063	0.08	$0.00	$21,247.67			$209,537		15.82
Sacramento	Antelope	Elverta Park	203-2090-064	0.09	$0.00	$21,247.67			$166,977		15.82
Sacramento	Antelope	Elverta Park	203-2090-065	0.10	$0.00	$21,247.67			$239,033		15.82
Sacramento	Antelope	Elverta Park	203-2090-066	0.14	$0.00	$21,247.67			$226,800		15.82
Contra Costa	Brentwood	Sellers Avenue	010-160-043-5	18.49	$0.00	$3,012,052.68	$2,570,000	$9,660,000		$9,660,000	3.76
San Joaquin	Manteca	Silva Estates	224-022-03	10.65	$0.00	$786,655.07	$675,000	$3,200,000		$3,200,000	4.74
Total[4]				81.36	$92,166	$14,272,904.83	$10,470,000	$51,315,000	$9,071,055	$60,386,055	5.72

[1] *Source*: David Taussig & Associates, Inc.

[2] Value by Project, not by individual parcel. Represents appraised land value. See "THE PROJECTS AND THE ASSESSED PROPERTY – Appraisals" in the front part of this Official Statement and APPENDIX H – "EXCERPTS FROM APPRAISALS." *Source*: Seevers Jordan Ziegenmeyer

[3] Includes estimated overlapping debt assuming building permits are pulled for all units. Represents value to lien ratio by Project. *Source*: RBC Capital Markets, LLC.

[4] Total may not sum due to rounding.

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APPENDIX G

EXCERPTS FROM ENGINEER'S REPORTS

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DAVID
TAUSSIG
& ASSOCIATES, INC.

FINAL

ENGINEER'S REPORT

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

SCIP
Statewide Community Infrastructure Program

ASSESSMENT DISTRICT NO. 17-02
CITY OF BRENTWOOD
COUNTY OF CONTRA COSTA

BEGINNING FISCAL YEAR 2017-2018

INTENT MEETING: JULY 6, 2017

PUBLIC HEARING: SEPTEMBER 7, 2017

Prepared by

DAVID TAUSSIG & ASSOCIATES, INC.
1302 Lincoln Avenue, Ste. 204
San Jose, California 95125
(800) 969-4382

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CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

James Hamill
California Statewide Communities Development Authority

PROFESSIONAL SERVICES

UNDERWRITER
Robert Williams
RBC Capital Markets Corporation

BOND COUNSEL
Patricia Eichar
Orrick, Herrington & Sutcliffe LLP

PROGRAM ADMINISTRATOR
Vo Nguyen
BLX Group, LLC

ASSESSMENT ENGINEERING
Nathan D. Perez, Esq.
Stephen A. Runk, P.E.
David Taussig & Associates, Inc.

David Taussig & Associates, Inc., Assessment Engineer for the California Statewide Communities Development Authority (the "Authority") (Statewide Community Infrastructure Program) Assessment District No. 17-02 (City of Brentwood, County of Contra Costa, California) hereinafter referred to as "District," makes this report (hereinafter "Engineer's Report" or "Report"), as directed by the Commission of the Authority, in accordance with the Resolution of Intention, Resolution No. 17SCIP-40, and pursuant to Section 10204 of the Streets and Highways Code (Municipal Improvement Act of 1913) and Article XIIID of the California Constitution, which was added in November 1996 through the passage of Proposition 218 by voters of the State of California.

The fees which are the subject of this Report are briefly described as follows:

A. Impact Fees & Facilities Benefit Assessments

1 Water Facilities Fee (*Resolution No. 2015-67, adopted April 28, 2015, effective July 1, 2017)* – Provides for the expansion of production, storage, transmission, treatment, and distribution facilities in the water utility as specified in the City's Infrastructure Master Plans and Development Fee Program.

2 Wastewater Facilities Fee (*Resolution No. 2015-67, adopted April 28, 2015, effective July 1, 2017)* – Provides for the expansion of collection and treatment capacities in the wastewater utility as specified in the City's Infrastructure Master Plan and Development Fee Program.

3 Roadways Fee (*Resolution No. 2015-67, adopted April 28, 2015, effective July 1, 2017)* – Provides for traffic improvements necessary to accommodate the increase in traffic generated by new development as specified in the City's General Plan (Circulation Element) and the Development Fee Program.

4 Parks and Trails Fee (*Resolution No. 2015-67, adopted April 28, 2015, effective July 1, 2017)* – Provides for the acquisition and development of parks as specified in the City's Parks, Trails, and Recreation Master Plan and Development Fee Program.

At this time, there are no capital improvements which are the subject of this Report.

Bonds representing unpaid assessments, and bearing interest at a rate not to exceed twelve percent (12.00%) shall be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10, Streets and Highways Code), and the last installment of the bonds shall not mature more than twenty-nine (29) years from the second day of September next succeeding twelve (12) months from their date.

This Report includes the following sections:

Plans and Specifications – Plans and specifications for improvements to be constructed. Plans and specifications are a part of this Report whether or not separately bound.

Cost Estimate – An estimate of the cost of the improvements.

Assessment Roll – An assessment roll, showing the amount to be assessed against each parcel of real property within this Assessment District and the names and addresses of the property owners. An Assessor's Parcel number or other designation describes each parcel. Each parcel is also assigned an "assessment number" that links the Assessment Roll to the Assessment Diagram.

Method of Assessment – A statement of the method by which the Assessment Engineer determined the amount to be assessed against each parcel, based on special benefits to be derived by each parcel from the improvements.

Assessment Diagram – A diagram showing all of the parcels of real property to be assessed within this Assessment District. The diagram corresponds with the Assessment Roll by assessment number.

Maximum Annual Administrative Cost Add-on – Proposed maximum annual assessment per parcel for current costs and expenses.

Debt Limitation Report – A debt limitation report showing compliance with Part 7.5 of Division 4 of the Streets and Highways Code.

The plans, specifications, and studies of the improvements and impact fees for this District are voluminous and will not be bound in this Report, but by this reference are incorporated as if attached to this Report. The plans and specifications are on file with the City of Brentwood and/or the County of Contra Costa, California.

Summary Cost Estimate

The estimated costs of the fees and improvements have been calculated and are shown below along with other bond financing costs. All fee information has been provided to DTA by the project proponents, the City of Brentwood, and the SCIP Program Administrator.

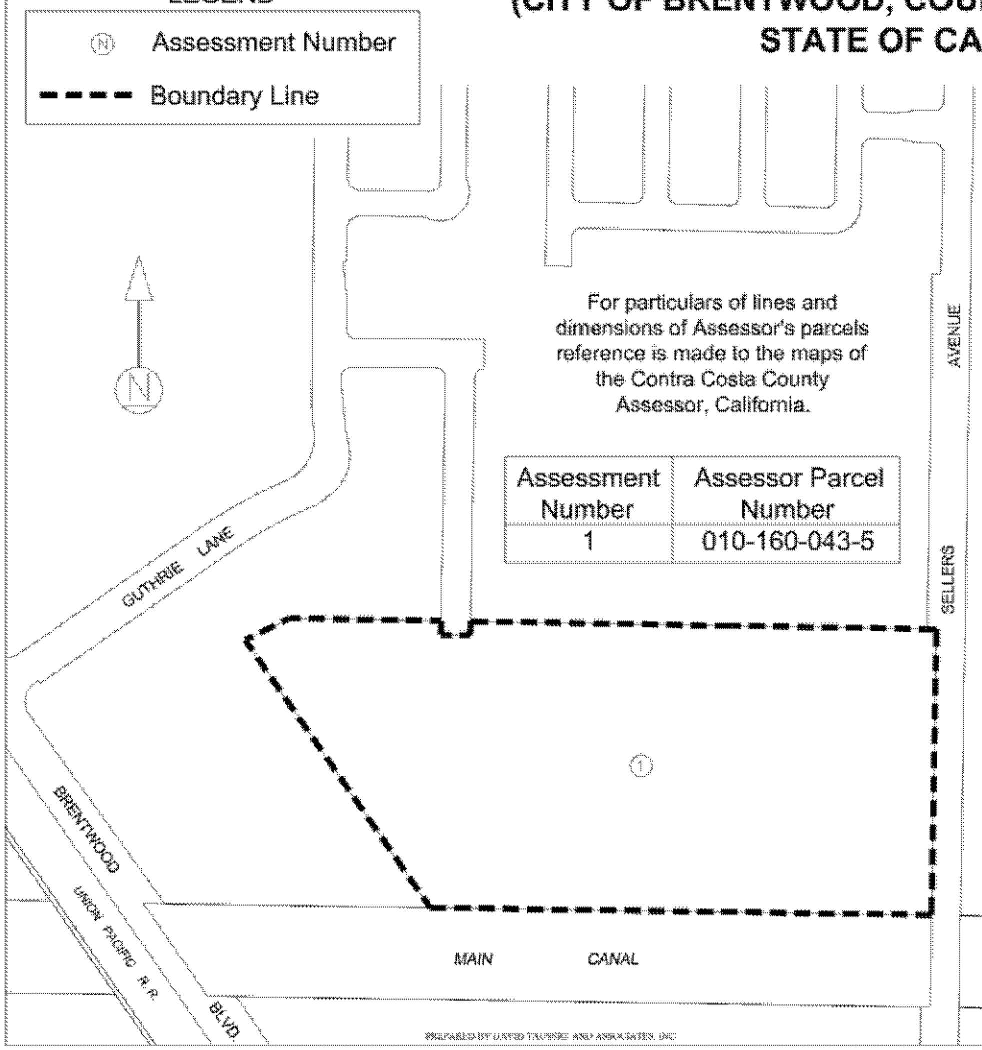
Cost Estimate City of Brentwood, County of Contra Costa - Sellers Avenue					
Description	Development Impact Fees	Special Benefit Apportioned to Project	Total Amount ($)	Amounts Pre-Paid by & Reimbursable to Developer	Amount Funded to Agency
Impact Fees					
Water Facilities Fee	$855,720.96	100%	$855,720.96	$0.00	$855,720.96
Wastewater Facilities Fee	$559,530.24	100%	$559,530.24	$0.00	$559,530.24
Roadways	$1,130,603.52	100%	$1,130,603.52	$0.00	$1,130,603.52
Parks and Trails Fee	$798,627.84	100%	$798,627.84	$0.00	$798,627.84
Impact Fees Subtotal	$3,344,482.56	NA	$3,344,482.56	$0.00	$3,344,482.56
Developer's Contribution	($944,482.56)	100%	($944,482.56)	$0.00	($944,482.56)
Subtotal	$2,400,000.00	NA	$2,400,000.00	$0.00	$2,400,000.00
Professional Services					
Assessment Engineer	$6,600.00	100%	$6,600.00	$0.00	$6,600.00
Appraiser	$7,500.00	100%	$7,500.00	$0.00	$7,500.00
SCIP Program Administrator	$5,000.00	100%	$5,000.00	$0.00	$5,000.00
Administration/Expense Fund	$5,000.00	100%	$5,000.00	$0.00	$5,000.00
Subtotal	$24,100.00	NA	$24,100.00	$0.00	$24,100.00
Financing Costs					
Bond Reserve Fund	8.00%		$240,964.21	-	-
Capitalized Interest	6.00%		$180,723.16	-	-
Legal	1.50%		$45,180.79	-	-
Issuer	1.50%		$45,180.79	-	-
Underwriter	2.50%		$75,301.32	-	-
Contingency	0.02%		$602.41	-	-
Subtotal	19.52%		$587,952.68		
Total Assessment			$3,012,052.68		

A Boundary Map showing the Assessment District, including the boundaries and dimensions of the parcels, lots, or subdivisions of land within the Assessment District as they existed at the time of the passage of the Resolution of Intention, was filed and recorded at the County of Contra Costa Recorder's office (Document Number: 2017-130137). Each of the subdivisions of land, parcels, or lots has been given a separate number on the Boundary Map that corresponds with the assessment number shown on the Assessment Roll.

The Assessment Diagram on the following page will be filed with the Final Engineer's Report at the time of the passage of the Resolution of Formation.

SHEET 1 OF 1

ASSESSMENT DIAGRAM
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM
ASSESSMENT DISTRICT NO. 17-02
(CITY OF BRENTWOOD, COUNTY OF CONTRA COSTA)
STATE OF CALIFORNIA



Assessment Number	Assessor Parcel Number
1	010-160-043-5

Filed this ________ day of __________________, 2017, at the hour of _____ o'clock ___ m., in the book __________ of Maps of Assessment and Community Facilities Districts at page ________ in the office of the Recorder of the County of Contra Costa, State of California.

____
By Deputy,
County Recorder, County of Contra Costa

Document No.: ______________________________

Fee: ____________

Filed in the office of the Secretary of the California Statewide Communities Development Authority on the _______ day of ___________________, 2017.

____
Secretary of the Authority
California Statewide Communities Development Authority

An assessment was levied by the Commission of the California Statewide Communities Development Authority on the lots, pieces and parcels of land shown on this assessment diagram. Said assessment was levied on the __________ day of _________________________, 2017; said assessment diagram and the assessment roll were recorded in the office of the Superintendent of Streets, of the California Statewide Communities Development Authority, on the ________ day of __________________, 2017. Reference is made to the assessment roll recorded in the office of the Superintendent of Streets, for the exact amount of each assessment levied against each parcel of land shown on this diagram.

____
Secretary of the Authority
California Statewide Communities Development Authority

Recorded in the office of the Superintendent of Streets of the California Statewide Communities Development Authority on the _________ day of ______________________, 2017.

____
Superintendent of Streets of the
California Statewide Communities Development Authority

DAVID TAUSSIG & ASSOCIATES

Public Finance
Public Private Partnerships
Urban Economics
Clean Energy Bonds

1302 Lincoln Avenue, Ste. 204
San Jose, California 95125
Phone (800) 969-4382

DAVID
TAUSSIG
& ASSOCIATES, INC.

FINAL

ENGINEER'S REPORT

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

SCIP
Statewide Community Infrastructure Program

ASSESSMENT DISTRICT NO. 17-02
COUNTY OF SACRAMENTO

BEGINNING FISCAL YEAR 2017-2018

INTENT MEETING: SEPTEMBER 21, 2017

PUBLIC HEARING: NOVEMBER 16, 2017

Prepared by

DAVID TAUSSIG & ASSOCIATES, INC.
1302 Lincoln Avenue, Ste. 204
San Jose, California 95125
(800) 969-4382

Public Finance
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CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

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PROGRAM ADMINISTRATOR
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ASSESSMENT ENGINEERING
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Stephen A. Runk, P.E.
David Taussig & Associates, Inc.

David Taussig & Associates, Inc., Assessment Engineer for the California Statewide Communities Development Authority (the "Authority") (Statewide Community Infrastructure Program) Assessment District No. 17-02 (County of Sacramento, California) hereinafter referred to as "District," makes this report (hereinafter "Engineer's Report" or "Report"), as directed by the Commission of the Authority, in accordance with the Resolution of Intention, Resolution No. 17SCIP-68, and pursuant to Section 10204 of the Streets and Highways Code (Municipal Improvement Act of 1913) and Article XIIID of the California Constitution, which was added in November 1996 through the passage of Proposition 218 by voters of the State of California.

The fees which are the subject of this Report are briefly described as follows:

A. Impact Fees

1 Antelope Public Facilities Financing Plan Development Roadway Impact Fees (*Ordinance No. SCC-1158, updated March 1, 2017)* – Funds the major roadway facilities required for the development of the Antelope area.

2 Sacramento County Transportation Development Fee Program *(Ordinance No. SCC 1406 § 2, 2008, updated March 15, 2017)* – Fee program for new residential, commercial and industrial development. Funds improvements to major roadway, transit, bicycle and pedestrian facilities needed to accommodate travel demands generated by development.

At this time, there are no capital improvements which are the subject of this Report.

Bonds representing unpaid assessments, and bearing interest at a rate not to exceed twelve percent (12.00%) shall be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10, Streets and Highways Code), and the last installment of the bonds shall not mature more than twenty-nine (29) years from the second day of September next succeeding twelve (12) months from their date.

This Report includes the following sections:

Plans and Specifications – Plans and specifications for improvements to be constructed. Plans and specifications are a part of this Report whether or not separately bound.

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Assessment Diagram – A diagram showing all of the parcels of real property to be assessed within this Assessment District. The diagram corresponds with the Assessment Roll by assessment number.

Maximum Annual Administrative Cost Add-on – Proposed maximum annual assessment per parcel for current costs and expenses.

Debt Limitation Report – A debt limitation report showing compliance with Part 7.5 of Division 4 of the Streets and Highways Code.

The plans, specifications, and studies of the improvements and impact fees for this District are voluminous and will not be bound in this Report, but by this reference are incorporated as if attached to this Report. The plans and specifications are on file with the County of Sacramento, California.

Summary Cost Estimate

The estimated costs of the fees and improvements have been calculated and are shown below along with other bond financing costs. All fee information has been provided to DTA by the project proponents, the County of Sacramento, and the SCIP Program Administrator.

Cost Estimate County of Sacramento - Elverta Park					
Description	Development Impact Fees	Special Benefit Apportioned to Project	Total Amount ($)	Amounts Pre-Paid by & Reimbursable to Developer	Amount Funded to Agency
Impact Fees					
Antelope PFFP Major Roadway Fees	$455,410.84	100%	$455,410.84	$0.00	$455,410.84
Sacramento County Transportation Development Fee	$191,345.60	100%	$191,345.60	$0.00	$191,345.60
Impact Fees Subtotal	$646,756.44	NA	$646,756.44	$0.00	$646,756.44
Developer's Contribution	$0.00	100%	$0.00	$0.00	$0.00
Subtotal	$646,756.44	NA	$646,756.44	$0.00	$646,756.44
Professional Services					
Assessment Engineer	$9,500.00	100%	$9,500.00	$0.00	$9,500.00
Appraiser	$5,000.00	100%	$5,000.00	$0.00	$5,000.00
SCIP Program Administrator	$5,000.00	100%	$5,000.00	$0.00	$5,000.00
Administration/Expense Fund	$5,000.00	100%	$5,000.00	$0.00	$5,000.00
Subtotal	$24,500.00	NA	$24,500.00	$0.00	$24,500.00
Financing Costs					
Bond Reserve Fund	8.00%		$67,992.55	-	-
Capitalized Interest	6.00%		$50,994.41	-	-
Administration - County of Sacramento	1.50%		$12,748.60		
Legal	1.50%		$12,748.60	-	-
Issuer	1.50%		$12,748.60	-	-
Underwriter	2.50%		$21,247.67	-	-
Contingency	0.02%		$169.99	-	-
Subtotal	21.02%		$178,650.42		
Total Assessment			$849,906.86		

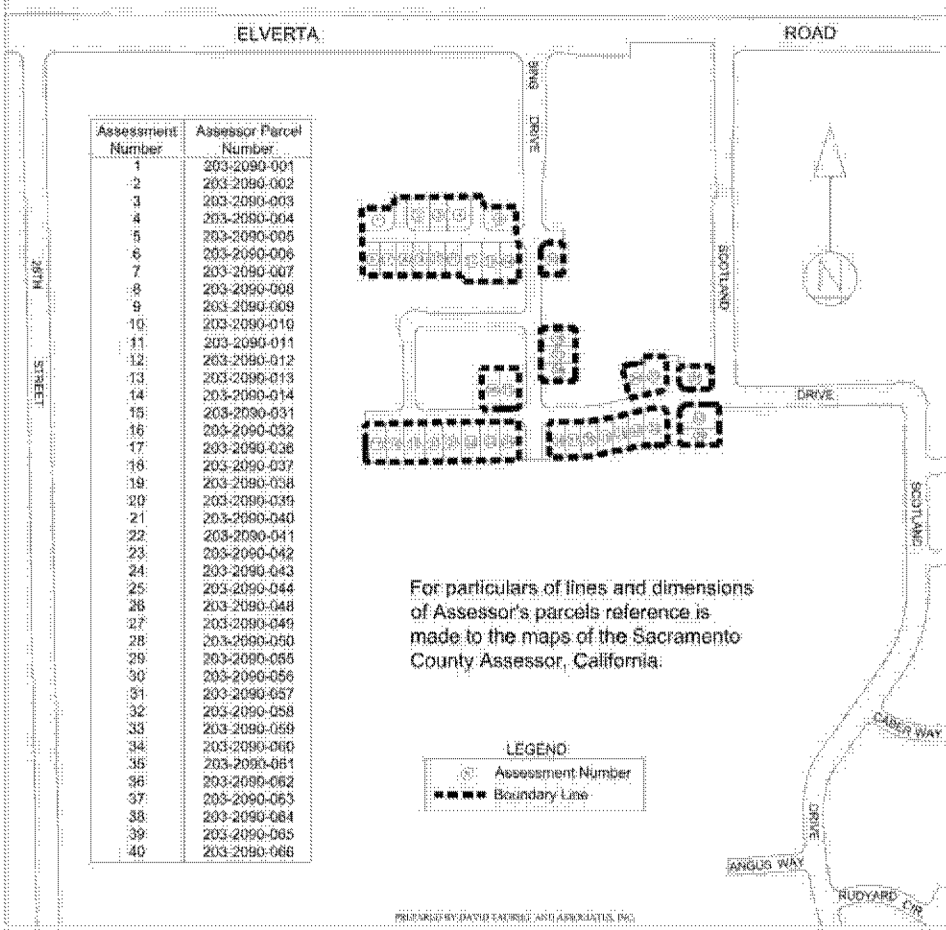
* The fee amounts presented in the table above are estimates and are subject to change at the discretion of the governing body, and are also adjusted each March based on the ENR index.

A Boundary Map showing the Assessment District, including the boundaries and dimensions of the parcels, lots, or subdivisions of land within the Assessment District as they existed at the time of the passage of the Resolution of Intention, was filed and recorded at the County of Sacramento Recorder's office (Document No: 201710040195). Each of the subdivisions of land, parcels, or lots has been given a separate number on the Boundary Map that corresponds with the assessment number shown on the Assessment Roll.

The Assessment Diagram on the following page will be filed with the Final Engineer's Report at the time of the passage of the Resolution of Formation

SHEET 1 OF 1

ASSESSMENT DIAGRAM
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM
ASSESSMENT DISTRICT NO. 17-02
(COUNTY OF SACRAMENTO)
STATE OF CALIFORNIA



Assessment Number	Assessor Parcel Number
1	203-2090-001
2	203-2090-002
3	203-2090-003
4	203-2090-004
5	203-2090-005
6	203-2090-006
7	203-2090-007
8	203-2090-008
9	203-2090-009
10	203-2090-010
11	203-2090-011
12	203-2090-012
13	203-2090-013
14	203-2090-014
15	203-2090-031
16	203-2090-032
17	203-2090-036
18	203-2090-037
19	203-2090-038
20	203-2090-039
21	203-2090-040
22	203-2090-041
23	203-2090-042
24	203-2090-043
25	203-2090-044
26	203-2090-048
27	203-2090-049
28	203-2090-050
29	203-2090-055
30	203-2090-056
31	203-2090-057
32	203-2090-058
33	203-2090-059
34	203-2090-060
35	203-2090-061
36	203-2090-062
37	203-2090-063
38	203-2090-064
39	203-2090-065
40	203-2090-066

Filed this ________ day of ____________________, 2017, at the hour of _____ o'clock ____ m., in the book __________ of Maps of Assessment and Community Facilities Districts at page _______ in the office of the Recorder of the County of Sacramento, State of California.

____
By Deputy,
County Recorder, County of Sacramento

Document No.: ______________________________

Fee: ____________

Filed in the office of the Secretary of the California Statewide Communities Development Authority on the ________ day of ____________________, 2017.

____
Secretary of the Authority
California Statewide Communities Development Authority

An assessment was levied by the Commission of the California Statewide Communities Development Authority on the lots, pieces and parcels of land shown on this assessment diagram. Said assessment was levied on the _________ day of ____________________, 2017, said assessment diagram and the assessment roll were recorded in the office of the Superintendent of Streets, of the California Statewide Communities Development Authority, on the _______ day of ____________________, 2017. Reference is made to the assessment roll recorded in the office of the Superintendent of Streets, for the exact amount of each assessment levied against each parcel of land shown on this diagram.

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Secretary of the Authority
California Statewide Communities Development Authority

Recorded in the office of the Superintendent of Streets of the California Statewide Communities Development Authority on the _________ day of ____________________, 2017.

____
Superintendent of Streets of the
California Statewide Communities Development Authority

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FINAL

ENGINEER'S REPORT

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

SCIP
Statewide Community Infrastructure Program

ASSESSMENT DISTRICT NO. 17-03
CITY OF SACRAMENTO, COUNTY OF SACRAMENTO

BEGINNING FISCAL YEAR 2017-2018

INTENT MEETING: SEPTEMBER 21, 2017

PUBLIC HEARING: NOVEMBER 16, 2017

Prepared by

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1302 Lincoln Avenue, Ste. 204
San Jose, California 95125
(800) 969-4382

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CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

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ASSESSMENT ENGINEERING
Nathan D. Perez, Esq.
Stephen A. Runk, P.E.
David Taussig & Associates, Inc.

David Taussig & Associates, Inc., Assessment Engineer for the California Statewide Communities Development Authority (the "Authority") (Statewide Community Infrastructure Program) Assessment District No. 17-03 (City of Sacramento, County of Sacramento, California) hereinafter referred to as "District," makes this report (hereinafter "Engineer's Report" or "Report"), as directed by the Commission of the Authority, in accordance with the Resolution of Intention, Resolution No. 17SCIP-70, and pursuant to Section 10204 of the Streets and Highways Code (Municipal Improvement Act of 1913) and Article XIIID of the California Constitution, which was added in November 1996 through the passage of Proposition 218 by voters of the State of California.

The fees which are the subject of this Report are briefly described as follows:

A. Impact Fees

1 Park Development Impact Fee (Ordinance 2017-0011) – Park Development Impact Fees provide for development of Tier 1 and Tier 2 neighborhood and community parks.

2 Transportation Development Impact Fee (Ordinance 2017-0012) – Transportation Development Impact Fees provide City of Sacramento transportation facilities for residents and businesses.

3 Jacinto Creek Channel Impact Fee (Resolution 2006-106) – Jacinto Creek Channel Impact Fees provide funding for backbone infrastructure construction: including, storm drainage channels, detention basins, major roadways, traffic signals, and water conveyance pipelines.

4 Jacinto Creek Facilities Impact Fee (Resolution 2006-106) – Jacinto Creek Facilities Impact Fees ensure funding of infrastructure improvements required with the implementation and development of the Jacinto Creek Plan Area.

5 Jacinto Creek Drainage Impact Fee (Resolution 2005-547) – Jacinto Creek Drainage Fees provide funding for storm drainage facilities required by the implementation and development of the Jacinto Creek Plan Area.

6 Water System Development Fee (Resolution 87-322) – Water System Development Fees provide new water mains, water treatment plants, new water tap, or an increase in size of an existing tap.

7 Water Meter Installation Fee (Resolution 2015-0126) – Recovers the costs associated with water meter installation activity.

At this time, there are no capital improvements which are the subject of this Report.

Bonds representing unpaid assessments, and bearing interest at a rate not to exceed twelve percent (12.00%) shall be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10, Streets and Highways Code), and the last installment of the bonds shall not mature more than twenty-nine (29) years from the second day of September next succeeding twelve (12) months from their date.

This Report includes the following sections:

Plans and Specifications – Plans and specifications for improvements to be constructed. Plans and specifications are a part of this Report whether or not separately bound.

Cost Estimate – An estimate of the cost of the improvements.

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Assessment Diagram – A diagram showing all of the parcels of real property to be assessed within this Assessment District. The diagram corresponds with the Assessment Roll by assessment number.

Maximum Annual Administrative Cost Add-on – Proposed maximum annual assessment per parcel for current costs and expenses.

Debt Limitation Report – A debt limitation report showing compliance with Part 7.5 of Division 4 of the Streets and Highways Code.

The plans, specifications, and studies of the improvements and impact fees for this District are voluminous and will not be bound in this Report, but by this reference are incorporated as if attached to this Report. The plans and specifications are on file with the City of Sacramento, and/or the County of Sacramento, California.

Summary Cost Estimate

The estimated costs of the fees and improvements have been calculated and are shown below along with other bond financing costs. All fee information has been provided to DTA by the Project Proponents, the City of Sacramento, and the SCIP Administrator.

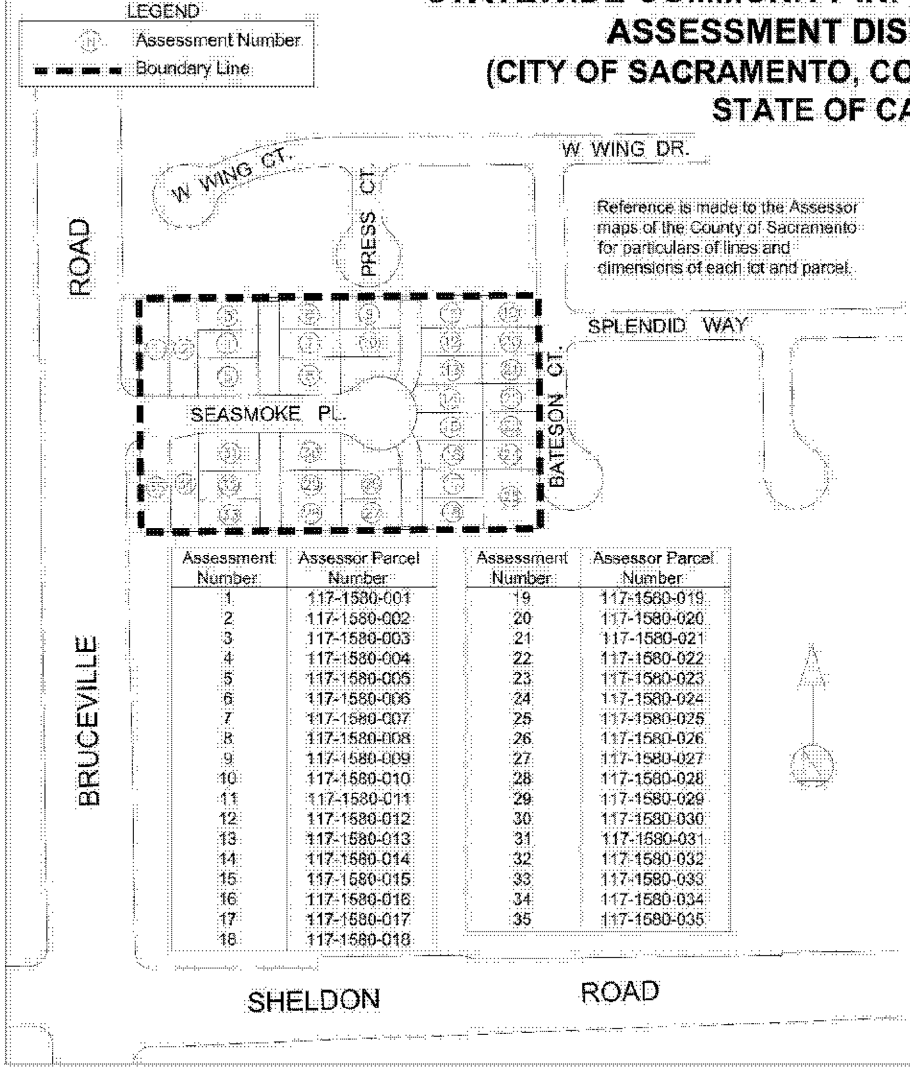
Cost Estimate City of Sacramento, County of Sacramento - Calistoga					
Description	Impact Fees and Improvements	Special Benefit Apportioned to Project	Total Amount ($)	Amounts Pre-Paid by & Reimbursable to Developer	Amount Funded to Agency
Impact Fees					
Park Development Impact Fee	$178,500.00	100%	$178,500.00	$40.800.00	$137,700.00
Transportation Development Impact Fee	$45.185.00	100%	$45,185.00	$10,328.00	$34,857.00
Jacinto Creek Channel Impact Fee	$28.490.00	100%	$28,490.00	$6,512.00	$21,978.00
Jacinto Creek Facilities Impact Fee	$34.160.00	100%	$34,160.00	$7,808.00	$26,352.00
Jacinto Drainage #7	$30.870.00	100%	$30,870.00	$7,056.00	$23,814.00
Water System Development Fee	$103,230.14	100%	$103,230.14	$22,886.24	$80,343.90
Water Meter Fee	$17,921.00	100%	$17.921.00	$3.800.00	$14,121.00
Impact Fees Subtotal	$438,356.14	NA	$438,356.14	$99,190.24	$339,165.90
Developer's Contribution	($856.14)	100%	($856.14)	$0.00	($856.14)
Subtotal	$437,500.00	NA	$437,500.00	$99,190.24	$338,309.76
Professional Services					
Assessment Engineer	$15,600.00	100%	$15,600.00	$0.00	$15,600.00
Appraiser	$7,500.00	100%	$7,500.00	$0.00	$7,500.00
SCIP Program Administrator	$5,000.00	100%	$5,000.00	$0.00	$5,000.00
Administration/Expense Fund	$5,000.00	100%	$5,000.00	$0.00	$5,000.00
Administration Expense (City of Sacramento)	$3,800.00	100%	$3.800.00	$0.00	$3.800.00
Subtotal	$36,900.00	NA	$36,900.00	$0.00	$36,900.00
Financing Costs					
Bond Reserve Fund	8.00%		$47,157.06	-	-
Capitalized Interest	6.00%		$35.367.79	-	-
Legal	1.50%		$8,841.95	-	-
Issuer	1.50%		$8,841.95	-	-
Underwriter	2.50%		$14,736.58	-	-
Contingency	0.02%		$117.89	-	-
Subtotal	19.52%		$115,063.22	-	-
Total Assessment			$589,463.22		

A Boundary Map showing the Assessment District, including the boundaries and dimensions of the parcels, lots, or subdivisions of land within the Assessment District as they existed at the time of the passage of the Resolution of Intention, was filed and recorded at the County of Sacramento Recorder's office (Document No: 201710040194). Each of the subdivisions of land, parcels, or lots has been given a separate number on the Boundary Map that corresponds with the assessment number shown on the Assessment Roll.

The Assessment Diagram on the following page will be filed with the Final Engineer's Report at the time of the passage of the Resolution of Formation.

SHEET 1 OF 1

ASSESSMENT DIAGRAM
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM
ASSESSMENT DISTRICT NO. 17-03
(CITY OF SACRAMENTO, COUNTY OF SACRAMENTO)
STATE OF CALIFORNIA



Assessment Number	Assessor Parcel Number	Assessment Number	Assessor Parcel Number
1	117-1580-001	19	117-1580-019
2	117-1580-002	20	117-1580-020
3	117-1580-003	21	117-1580-021
4	117-1580-004	22	117-1580-022
5	117-1580-005	23	117-1580-023
6	117-1580-006	24	117-1580-024
7	117-1580-007	25	117-1580-025
8	117-1580-008	26	117-1580-026
9	117-1580-009	27	117-1580-027
10	117-1580-010	28	117-1580-028
11	117-1580-011	29	117-1580-029
12	117-1580-012	30	117-1580-030
13	117-1580-013	31	117-1580-031
14	117-1580-014	32	117-1580-032
15	117-1580-015	33	117-1580-033
16	117-1580-016	34	117-1580-034
17	117-1580-017	35	117-1580-035
18	117-1580-018		

Filed this ________ day of __________________, 2017, at the hour of _____ o'clock ___ m., in the book __________ of Maps of Assessment and Community Facilities Districts at page ______ in the office of the Recorder of the County of Sacramento, State of California.

____
By Deputy,
County Recorder, County of Sacramento

Document No.: ____________________________

Fee: ___________

Filed in the office of the Secretary of the California Statewide Communities Development Authority on the _______ day of ___________________, 2017.

____
Secretary of the Authority
California Statewide Communities Development Authority

An assessment was levied by the Commission of the California Statewide Communities Development Authority on the lots, pieces and parcels of land shown on this assessment diagram. Said assessment was levied on the _________ day of ____________________, 2017; said assessment diagram and the assessment roll were recorded in the office of the Superintendent of Streets, of the California Statewide Communities Development Authority, on the _______ day of ______________, 2017. Reference is made to the assessment roll recorded in the office of the Superintendent of Streets, for the exact amount of each assessment levied against each parcel of land shown on this diagram.

____
Secretary of the Authority
California Statewide Communities Development Authority

Recorded in the office of the Superintendent of Streets of the California Statewide Communities Development Authority on the ________ day of __________________, 2017.

____
Superintendent of Streets of the
California Statewide Communities Development Authority

DAVID TAUSSIG
& ASSOCIATES

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1302 Lincoln Avenue, Ste. 204
San Jose, CA 95125
Phone (800) 969-4382

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ENGINEER'S REPORT

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

SCIP
Statewide Community Infrastructure Program

ASSESSMENT DISTRICT NO. 17-04
CITY OF MANTECA, COUNTY OF SAN JOAQUIN

BEGINNING FISCAL YEAR 2017-2018

INTENT MEETING: JULY 6, 2017

PUBLIC HEARING: NOVEMBER 16, 2017

Prepared by

DAVID TAUSSIG & ASSOCIATES, INC.
1302 LINCOLN AVENUE, STE. 204
SAN JOSE, CALIFORNIA 95125
(800) 969-4382

Newport Beach
San Francisco
San Jose
Riverside
Dallas
Houston

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

James Hamill
California Statewide Communities Development Authority

PROFESSIONAL SERVICES

UNDERWRITER
Robert Williams
RBC Capital Markets Corporation

BOND COUNSEL
Patricia Eichar
Orrick, Herrington & Sutcliffe LLP

PROGRAM ADMINISTRATOR
Vo Nguyen
BLX Group, LLC

ASSESSMENT ENGINEERING
Nathan D. Perez, Esq.
Stephen A. Runk, P.E.
David Taussig & Associates, Inc.

David Taussig & Associates, Inc., Assessment Engineer for the California Statewide Communities Development Authority (the "Authority") (Statewide Community Infrastructure Program) Assessment District No. 17-04 (City of Manteca, County of San Joaquin, California) hereinafter referred to as "District," makes this report (hereinafter "Engineer's Report" or "Report"), as directed by the Commission of the Authority, in accordance with the Resolution of Intention, Resolution No. 17SCIP-45, and pursuant to Section 10204 of the Streets and Highways Code (Municipal Improvement Act of 1913) and Article XIIID of the California Constitution, which was added in November 1996 through the passage of Proposition 218 by voters of the State of California.

The fees which are the subject of this Report are briefly described as follows:

A. Capital Improvements

The following capital improvements located within the Silva Estates project located in the City of Manteca, California will be funded, or partially funded, by proceeds from this bond issuance.

1 Street and Streetlight Improvements – Funding for capital improvements including, but not limited to, local streets with related grading; installation maintenance, concrete curb, gutter and sidewalk; aggregate base; asphaltic concrete paving; and street lighting improvements.

2 Sanitary Sewer Improvements – Funding for capital improvements for the collection of sewage, including but not limited to, pump station, manholes, gravity mainline, and force mains necessary to meet the project service demands of the Silva Estates development.

3 Water Improvements – Funding for capital improvements for the water system, including but not limited to, the removal and installation of water mains and appurtenances, and the installation of fire hydrants, backflow preventer and irrigation, necessary to meet the potable and non-potable water needs of the Silva Estates development.

4 Sound Walls, Fencing, and Facing - Funding for capital improvements including, but not limited to, Sound Walls, Fencing, and Facing necessary to serve Silva Estates development.

5 Miscellaneous – Funding for incidental costs associated with the capital improvements, including, but not limited to, contingency, design, engineering, and construction management.

B. Reimbursement for Capital Improvements

Future negotiations and agreements between the City of Manteca ("City") and the project developer may outline a mechanism whereby the developer of a "benefited" property would pay the City for that property's share of the costs of certain public facilities. Such payments related to public facilities privately financed by the developer of Silva Estates would then be paid, when received by the City, to the developer of Silva Estates. Such payments related to public facilities financed by the District would be allocated to the parcels within the District in proportion to their respective original assessments as shown in this Report. As pertains to any of those parcels that the developer of Silva Estates may sell, those amounts would be paid to the developer of Silva Estates. As pertains to any such parcels still owned by the developer of Silva Estates, the City would use those amounts to partially prepay the assessments on those parcels pursuant to Streets and Highways Code Section 8766.5.

Bonds representing unpaid assessments, and bearing interest at a rate not to exceed twelve percent (12.00%) shall be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10, Streets and Highways Code), and the last installment of the bonds shall not mature more than twenty-nine (29) years from the second day of September next succeeding twelve (12) months from their date.

This Report includes the following sections:

Plans and Specifications – Plans and specifications for improvements to be constructed. Plans and specifications are a part of this Report whether or not separately bound.

Cost Estimate – An estimate of the cost of the improvements.

Assessment Roll – An assessment roll, showing the amount to be assessed against each parcel of real property within this Assessment District and the names and addresses of the property owners. An Assessor's Parcel number or other designation describes each parcel. Each parcel is also assigned an "assessment number" that links the Roll to the Diagram.

Method of Assessment – A statement of the method by which the Assessment Engineer determined the amount to be assessed against each parcel, based on special benefits to be derived by each parcel from the improvements.

Assessment Diagram – A diagram showing all of the parcels of real property to be assessed within this Assessment District. The diagram corresponds with the Assessment Roll by assessment number.

Maximum Annual Administrative Cost Add-on – Proposed maximum annual assessment per parcel for current costs and expenses.

Debt Limitation Report – A debt limitation report showing compliance with Part 7.5 of Division 4 of the Streets and Highways Code.

The plans, specifications, and studies of the improvements and impact fees for this District are voluminous and will not be bound in this Report, but by this reference are incorporated as if attached to this Report. The plans and specifications are on file with the City of Manteca and/or the County of San Joaquin, California.

Summary Cost Estimate

The estimated costs of the fees and improvements have been calculated and are shown below along with other bond financing costs. All fee information has been provided to DTA by the Project proponents, the City of Manteca, and the SCIP Administrator.

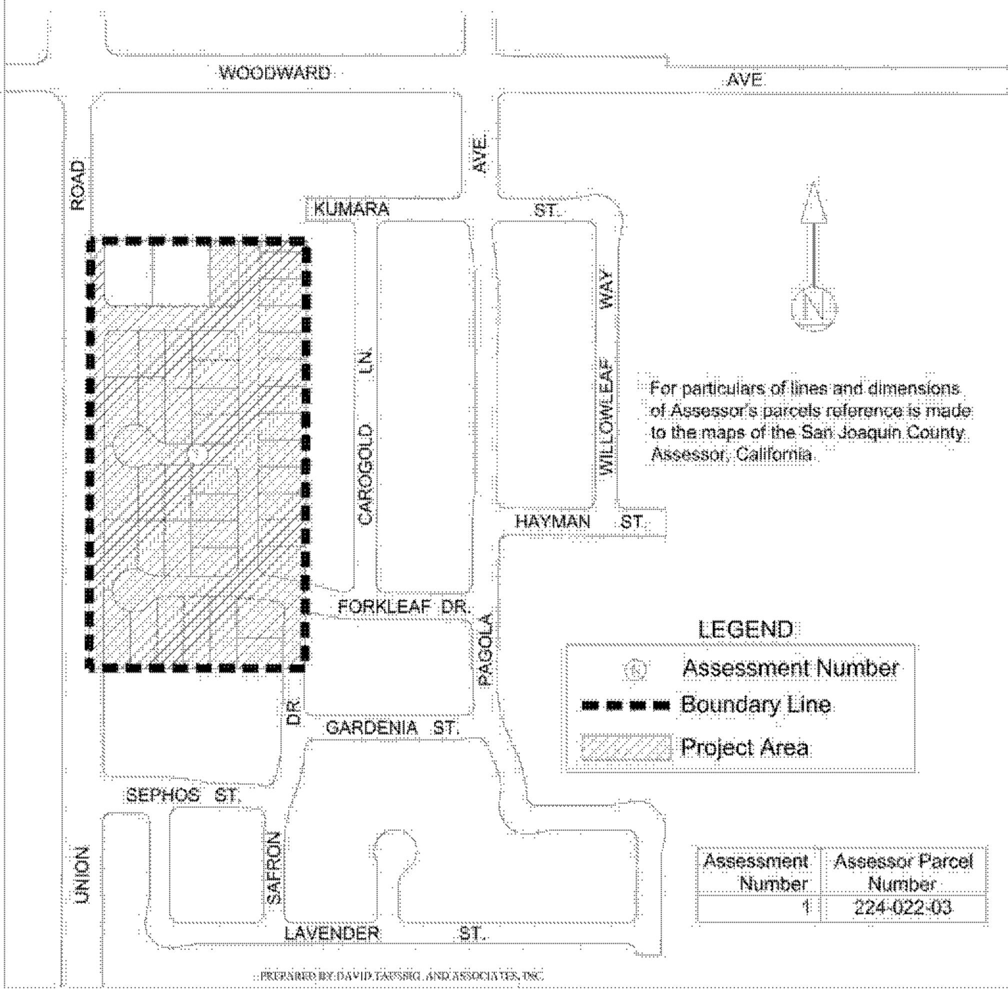
Cost Estimate City of Manteca, County of San Joaquin - Silva Estates						
Description	Public Improvements	Cost Estimates Apportioned to Meritage Homes (40/42)	Special Benefit Apportioned to Project	Total Amount ($)	Amounts Pre-Paid by & Reimbursable to Developer	Amount Funded to Agency
Public Improvements						
Street and Streetlights	$988,995.40	95.24%	95%	$894,805.36	$0.00	$894,805.36
Sewer	$81,372.00	95.24%	90%	$69,747.43	$0.00	$69,747.43
Water	$117,837.00	95.24%	95%	$106,614.43	$0.00	$106,614.43
Sound Walls, Fencing, Facing, & Miscellaneous	$373,360.44	95.24%	75%	$266,686.03	$0.00	$266,686.03
Public Improvements Subtotal	$1,561,564.84	NA	NA	$1,337,853.25	$0.00	$1,337,853.25
Developer's Contribution	($737,853.25)	100.00%	100%	($737,853.25)	$0.00	($737,853.25)
Subtotal	$823,711.59	NA	NA	$600,000.00	$0.00	$600,000.00
Professional Services						
Assessment Engineer	$15,600.00	100%	100%	$15,600.00	$0.00	$15,600.00
Appraiser	$7,500.00	100%	100%	$7,500.00	$0.00	$7,500.00
SCIP Program Administrator	$5,000.00	100%	100%	$5,000.00	$0.00	$5,000.00
Administration/Expense Fund	$5,000.00	100%	100%	$5,000.00	$0.00	$5,000.00
Subtotal	$33,100.00		NA	$33,100.00	$0.00	$33,100.00
Financing Costs						
Bond Reserve Fund	8.00%			$62,932.41	-	-
Capitalized Interest	6.00%			$47,199.30	-	-
Legal	1.50%			$11,799.83	-	-
Issuer	1.50%			$11,799.83	-	-
Underwriter	2.50%			$19,666.38	-	-
Contingency	0.02%			$157.32	-	-
Subtotal	19.52%			$153,555.07	-	-
Total Assessment				$786,655.07		

A Boundary Map showing the Assessment District, including the boundaries and dimensions of the parcels, lots, or subdivisions of land within the Assessment District as they existed at the time of the passage of the Resolution of Intention, was filed and recorded at the County of San Joaquin Recorder's office (Document Number: 2017-081743). Each of the subdivisions of land, parcels, or lots has been given a separate number on the Boundary Map that corresponds with the assessment number shown on the Assessment Roll.

The Assessment Diagram on the following page will be filed with the Final Engineer's Report at the time of the passage of the Resolution of Formation.

SHEET 1 OF 1

ASSESSMENT DIAGRAM
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM
ASSESSMENT DISTRICT NO. 17-04
(CITY OF MANTECA, COUNTY OF SAN JOAQUIN)
STATE OF CALIFORNIA



Assessment Number	Assessor Parcel Number
1	224-022-03

Filed this ________ day of ________________, 2017, at the hour of ______ o'clock ____ m., in the book ________ of Maps of Assessment and Community Facilities Districts at page ________ in the office of the Recorder of the County of San Joaquin, State of California.

____
By Deputy,
County Recorder, County of San Joaquin

Document No.: ______________________

Fee: ____________

Filed in the office of the Secretary of the California Statewide Communities Development Authority on the ________ day of ________________, 2017.

____
Secretary of the Authority
California Statewide Communities Development Authority

An assessment was levied by the Commission of the California Statewide Communities Development Authority on the lots, pieces and parcels of land shown on this assessment diagram. Said assessment was levied on the ________ day of ________________, 2017; said assessment diagram and the assessment roll were recorded in the office of the Superintendent of Streets, of the California Statewide Communities Development Authority, on the ________ day of ________________, 2017. Reference is made to the assessment roll recorded in the office of the Superintendent of Streets, for the exact amount of each assessment levied against each parcel of land shown on this diagram.

____
Secretary of the Authority
California Statewide Communities Development Authority

Recorded in the office of the Superintendent of Streets of the California Statewide Communities Development Authority on the ________ day of ________________, 2017.

____
Superintendent of Streets of the
California Statewide Communities Development Authority

DAVID TAUSSIG
& ASSOCIATES

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1302 Lincoln Avenue, Ste. 204
San Jose, California 95125
Phone (800) 969-4382

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FINAL

SECOND AMENDED AND RESTATED ENGINEER'S REPORT

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

SCIP
Statewide Community Infrastructure Program

ASSESSMENT DISTRICT NO. 16-02
CITY OF SANTA ROSA, COUNTY OF SONOMA

BEGINNING FISCAL YEAR 2015-2016

INTENT MEETING: JANUARY 7, 2016

PUBLIC HEARING: MARCH 3, 2016

SECOND AMENDMENT PROCEEDING: OCTOBER 19, 2017

Prepared by

DAVID TAUSSIG & ASSOCIATES, INC.
1302 LINCOLN AVENUE, STE. 204
SAN JOSE, CALIFORNIA 95125
(800) 969-4382

Newport Beach
San Francisco
San Jose
Riverside
Dallas
Houston

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

James Hamill
California Statewide Communities Development Authority

PROFESSIONAL SERVICES

UNDERWRITER
Robert Williams
RBC Capital Markets Corporation

BOND COUNSEL
Patricia Eichar
Orrick, Herrington & Sutcliffe LLP

PROGRAM ADMINISTRATOR
Vo Nguyen
BLX Group, LLC

ASSESSMENT ENGINEERING
Nathan D. Perez, Esq
Stephen A. Runk, P.E.
David Taussig & Associates, Inc.

David Taussig & Associates, Inc., Assessment Engineer for the California Statewide Communities Development Authority (the "Authority") (Statewide Communities Infrastructure Program) Assessment District No. 16-02 (City of Santa Rosa, County of Sonoma, California) hereinafter referred to as "District," makes this Second Amended and Restated Report (hereinafter "Engineer's Report" or "Report"), as directed by the Commission of the Authority, in accordance with the Resolution of Intention, Resolution No. 16R-14, the Resolution of Formation, Resolution No. 16R-18, the Resolution Ordering Change and Modification Proceedings, and pursuant to Section 10204 of the Streets and Highways Code (Municipal Improvement Act of 1913) and Article XIIID of the California Constitution, which was added in November 1996 through the passage of Proposition 218 by voters of the State of California.

The fees which are the subject of this Report are briefly described as follows:

A. Impact Fees

1 Southeast Area Development Fee (*Ordinance No. 3232; rates effective January 1, 2015)* – Fees established to pay for infrastructure improvements associated with planned development in the Southeast Area Plan boundary.

2 Water Demand Fee (Resolution No. 28547; *effective August 27, 2014*) - Fees for new connections to the City of Santa Rosa water system.

3 Wastewater Fee (*Ordinance, No. 4034; effective November 16, 2014*) - Fees for new connections to the City of Santa Rosa sewer system.

4 Park Fee (*Ordinance No. 3216; effective January 1, 2015*) - Fees fund the costs of acquiring and constructing neighborhood and community parks.

B. Improvements

The following capital improvements located within the Kawana Meadows project located in the City of Santa Rosa, California will be funded, or partially funded, by proceeds from this bond issuance.

1 Street / Roadway Improvements – Funding for capital improvements including, but not limited to, local streets with related rough and fine grading; concrete curb, gutter and sidewalk; aggregate base; asphaltic concrete paving; and street lighting improvements.

2 Sanitary Sewer Improvements – Funding for capital improvements for the collection of sewage, including but not limited to, pump station, manholes, gravity mainline, and force mains necessary to meet the project service demands of the Kawana Meadows development.

3 Storm Drain Improvements – Funding for capital improvements including, but not limited to, facilities for the collection and disposal of storm waters for drainage and flood control purposes, including mainline and connector pipes, drainage inlets, manholes, retention basin, bubblers, risers, and outfall pumps.

4 Water Improvements – Funding for capital improvements for the water system, including but not limited to, the removal and installation of water mains and appurtenances, and the installation of fire hydrants, backflow preventer and irrigation, necessary to meet the potable and non-potable water needs of the Kawana Meadows development.

5 Incidental Costs – Funding for incidental costs associated with the capital improvements, including, but not limited to, contingency, design, engineering, and construction management.

C. Reimbursement for Capital Improvements

Future negotiations and agreements between the City of Santa Rosa ("City") and the project developer may outline a mechanism whereby the developer of a "benefited" property would pay the City for that property's share of the costs of certain public facilities. Such payments related to public facilities privately financed by the developer of Kawana Meadows would then be paid, when received by the City, to the developer of Kawana Meadows. Such payments related to public facilities financed by the District would be allocated to the parcels within the District in proportion to their respective original assessments as shown in this Report. As pertains to any of those parcels that the developer of Kawana Meadows may sell, those amounts would be paid to the developer of Kawana Meadows. As pertains to any such parcels still owned by the developer of Kawana Meadows, the City would use those amounts to partially prepay the assessments on those parcels pursuant to Streets and Highways Code Section 8766.5.

Bonds representing unpaid assessments, and bearing interest at a rate not to exceed twelve percent (12.00%) shall be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10, Streets and Highways Code), and the last installment of the bonds shall not mature more than twenty-nine (29) years from the second day of September next succeeding twelve (12) months from their date.

This Report includes the following sections:

Plans and Specifications – Plans and specifications for improvements to be constructed. Plans and specifications are a part of this Report whether or not separately bound.

Cost Estimate – An estimate of the cost of the improvements.

Assessment Roll – An assessment roll, showing the amount to be assessed against each parcel of real property within this Assessment District and the names and addresses of the property owners. An Assessor's Parcel number or other designation describes each parcel. Each parcel is also assigned an "assessment number" that links the Assessment Roll to the Assessment Diagram.

Method of Assessment – A statement of the method by which the Assessment Engineer determined the amount to be assessed against each parcel, based on special benefits to be derived by each parcel from the improvements.

Assessment Diagram – A diagram showing all of the parcels of real property to be assessed within this Assessment District. The diagram corresponds with the Assessment Roll by assessment number.

Maximum Annual Administrative Cost Add-on – Proposed maximum annual assessment per parcel for current costs and expenses.

Debt Limitation Report – A debt limitation report showing compliance with Part 7.5 of Division 4 of the Streets and Highways Code.

The plans, specifications, and studies of the improvements for this District are voluminous and will not be bound in this Report, but by this reference are incorporated as if attached to this Report. The plans and specifications are on file with the City of Santa Rosa and/or the County of Sonoma, California.

Summary Cost Estimate

The estimated costs of the improvements have been calculated and are shown below along with other bond financing costs. All fee information has been provided to DTA by the Project proponents, the City of Santa Rosa, and the SCIP Administrator.

Cost Estimate City of Santa Rosa, County of Sonoma - Kawana Meadows					
Description	Development Impact Fees & Public Improvements	Special Benefit Apportioned to Project	Total Amount ($)	Amounts Pre Paid by & Reimbursable to Developer	Amount Funded to Agency
Impact Fees					
Southeast Area Development Fee	$1,786,095.00	100%	$1,786,095.00	$0.00	$1,786,095.00
Water Demand Fee	$504,210.00	100%	$504,210.00	$0.00	$504,210.00
Wastewater Fee	$911,374.00	100%	$911,374.00	$0.00	$911,374.00
Park Fee	$1,236,181.00	100%	$1,236,181.00	$0.00	$1,236,181.00
Impact Fees Subtotal	$4,437,860.00	NA	$4,437,860.00	$0.00	$4,437,860.00
Public Improvements					
Road/Street (On-Site)	$2,236,187.25	90%	$2,012,568.53	$0.00	$2,012,568.53
Sanitary Sewer	$503,402.00	95%	$478,231.90	$0.00	$478,231.90
Storm Drain	$1,121,922.00	99%	$1,110,702.78	$0.00	$1,110,702.78
Water	$746,355.00	90%	$671,719.50	$0.00	$671,719.50
Road/Street (Off-Site)	$288,000.00	50%	$144,000.00	$0.00	$144,000.00
Public Improvements Subtotal	$4,895,866.25	NA	$4,417,222.71	$0.00	$4,417,222.71
Developer's Contribution	$(5,675,888.31)	100%	$(5,675,888.31)	$0.00	$(5,675,888.31)
Subtotal	$3,657,837.94	NA	$3,179,194.40	$0.00	$3,179,194.40
Professional Services					
Assessment Engineer	$30,600.00	100%	$30,600.00	$0.00	$30,600.00
Appraiser	$5,000.00	100%	$5,000.00	$0.00	$5,000.00
SCIP Program Administrator	$5,000.00	100%	$5,000.00	$0.00	$5,000.00
Administration/Expense Fund	$5,000.00	100%	$5,000.00	$0.00	$5,000.00
Subtotal	$45,600.00	NA	$45,600.00	$0.00	$45,600.00
Financing Costs					
Bond Reserve Fund	8.00%		$320,480.00	-	-
Capitalized Interest	6.00%		$240,360.00	-	-
Legal	1.50%		$60,090.00	-	-
Issuer	1.50%		$60,090.00	-	-
Underwriter	2.50%		$100,150.00	-	-
Contingency	0.00%		$35.60	-	-
Subtotal	19.50%		$781,205.60	-	-
Total Assessment			$4,006,000.00		

A Boundary Map showing the Assessment District, including the boundaries and dimensions of the parcels, lots, or subdivisions of land within the Assessment District as they existed at the time of the passage of the Resolution of Intention, was filed and recorded on the 22nd day of January, 2016, at the County of Sonoma's Recorder's office (Document No: 2016-004971) in book 775 of Maps of Assessment and Community Facilities Districts at pages 8 and 9. Each of the subdivisions of land, parcels, or lots has been given a separate number on the Boundary Map that corresponds with the assessment number shown on the Assessment Roll.

Furthermore, an Assessment Diagram showing the Assessment District, including the boundaries and dimensions of the parcels, lots, or subdivisions of land within the Assessment District as they existed at the time of the passage of the Resolution of Formation, was filed and recorded on the 11th day of March, 2016, at the County of Sonoma's Recorder's office (Document No: 2016-020951) in book 776 of Maps of Assessment and Community Facilities Districts at pages 10 and 11. Each of the subdivisions of land, parcels, or lots has been given a separate number on the Boundary Map that corresponds with the assessment number shown on the Assessment Roll.

A Notice of Assessment, pursuant to the requirements of Section 3114 of the Streets and Highways Code of the State of California, giving notice that a Diagram and Assessment for the California Statewide Communities Development Authority Assessment District No. 16-02 for the City of Santa Rosa, County of Sonoma, State of California, was recorded on the 18th day of March, 2016, at the County of Sonoma's Recorder's office (Document No: 2016-024822).

Lastly, an amended Notice of Assessment, pursuant to the requirements of Section 3114 of the Streets and Highways Code of the State of California, giving notice that a Diagram and Amended Assessment for the California Statewide Communities Development Authority Assessment District No. 16-02 for the City of Santa Rosa, County of Sonoma, State of California, was also recorded.

SHEET 1 OF 2

AMENDED ASSESSMENT DIAGRAM
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STATEWIDE COMMUNITIES INFRASTRUCTURE PROGRAM
ASSESSMENT DISTRICT NO. 16-02
(CITY OF SANTA ROSA, COUNTY OF SONOMA)
STATE OF CALIFORNIA

For particulars of lines and dimensions of Assessor's parcels reference is made to the maps of the Sonoma County Assessor, California.

Assessment Number	Assessor Parcel Number
1	044-460-001
2	044-460-002
3	044-460-003
4	044-460-004
5	044-460-005
6	044-460-006
7	044-460-007
8	044-460-008
9	044-460-009
10	044-460-010
11	044-460-011
12	044-460-012
13	044-460-013
14	044-460-014
15	044-460-015
16	044-460-016
17	044-460-017
18	044-460-018
19	044-460-019
20	044-460-020
21	044-460-021
22	044-460-022
23	044-460-023
24	044-460-024
25	044-460-025
26	044-460-026
27	044-460-027
28	044-460-028
29	044-460-029
30	044-460-030
31	044-460-031
32	044-460-032
33	044-460-033
34	044-460-034
35	044-460-035
36	044-460-036

Assessment Number	Assessor Parcel Number
37	044-460-037
38	044-460-038
39	044-460-039
40	044-460-040
41	044-460-041
42	044-460-042
43	044-460-043
44	044-460-044
45	044-460-045
46	044-460-046
47	Not A Part
48	044-460-048
49	044-460-049
50	044-460-050
51	044-460-051
52	044-460-052
53	044-460-053
54	044-460-054
55	044-460-055
56	044-460-056
57	044-460-057
58	044-460-058
59	044-460-059
60	044-460-060
61	044-460-061
62	044-460-062
63	044-460-063
64	044-460-064
65	044-460-065
66	044-460-066
67	044-460-067
68	044-460-068
69	044-460-069
70	044-460-070
71	044-460-071

This diagram amends and corrects the Assessment Diagram for California Statewide Communities Development Authority, Statewide Community Infrastructure Program, Assessment District No. 16-02 (City of Santa Rosa, County of Sonoma), State of California previously recorded on March 11, 2016, in book 776 of Maps of Assessment and Community Facilities Districts at pages 10 and 11, and as Document No. 2016-020951, in the Office of the County Recorder for County of Sonoma, State of California.

PREPARED BY DAVID TAUSSIG AND ASSOCIATES, INC.

Filed this ________ day of __________________, 2017 at the hour of _____ o'clock ___ m., in the book ___________ of Maps of Assessment and Community Facilities Districts at page ________ in the office of the Recorder of the County of San Joaquin, State of California.

____

By Deputy,
County Recorder, County of Sonoma

Document No.: ______________________

Fee: ____________

Filed in the office of the Secretary of the California Statewide Communities Development Authority on the ________ day of ______________________, 2017.

____

Secretary of the Authority
California Statewide Communities Development Authority

An assessment was levied by the Commission of the California Statewide Communities Development Authority on the lots, pieces and parcels of land shown on this amended assessment diagram. Said assessment was levied on the __________ day of ______________________, 2017; said assessment diagram and the assessment roll were recorded in the office of the Superintendent of Streets, of the California Statewide Communities Development Authority, on the _______ day of __________________, 2017. Reference is made to the assessment roll recorded in the office of the Superintendent of Streets, for the exact amount of each assessment levied against each parcel of land shown on this diagram.

____

Secretary of the Authority
California Statewide Communities Development Authority

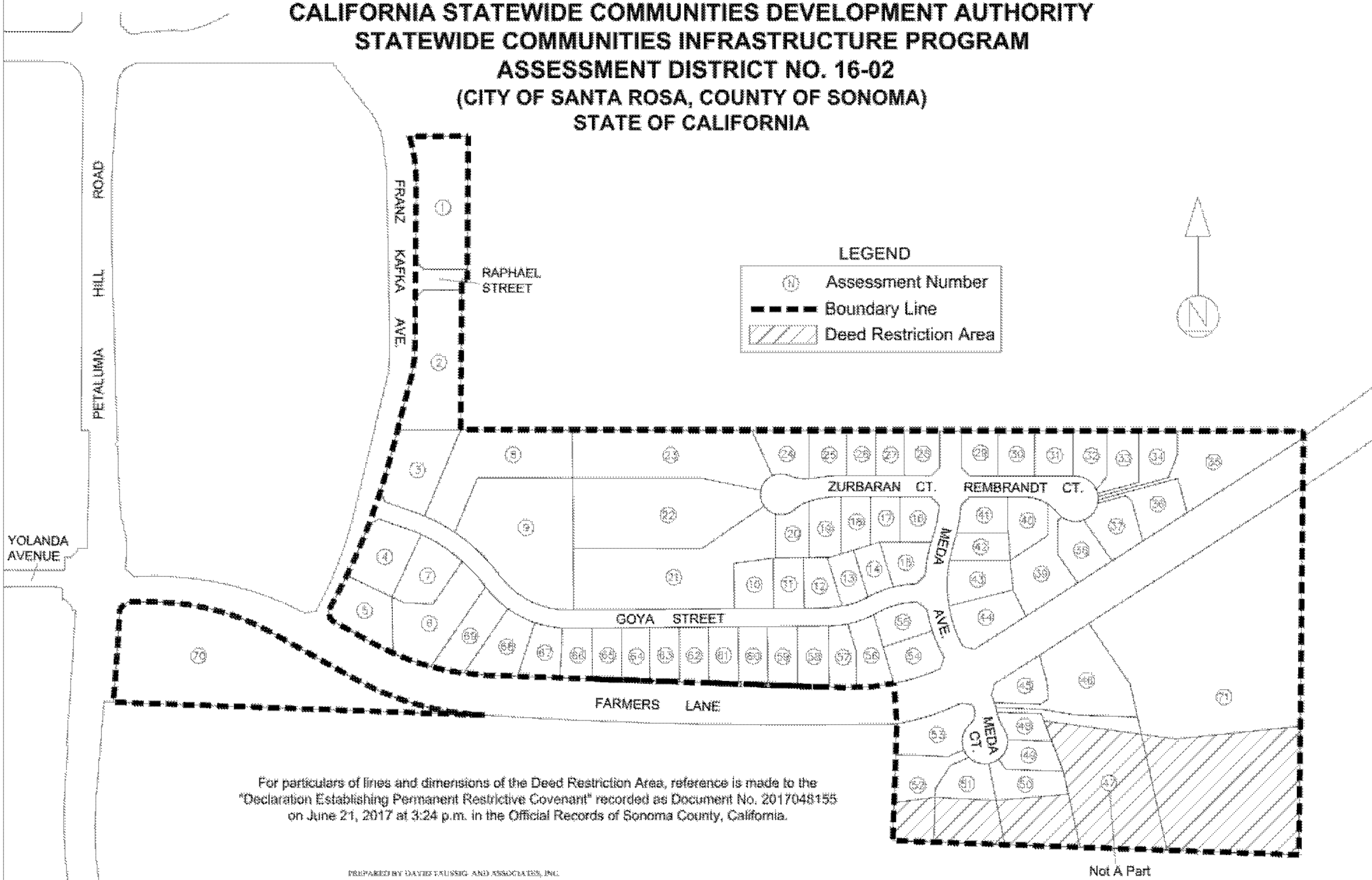
Recorded in the office of the Superintendent of Streets of the California Statewide Communities Development Authority on the _________ day of ____________________, 2017.

____

Superintendent of Streets of the
California Statewide Communities Development Authority

SHEET 2 OF 2

AMENDED ASSESSMENT DIAGRAM
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STATEWIDE COMMUNITIES INFRASTRUCTURE PROGRAM
ASSESSMENT DISTRICT NO. 16-02
(CITY OF SANTA ROSA, COUNTY OF SONOMA)
STATE OF CALIFORNIA



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1302 Lincoln Avenue, Ste. 204
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Phone (800) 969-4382

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FINAL

ENGINEER'S REPORT

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

SCIP
Statewide Community Infrastructure Program

ASSESSMENT DISTRICT NO. 16-03
COUNTY OF SONOMA

BEGINNING FISCAL YEAR 2016-2017

INTENT MEETING: JULY 21, 2016

PUBLIC HEARING: SEPTEMBER 15, 2016

Prepared by

DAVID TAUSSIG & ASSOCIATES, INC.
2250 HYDE STREET, 5TH FLOOR
SAN FRANCISCO, CALIFORNIA 94109
(800) 969-4382

Newport Beach
San Francisco
San Jose
Riverside
Dallas
Houston

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

James Hamill
California Statewide Communities Development Authority

PROFESSIONAL SERVICES

UNDERWRITER
Robert Williams
RBC Capital Markets Corporation

BOND COUNSEL
John Knox, Esq.
Orrick, Herrington & Sutcliffe LLP

PROGRAM ADMINISTRATOR
Vo Nguyen
BLX Group, LLC

ASSESSMENT ENGINEERING
Nathan D. Perez, Esq
Stephen A. Runk, P.E.
David Taussig & Associates, Inc.

David Taussig & Associates, Inc., Assessment Engineer for the California Statewide Communities Development Authority (the "Authority") (Statewide Communities Infrastructure Program) Assessment District No. 16-03 (County of Sonoma, California) hereinafter referred to as "District," makes this report (hereinafter "Engineer's Report" or "Report"), as directed by the Commission of the Authority, in accordance with the Resolution of Intention, Resolution No. 16SCIP-13, and pursuant to Section 10204 of the Streets and Highways Code (Municipal Improvement Act of 1913) and Article XIIID of the California Constitution, which was added in November 1996 through the passage of Proposition 218 by voters of the State of California.

The fees which are the subject of this Report are briefly described as follows:

A. Impact Fees

1 Traffic Mitigation Fees (*Ordinance No. 5877; dated February 2, 2010*) – Traffic Impact fees to fund capital improvements to the County of Sonoma's roadway and traffic system.

2 Park Mitigation Fees (*Ordinance No. 6108; dated April 21, 2015*) – Fees collected against new development to fund park and recreation improvements dedicated to and maintained by the County.

B. Improvements

The following capital improvements located within the Paseo Vista project located in the unincorporated County of Sonoma, California will be funded, or partially funded, by proceeds from this bond issuance.

1 Street / Roadway Improvements – Funding for capital improvements including, but not limited to, local streets with related rough and fine grading; concrete curb, gutter and sidewalk; aggregate base; asphaltic concrete paving; and street lighting improvements.

2 Sanitary Sewer Improvements – Funding for capital improvements for the collection of sewage, including but not limited to, pump station, manholes, gravity mainline, and force mains necessary to meet the project service demands of the Paseo Vista development.

3 Storm Drain Improvements – Funding for capital improvements including, but not limited to, facilities for the collection and disposal of storm waters for drainage and flood control purposes, including mainline and connector pipes, drainage inlets, manholes, retention basin, bubblers, risers, and outfall pumps.

4 Water Improvements – Funding for capital improvements for the water system, including but not limited to, the removal and installation of water mains and appurtenances, and the installation of fire hydrants, backflow preventer and irrigation, necessary to meet the potable and non-potable water needs of the Paseo Vista development.

5 Joint Trench Improvements (Max 5% of Par Amount) – Funding for capital improvements including, but not limited to, joint trench work and installing various utilities.

6 Incidental Costs – Funding for incidental costs associated with the capital improvements, including, but not limited to, contingency, design, engineering, and construction management.

C. Reimbursement for Capital Improvements

Future negotiations and agreements between the County of Sonoma ("County") and the project developer may outline a mechanism whereby the developer of a "benefited" property would pay the County for that property's share of the costs of certain public facilities. Such payments related to public facilities privately financed by the developer of Paseo Vista would then be paid, when received by the County, to the developer of Paseo Vista. Such payments related to public facilities financed by the District would be allocated to the parcels within the District in proportion to their respective original assessments as shown in this Report. As pertains to any of those parcels that the developer of Paseo Vista may sell, those amounts would be paid to the developer of Paseo Vista. As pertains to any such parcels still owned by the developer of Paseo Vista, the County would use those amounts to partially prepay the assessments on those parcels pursuant to Streets and Highways Code Section 8766.5.

Bonds representing unpaid assessments, and bearing interest at a rate not to exceed twelve percent (12.00%) shall be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10, Streets and Highways Code), and the last installment of the bonds shall not mature more than twenty-nine (29) years from the second day of September next succeeding twelve (12) months from their date.

This Report includes the following sections:

Plans and Specifications – Plans and specifications for improvements to be constructed. Plans and specifications are a part of this Report whether or not separately bound.

Cost Estimate – An estimate of the cost of the improvements.

Assessment Roll – An assessment roll, showing the amount to be assessed against each parcel of real property within this Assessment District and the names and addresses of the property owners. An Assessor's Parcel number or other designation describes each parcel. Each parcel is also assigned an "assessment number" that links the Roll to the Diagram.

Method of Assessment – A statement of the method by which the Assessment Engineer determined the amount to be assessed against each parcel, based on special benefits to be derived by each parcel from the improvements.

Assessment Diagram – A diagram showing all of the parcels of real property to be assessed within this Assessment District. The diagram corresponds with the Assessment Roll by assessment number.

Administration – Proposed maximum annual assessment per parcel for current costs and expenses.

Debt Limitation Report – A debt limitation report showing compliance with Part 7.5 of Division 4 of the Streets and Highways Code.

The plans, specifications, and studies of the improvements for this District are voluminous and will not be bound in this Report, but by this reference are incorporated as if attached to this Report. The plans and specifications are on file with the County of Sonoma, California.

Summary Cost Estimate

The estimated costs of the improvements have been calculated and are shown below along with other bond financing costs. All fee information has been provided to DTA by the Project proponents, the County of Sonoma, and the SCIP Administrator.

Cost Estimate County of Sonoma - Paseo Vista					
Description	Development Impact Fees	Special Benefit Apportioned to Project	Total Amount ($)	Amounts Pre-Paid by & Reimbursable to Developer	Amount Funded to Agency
Impact Fees					
Traffic Mitigation	$750,066	100%	$750,066	$0	$750,066
Park Mitigation	$367,900	100%	$367,900	$0	$367,900
Subtotal	$1,117,966	NA	$1,117,966	$0	$1,117,966
Public Improvements					
Roads, Surface Work, Concrete, Streetscape, Etc.	$1,961,394	90.00%	$1,765,254	$0	$1,765,254
Sanitary Sewer	$218,092	95.00%	$205,287	$0	$205,287
Storm Drain	$587,508	99.00%	$581,633	$0	$581,633
Water System	$711,034	90.00%	$639,931	$0	$639,931
Joint Trench (Max 5% of Par Amount)	$251,441	100.00%	$251,441	$0	$251,441
Developer's Contribution	($561,513)	100%	($561,513)	$0	($561,513)
Subtotal	$4,283,922	NA	$4,000,000	$0	$4,000,000
Professional Services					
Assessment Engineer	$20,600	100%	$20,600	$0	$20,600
Appraiser	$15,000	100%	$15,000	$0	$15,000
Program Administrator	$6,600	100%	$6,600	$0	$6,600
Administrative Expenses	$5,000	100%	$5,000	$0	$5,000
Subtotal	$47,200	NA	$47,200	$0	$4,047,200
Financing Costs					
Bond Reserve Fund	8.00%	NA	$402,306	-	-
Capitalized Interest	6.00%	NA	$301,730	-	-
Legal	1.50%	NA	$75,432	-	-
Issuer	1.50%	NA	$75,432	-	-
Underwriter	2.50%	NA	$125,721	-	-
Contingency	0.02%	NA	$1,006	-	-
Subtotal	19.52%	NA	$981,627	-	-
Total Assessment			$5,028,827		

A Boundary Map showing the Assessment District, including the boundaries and dimensions of the parcels, lots, or subdivisions of land within the Assessment District as they existed at the time of the passage of the Resolution of Intention, was filed and recorded at the County of Sonoma's Recorder's office (Document No: 2016-067126). Each of the subdivisions of land, parcels, or lots has been given a separate number on the Boundary Map that corresponds with the assessment number shown on the Assessment Roll.

The Assessment Diagram will be filed with the Final Engineer's Report at the time of the passage of the Resolution of Formation.

SHEET 1 OF 1

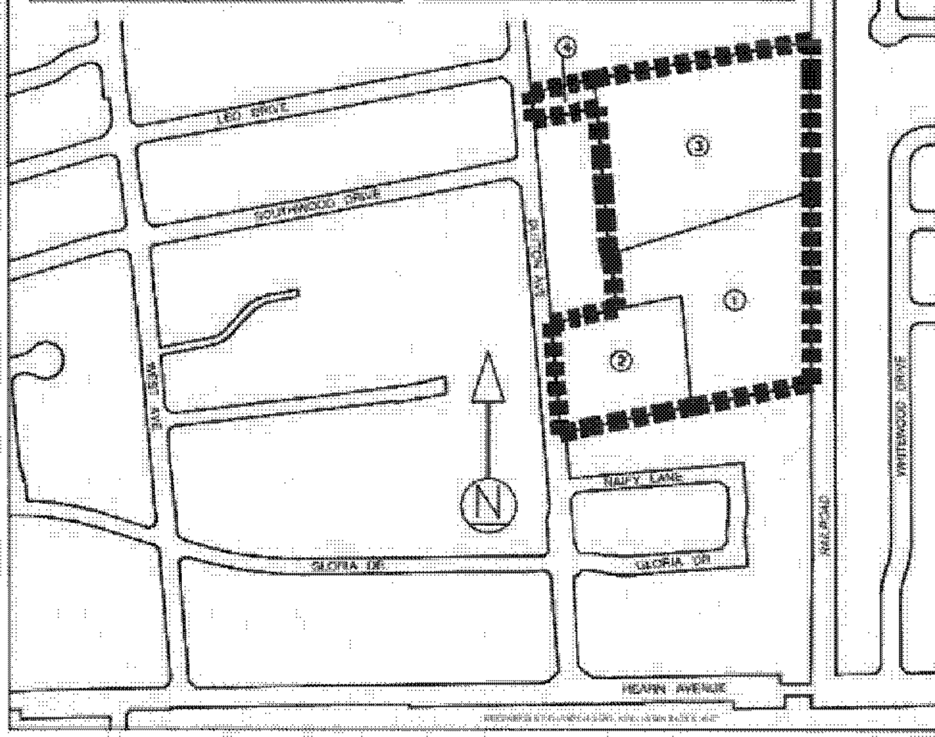
ASSESSMENT DIAGRAM
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STATEWIDE COMMUNITIES INFRASTRUCTURE PROGRAM
ASSESSMENT DISTRICT NO. 16-03
(COUNTY OF SONOMA)
STATE OF CALIFORNIA

For particulars of lines and dimensions of Assessor's parcels reference is made to the maps of the Sonoma County Assessor, California.

Assessment Number	Assessor Parcel Number
1	043-041-001
2	043-041-046
3	125-501-007
4	125-501-015

LEGEND

ⓝ	Assessment Number
■■■■■	Boundary Line



Filed this ________ day of ________________ 2016, at the hour of _____ o'clock ____ m., in the book ________ of Maps of Assessment and Community Facilities Districts at page ______ in the office of the Recorder of the County of Sonoma, State of California.

____
By Deputy,
County Recorder, County of Sonoma

Document No. ______________________

Fee: __________

Filed in the office of the Secretary of the California Statewide Communities Development Authority on the ______ day of __________________, 2016.

____
Secretary of the Authority
California Statewide Communities Development Authority

An assessment was levied by the Commission of the California Statewide Communities Development Authority on the lots, pieces and parcels of land shown on this assessment diagram. Said assessment was levied on the __________ day of __________________, 2016; said assessment diagram and the assessment roll were recorded in the office of the Superintendent of Streets, of the California Statewide Communities Development Authority, on the _______ day of ______________, 2016. Reference is made to the assessment roll recorded in the office of the Superintendent of Streets, for the exact amount of each assessment levied against each parcel of land shown on this diagram.

____
Secretary of the Authority
California Statewide Communities Development Authority

Recorded in the office of the Superintendent of Streets of the California Statewide Communities Development Authority on the ________ day of __________________, 2016.

____
Superintendent of Streets of the
California Statewide Communities Development Authority

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2250 Hyde Street, 5th Floor
San Francisco, CA 94109
Phone (800) 969-4382

APPENDIX H

EXCERPTS FROM APPRAISALS

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Appraisal Report

Sellers Avenue Subdivision
Brentwood, California 94513

California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 17-02 (City of Brentwood, County of Contra Costa)

Date of Report: December 8, 2017

Prepared For:

Mr. James F. Hamill, Managing Director
Mr. Jon Penkower, Managing Director
California Statewide Communities Development Authority
1700 North Broadway, Suite 405
Walnut Creek, California 94596

Prepared By:

Eric A. Segal, MAI
Kevin K. Ziegenmeyer, MAI
Noah J. Kauffman, Appraiser

Seevers Jordan Ziegenmeyer
Real Estate Appraisal & Consultation

December 8, 2017

Mr. James F. Hamill, Managing Director
Mr. Jon Penkower, Managing Director
California Statewide Communities
Development Authority
1700 North Broadway, Suite 405
Walnut Creek, California 94596

RE: Sellers Avenue Subdivision
Brentwood, California 94513

Messrs. Hamill and Penkower:

At your request and authorization, Seevers • Jordan • Ziegenmeyer has prepared an Appraisal Report pertaining to the above referenced property. This report is written in conformance with the requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP).

The subject property represents all of the California Statewide Communities Development Authority (CSCDA) Statewide Community Infrastructure Program (SCIP) Assessment District No. 17-02 (City of Brentwood, County of Contra Costa), and encompasses 18.49± acres of land designated for single-family residential use. Identified as a portion of the Sellers Avenue Subdivision, the property is located at the southern terminus of Ghiggeri Drive, east of Guthrie Lane, within the city of Brentwood, and includes a tentative map for 96 single-family residential lots. A more detailed description of the subject property is provided within the attached report.

The fee simple market value estimated herein is subject to the hypothetical condition certain impact fees, which will fund capital improvements, have been financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C.

As a result of our analysis, it is our opinion the market value, in accordance with the extraordinary assumptions, hypothetical conditions, general assumptions and limiting conditions set forth within this report, and based on an effective date of value of October 2, 2017, which was our date of inspection, is…

NINE MILLION SIX HUNDRED SIXTY THOUSAND DOLLARS

$9,660,000

We hereby certify the property has been inspected and all market data obtained during the appraisal process was impartially collected, considered and analyzed. The appraisers certify this assignment was not based on a minimum, maximum, or specified value. Further, we have no past, present or anticipated future interest in the property.

The estimate of market value provided assumes a transfer would reflect a cash transaction or terms considered to be equivalent to cash. The estimate is also premised on an assumed sale after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with buyer and seller each acting prudently, knowledgeably, for their own self interest and assuming neither is under duress. The estimate of market value accounts for the impact of the Assessment Lien securing such Bonds.

This letter must remain attached to the report, which contains 68 pages, plus related exhibits and Appendix, in order for the value opinion(s) contained herein to be considered valid.

This appraisal has been performed in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

Thank you for the opportunity to work with you on this assignment.

Sincerely,

Eric A. Segal, MAI
State Certification No.: AG026558
Expires: February 18, 2019

Kevin K. Ziegenmeyer, MAI
State Certification No.: AG013567
Expires: June 4, 2019

Noah J. Kauffman, Appraiser
State Certification No.: 3004618
Expires: June 11, 2019

/dtn

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SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Property:	The subject property represents all of the California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 17-02 (City of Brentwood, County of Contra Costa), and encompasses 18.49± acres zoned for single-family residential use with a tentative map for 96 residential lots.
Assessor Parcel Number:	010-160-043
Street Address:	None assigned
Location:	At the southern terminus of Ghiggeri Drive, east of Guthrie Lane, within the city of Brentwood, Contra Costa County, California
Owner of Record:	Meritage Homes of California, Inc.
Land Area:	18.49± acres
Zoning/Entitlements:	PD-24, Planned Development 24
	The subject property encompasses a portion of the Sellers Avenue Subdivision. The appraised property is tentatively mapped for 96 residential lots with a typical lot size of approximately 5,000 square feet.
Flood Zoning:	Zone X – Areas determined to be outside 500-year floodplain, determined to be outside the 1% and 0.2% annual chance floodplains.
Highest and Best Use:	Single-family residential development
Property Rights Appraised:	Fee simple estate
Date of Inspection (Value):	October 2, 2017
Date of Report:	December 8, 2017
Exposure Time:	12 months
Conclusion of Market Value, Subject to a Hypothetical Condition:	$9,660,000

CLIENT, INTENDED USER AND INTENDED USE

The client for this appraisal assignment is the California Statewide Community Development Authority, and associated Finance Team. This report is intended to be used for bond underwriting purposes, and Seevers Jordan Ziegenmeyer authorizes the reproduction of this document in the publication of the Preliminary Official Statement and Official Statement for the purposes of marketing the Bonds.

APPRAISAL REPORT FORMAT

This document is an Appraisal Report, intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP).

TYPE AND DEFINITION OF VALUE

The purpose of this appraisal is to estimate the market value of the subject property as of the date of inspection. Market value is defined as follows:

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

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interest;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. Dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.[1]

Note the value estimated herein is based on a hypothetical condition. A hypothetical condition is defined by USPAP as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of the analysis."

[1] Code of Federal Regulations, Title 12, Section 34.42 (55 Federal Register 34696, Aug. 24, 1990; as amended at 57 Federal Register 12202, Apr. 9, 1992; 59 Federal Register 29499, June 7, 1994).

PROPERTY RIGHTS APPRAISED

The market value estimate derived herein is for the fee simple estate, defined as follows:

Fee Simple Estate: absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[2]

DATES OF INSPECTION, VALUE AND REPORT

An inspection of the subject property was completed on October 2, 2017, which represents the effective date of market value. This appraisal report was completed and assembled on December 8, 2017.

SCOPE OF WORK

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

Several legal and physical aspects of the subject property were researched and documented. A physical inspection of the property was completed and serves as the basis for the site description contained in this report. We were provided with a copy of the developer's site development budget, estimated permits and fees with floor plan sizes, and the SCIP Engineer's Report (Assessment District No. 17-02). The subject's zoning and entitlement information, earthquake zone, flood zone, utilities, and tax information were obtained from the respective public agencies.

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

In this appraisal, the highest and best use of the subject property as though vacant and as improved was determined based on the four standard tests (legal permissibility, physical possibility, financial feasibility and maximum productivity).

The market value of the appraised property, subject to the Assessment Lien securing the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, is estimated

[2] The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015), 90.

employing the sales comparison approach and extraction analysis. In the sales comparison approach, we adjusted the prices of comparables in the subject's market based on differences between the subject and comparables, and reconciled the prices of the comparable data into an opinion of value. As a supporting indicator for the sales comparison approach, we utilized an extraction analysis, where home construction costs were deducted from an estimate of current home price to determine the underlying land value. Our analysis excluded a typical income capitalization approach, since the subject property largely represents vacant land with limited extended income potential. A cost approach is similarly excluded as the subject represents vacant land.

The individuals involved in the preparation of this appraisal include Mr. Eric A. Segal, MAI, Mr. Kevin K. Ziegenmeyer, MAI, and Mr. Noah J. Kauffman, Appraiser. Mr. Kauffman assisted in 1) reviewing the subject information provided by the client, 2) inspection of the subject property, 3) the collection and confirmation of market data, 4) the analysis of the market data, and 5) preparing portions of a draft report. Mr. Ziegenmeyer 1) reviewed the subject information provided by the client, 2) reviewed Mr. Kauffman's research and also compiled and confirmed market data, 3) made any necessary revisions and/or amplifications and 4) completed the final report. Mr. Segal 1) completed an inspection of the subject property, 2) provided professional input, and 3) reviewed the final report.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

It is noted the use of an extraordinary assumption or hypothetical condition may have affected the results of the appraisal.

Extraordinary Assumptions

1. It is presumed there are no adverse soil conditions, toxic substances or other environmental hazards that may interfere or inhibit development of the subject property. If, at some future date, items are discovered that are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion of value stated herein.

2. The land area utilized within this report is according to the Preliminary Engineer's Report provided for use in this appraisal and is assumed to be accurate.

Hypothetical Conditions

1. The estimate of market value contained within this report is subject to a hypothetical condition that assumes the portion of impact fees to be financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, have been paid. It also accounts for the impact of the Assessment Lien securing such bonds.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.

2. No responsibility is assumed for matters of law or legal interpretation.

3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

4. The information and data furnished by others in preparation of this report is believed to be reliable, but no warranty is given for its accuracy.

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

6. It is assumed the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.

7. It is assumed the property conforms to all applicable zoning and use regulations and restrictions unless nonconformity has been identified, described and considered in the appraisal report.

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

9. It is assumed the use of the land and improvements is confined within the boundaries or property lines of the property described and there is no encroachment or trespass unless noted in the report.

10. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea–formaldehyde foam insulation and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user of this report is urged to retain an expert in this field, if desired.

11. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I (we) have not made a specific survey or analysis of this property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. Since compliance matches each owner's financial ability with the cost-to cure the property's potential physical characteristics,

the real estate appraiser cannot comment on compliance with ADA. A brief summary of the subject's physical aspects is included in this report. It in no way suggests ADA compliance by the current owner. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost-to-cure any deficiencies would be needed for the Department of Justice to determine compliance.

12. The appraisal is to be considered in its entirety and use of only a portion thereof will render the appraisal invalid.

13. Possession of this report or a copy thereof does not carry with it the right of publication nor may it be used for any purpose by anyone other than the client without the previous written consent of Seevers • Jordan • Ziegenmeyer.

14. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or any other media without the prior written consent and approval of Seevers • Jordan • Ziegenmeyer. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this document to aid in bond underwriting and in the issuance of bonds.

15. The liability of Seevers • Jordan • Ziegenmeyer and its employees/subcontractors for errors/ omissions, if any, in this work is limited to the amount of its compensation for the work performed in this assignment.

16. Acceptance and/or use of the appraisal report constitutes acceptance of all assumptions and limiting conditions stated in this report.

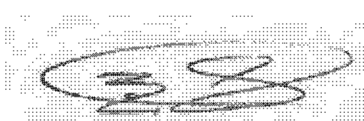
17. An inspection of the subject property revealed no apparent adverse easements, encroachments or other conditions, which currently impact the subject. The appraiser is not a surveyor nor qualified to determine the exact location of easements. It is assumed typical easements do not have an impact on the opinion (s) of value as provided in this report. If, at some future date, these easements are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion (s) of value.

18. This appraisal report is prepared for the exclusive use of the appraiser's client. No third parties are authorized to rely upon this report without the express consent of the appraiser. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this document to aid in bond underwriting and in the issuance of bonds.

<u>CERTIFICATION STATEMENT</u>

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made an inspection of the property that is the subject of this report.
- Kevin K. Ziegenmeyer, MAI, and Noah Kauffman, Appraiser, provided significant real property appraisal assistance to the person signing this certification.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- I have the knowledge and experience to complete this appraisal assignment. Please see the Qualifications of Appraiser(s) portion of the Appendix to this report for additional information.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.



Eric A. Segal, MAI
State Certification No.: AG026558 (February 18, 2019)

December 8, 2017
DATE

CERTIFICATION STATEMENT

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have not made an inspection of the property that is the subject of this report.
- Eric Segal, MAI, and Noah Kauffman, Appraiser, provided significant real property appraisal assistance to the person signing this certification.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- I have the knowledge and experience to complete this appraisal assignment. Please see the Qualifications of Appraiser(s) portion of the Appendix to this report for additional information.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

Kevin K. Ziegenmeyer, MAI

State Certification No.: AG013567 (June 4, 2019)

December 8, 2017

DATE

CERTIFICATION STATEMENT

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I previously appraised the property that is the subject of this report in February of 2016. I have performed no other services, as an appraiser or in any other capacity, regarding the property within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made an inspection of the property that is the subject of this report.
- Eric Segal, MAI, and Kevin Ziegenmeyer, MAI, provided significant real property appraisal assistance to the person signing this certification.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- I have the knowledge and experience to complete this appraisal assignment. Please see the Qualifications of Appraiser(s) portion of the Appendix to this report for additional information.

Noah J. Kauffman, Appraiser
State Certification No.: 3004618 (Expires June 11, 2019)

December 8, 2017
DATE

Appraisal Report

Elverta Park (Phase 1A – portion of)

Antelope, California 95843
APNs: 203-2090-001 through -014, -031, -032, -036 through -044, -048 through -050, and -055 through -066

California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 17-02 (County of Sacramento)

Date of Report: December 8, 2017

Prepared For:

Mr. James F. Hamill, Managing Director
Mr. Jon Penkower, Managing Director
California Statewide Communities Development Authority
1700 North Broadway, Suite 405
Walnut Creek, California 94596

Prepared By:

Eric A. Segal, MAI
Sara Gilbertson, Appraiser

Seevers Jordan Ziegenmeyer
Real Estate Appraisal & Consultation

Seevers Jordan Ziegenmeyer
Real Estate Appraisal & Consultation

December 8, 2017

Mr. James F. Hamill, Managing Director
Mr. Jon Penkower, Managing Director
California Statewide Communities
Development Authority
1700 North Broadway, Suite 405
Walnut Creek, California 94596

RE: Elverta Park (Phase 1A – portion of)
Antelope, California 95843
APN: 203-2090-001 through -014, -031, -032, -036 through -044,
-048 through -050, and -055 through -066

Messrs. Hamill and Penkower:

At your request and authorization, Seevers • Jordan • Ziegenmeyer has prepared an Appraisal Report pertaining to the above referenced property. This report is written in conformance with the requirements set forth under Standards Rule 2-2(a) of the 2016-17 edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

The subject property represents all of the California Statewide Communities Development Authority (CSCDA) Statewide Community Infrastructure Program (SCIP) Assessment District No. 17-02 (County of Sacramento). The subject encompasses 40 single-family residential lots encompassing a portion of Phase 1A of the Elverta Park single-family residential subdivision. The property consists of taxable land area situated within the boundaries of CSCDA Statewide Community Infrastructure Program Assessment District No. 17-02 (County of Sacramento), and is located south of Elverta Road, west of Watt Avenue, within the unincorporated community of Antelope, Sacramento County, California. A more detailed description of the subject property is provided within the attached report.

The purpose of this appraisal is to provide the market value of the subject portion of the District, subject to the hypothetical condition, which assumes various impact fees (Antelope PFFP Major Roadway and Sacramento County Transportation Development Fees) have been financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C. The effective date of value is October 26, 2017, which was the date of inspection.

As a result of the analysis herein, it is our opinion the market value of the appraised property, subject to the Assessment lien securing the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, in accordance with the aforementioned hypothetical condition, and in accordance with the definitions, certifications, general assumptions and limiting conditions set forth in the attached document, as of October 26, 2017, is presented on the next page.

FOUR MILLION ONE HUNDRED SIXTY THOUSAND DOLLARS
$4,160,000

The estimate of market value assumes a transfer would reflect a cash transaction or terms considered to be equivalent to cash. The estimate is premised on an assumed sale after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with buyer and seller acting prudently, knowledgeably, for their own self-interest and assuming neither is under duress.

This appraisal was completed in accordance with the requirements of 1) the Uniform Standards of Professional Appraisal Practice (USPAP), as well as 2) the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The appraisers certify this assignment was not based on a minimum, maximum, or specified value. We also certify the market data obtained during the appraisal process was impartially collected, considered and analyzed. Further, we have no past, present or anticipated future interest in the subject property.

This letter must remain attached to the report, which contains 72 pages, plus related exhibits and Appendix, in order for the value opinion contained herein to be considered valid.

Thank you for the opportunity to work with your office on this assignment.

Sincerely,

Eric A. Segal, MAI
State Certification No.: AG026558
Expires: February 18, 2019

Sara A. Gilbertson, Appraiser
State Certification No.: 3002204
Expires: May 29, 2018

/mlb

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SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Property:	The subject property represents all of the California Statewide Communities Development Authority (CSCDA) Statewide Community Infrastructure Program (SCIP) Assessment District No. 17-02 (County of Sacramento). The subject encompasses 40 single-family residential lots encompassing a portion of Phase 1A of the Elverta Park single-family residential subdivision.
Assessor Parcel Number(s):	The appraised property is located within the boundaries of Sacramento County Assessor's Parcel Numbers 203-2090-001 through -014, -031, -032, -036 through -044, -048 through -050, and -055 through -066.
Street Address:	Individual street addresses have been assigned to each of the subject's single-family lots along Lapin Way, Napoleon Way, Rainer Way, Bing Drive, Kirsch Drive and Little Plum Way.
Location:	The subject property is located south of Elverta Road, west of Watt Avenue, within the unincorporated community of Antelope.
Owner of Record:	NLD Vacaville LLC, a Delaware LLC now known as ETL Investments, LLC, a Delaware limited liability company, as to Lots 41, 42 and 43 and; Silverado 225, LLC, a California limited liability company, as to the remaining lots
Lot Sizes:	The Elverta Park Phase 1A lots range in size from 3,479 to 10,275 square feet, with a typical lot size of 4,750 square feet. The subject lots have a traditional street configuration (which provide for front-yard driveways and fenced rear yards).
Zoning:	RD-7, Single-Family Residential Zone RD-10, Residential Duplex Zone
Flood Zoning:	Flood Zone X, areas determined to be outside 500-year floodplain, as well as the 1% and 0.2% annual chance floodplains
Highest and Best Use:	Residential development
Property Rights Appraised:	Fee simple estate
Date of Inspection:	October 26, 2017
Effective Date of Value:	October 26, 2017

Date of Report:	December 8, 2017
Exposure Time:	12 months
Conclusion of Market Value, Subject to a Hypothetical Condition:	$4,160,000

CLIENT, INTENDED USER AND INTENDED USE

The client for this appraisal assignment is the California Statewide Community Development Authority. This report is intended to be used for bond underwriting purposes.

APPRAISAL REPORT FORMAT

This document is an Appraisal Report, intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the 2016-17 edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

TYPE AND DEFINITION OF VALUE

The purpose of this appraisal is to estimate the market value of the subject property, subject to a hypothetical condition, as of the date of inspection. Market value is defined as follows:

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

(1) Buyer and seller are typically motivated;
(2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
(3) A reasonable time is allowed for exposure in the open market;
(4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
(5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.[1]

Note the value estimated herein is based on a hypothetical condition, defined by USPAP as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of the analysis."

[1] Code of Federal Regulations, Title 12, Section 34.42 (55 Federal Register 34696, Aug. 24, 1990; as amended at 57 Federal Register 12202, Apr. 9, 1992; 59 Federal Register 29499, June 7, 1994).

PROPERTY RIGHTS APPRAISED

The market value estimate derived herein is for the fee simple estate, defined as follows:

Fee Simple Estate: absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[2]

DATES OF INSPECTION, VALUE AND REPORT

An inspection of the subject property was completed on October 26, 2017, which represents the effective date of market value. This appraisal report was completed and assembled on December 8, 2017.

SCOPE OF WORK

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

Several legal and physical aspects of the subject property were researched and documented. A physical inspection of the property was completed and serves as the basis for the site description contained in this report. The Developer provided us with final subdivisions maps, development timeline, site development and home construction budgets. In addition, we were provided with a preliminary title report. The sales history was verified by consulting public records, in addition to our conversations with the property owner. The subject's zoning and entitlements, earthquake zone, flood zone, utilities and tax information were obtained from the applicable public agencies.

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

In this appraisal, the highest and best use of the subject property as though vacant was determined based on the four standard tests (legal permissibility, physical possibility, financial feasibility and maximum productivity).

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[2] The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015), 90.

The market value of the appraised property, subject to the Assessment lien securing the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, was estimated employing the sales comparison approach to value and extraction technique. In the sales comparison approach to value, the underlying land was compared to transactions of similarly zoned single-family residential land throughout the Sacramento region. Then, to support the reasonableness of the sales comparison approach conclusions, we utilized an extraction analysis. The lot values indicated by each approach were then reconciled into an opinion of market value, subject to the hypothetical condition various impact fees financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, have been paid.

This appraisal report has been conducted in accordance with appraisal standards and guidelines found in the Uniform Standards of Professional Appraisal Practice (USPAP).

The individuals involved in the preparation of this appraisal include Eric A. Segal, MAI, and Sara A. Gilbertson, Appraiser. Ms. Gilbertson assisted in 1) inspecting the appraised property, 2) reviewing the subject's information provided, 3) the collection and confirmation of market data, 4) the analysis of the market data and 5) preparing the draft report. Mr. Segal 1) inspected the appraised property, 2) reviewed the subject's information provided, 3) reviewed Ms. Gilbertson's research, 4) provided professional input and direction, 5) made any necessary revisions and/or amplifications to the draft report and 6) completed the final report.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

It is noted the use of an extraordinary assumption or hypothetical condition may have affected the results of the appraisal.

Extraordinary Assumptions

None

Hypothetical Conditions

1. The estimate of value provided herein is subject to a hypothetical condition, which assumes the various impact fees (Antelope PFFP Major Roadway and Sacramento County Transportation Development Fees) have been financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.

2. No responsibility is assumed for matters of law or legal interpretation.

3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

4. The information and data furnished by others in preparation of this report is believed to be reliable, but no warranty is given for its accuracy.

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

6. It is assumed the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.

7. It is assumed the property conforms to all applicable zoning and use regulations and restrictions unless nonconformity has been identified, described and considered in the appraisal report.

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

9. It is assumed the use of the land and improvements is confined within the boundaries or property lines of the property described and there is no encroachment or trespass unless noted in the report.

10. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea–formaldehyde foam insulation and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user of this report is urged to retain an expert in this field, if desired.

11. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I (we) have not made a specific survey or analysis of this property to determine whether the physical aspects of

the improvements meet the ADA accessibility guidelines. Since compliance matches each owner's financial ability with the cost-to cure the property's potential physical characteristics, the real estate appraiser cannot comment on compliance with ADA. A brief summary of the subject's physical aspects is included in this report. It in no way suggests ADA compliance by the current owner. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost-to-cure any deficiencies would be needed for the Department of Justice to determine compliance.

12. The appraisal is to be considered in its entirety and use of only a portion thereof will render the appraisal invalid.

13. Possession of this report or a copy thereof does not carry with it the right of publication nor may it be used for any purpose by anyone other than the client without the previous written consent of Seevers • Jordan • Ziegenmeyer.

14. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or any other media without the prior written consent and approval of Seevers • Jordan • Ziegenmeyer. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this document to aid in bond underwriting and in the issuance of bonds.

15. Acceptance and/or use of the appraisal report constitutes acceptance of all assumptions and limiting conditions stated in this report.

16. An inspection of the subject properties revealed no apparent adverse easements, encroachments or other conditions, which currently impact the subject. The appraiser is not a surveyor nor qualified to determine the exact location of easements. It is assumed typical easements do not have an impact on the opinion (s) of value as provided in this report. If, at some future date, these easements are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion (s) of value.

17. This appraisal report is prepared for the exclusive use of the appraiser's client. No third parties are authorized to rely upon this report without the express consent of the appraiser. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this document to aid in bond underwriting and in the issuance of bonds.

<u>CERTIFICATION STATEMENT</u>

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made a personal inspection of the property that is the subject of this report.
- Sara A. Gilbertson, Appraiser, provided significant real property appraisal assistance to the person signing this certification.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- I have the knowledge and experience to complete this appraisal assignment. Please see the Qualifications of Appraiser(s) portion of the Appendix to this report for additional information.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

December 8, 2017

Eric A. Segal, MAI
State Certification No.: AG026558 (February 18, 2019)

DATE

CERTIFICATION STATEMENT

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made an inspection of the property that is the subject of this report.
- Eric Segal, MAI, reviewed this report.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- As of the date of this report, I have completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.

Sara A. Gilbertson, Appraiser
State Certification No.: 3002204 (May 29, 2018)

December 8, 2017
DATE

Appraisal Report

Calistoga Subdivision
Elk Grove, California 95758
APNs: 117-1580-001 through -035

California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 17-03 (City of Sacramento, County of Sacramento)

Date of Report: December 8, 2017

Prepared For:

Mr. James F. Hamill, Managing Director
Mr. Jon Penkower, Managing Director
California Statewide Communities
Development Authority
1700 North Broadway, Suite 405
Walnut Creek, California 94596

Prepared By:

Eric A. Segal, MAI
Sara Gilbertson, Appraiser

Seevers
Jordan
Ziegenmeyer
Real Estate Appraisal & Consultation

Seevers Jordan Ziegenmeyer
Real Estate Appraisal & Consultation

December 8, 2017

Mr. James F. Hamill, Managing Director
Mr. Jon Penkower, Managing Director
California Statewide Communities
Development Authority
1700 North Broadway, Suite 405
Walnut Creek, California 94596

RE: Calistoga Subdivision
Elk Grove, California 95758
APN: 117-1580-001 through -035

Messrs. Hamill and Penkower:

At your request and authorization, Seevers • Jordan • Ziegenmeyer has prepared an Appraisal Report pertaining to the above referenced property. This report is written in conformance with the requirements set forth under Standards Rule 2-2(a) of the 2016-17 edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

The subject property represents all of the California Statewide Communities Development Authority (CSCDA) Statewide Community Infrastructure Program (SCIP) Assessment District No. 17-03 (City of Sacramento, County of Sacramento). The subject encompasses 4.68± acres of land area proposed for 35 single-family residential lots identified as the Calistoga Subdivision. The property consists of taxable land area situated within the boundaries of CSCDA Statewide Community Infrastructure Program Assessment District No. 17-03 (City of Sacramento, County of Sacramento) and is located along the east line of Bruceville Road, north of Sheldon Road, in the city of Sacramento, Sacramento County, California. A more detailed description of the subject property is provided within the attached report.

The purpose of this appraisal is to provide the market value of the subject portion of the District, subject to the hypothetical condition, which assumes various impact fees (park, transportation, water, etc.) have been financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C. The effective date of value is October 26, 2017, which was the date of inspection.

As a result of the analysis herein, it is our opinion the market value of the appraised property, subject to the Assessment lien securing the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, in accordance with the aforementioned hypothetical condition, and in accordance with the definitions, certifications, general assumptions and limiting conditions set forth in the attached document, as of October 26, 2017, is presented on the next page.

THREE MILLION ONE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS
$3,185,000

The estimate of market value assumes a transfer would reflect a cash transaction or terms considered to be equivalent to cash. The estimate is premised on an assumed sale after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with buyer and seller acting prudently, knowledgeably, for their own self-interest and assuming neither is under duress.

This appraisal was completed in accordance with the requirements of 1) the Uniform Standards of Professional Appraisal Practice (USPAP), as well as 2) the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The appraisers certify this assignment was not based on a minimum, maximum, or specified value. We also certify the market data obtained during the appraisal process was impartially collected, considered and analyzed. Further, we have no past, present or anticipated future interest in the subject property.

This letter must remain attached to the report, which contains 67 pages, plus related exhibits and Appendix, in order for the value opinion contained herein to be considered valid.

Thank you for the opportunity to work with your office on this assignment.

Sincerely,

Eric A. Segal, MAI
State Certification No.: AG026558
Expires: February 18, 2019

Sara A. Gilbertson, Appraiser
State Certification No.: 3002204
Expires: May 29, 2018

/mlb

TABLE OF CONTENTS

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Property:	The subject property represents all of the California Statewide Communities Development Authority (CSCDA) Statewide Community Infrastructure Program (SCIP) Assessment District No. 17-03 (City of Sacramento, County of Sacramento). The subject encompasses 4.68± acres of land area proposed for 35 single-family residential lots identified as the Calistoga Subdivision.
Assessor Parcel Number(s):	The subject property is located within the boundaries of Sacramento County Assessor's Parcel Numbers 117-1580-001 through -035.
Street Address:	Individual street addresses have been assigned to each of the subject's single-family lots along Seasmoke Place and Bateson Court.
Location:	The subject property is located along the east line of Bruceville Road, north of Sheldon Road. Although the subject property has an Elk Grove mailing address, the property is located within the city of Sacramento.
Owner of Record:	Calistoga Bruceville, LLC
Lot Sizes:	The Calistoga Subdivision lots range in size from 3,200 to 6,828 square feet, with a typical lot size of 3,825 square feet. The subject lots have a traditional street configuration (which provide for front-yard driveways and fenced rear yards).
Zoning:	R-1A – Single-Unit or Duplex Dwelling Zone
Flood Zoning:	Flood Zone X, areas determined to be outside 500-year floodplain, as well as the 1% and 0.2% annual chance floodplains
Highest and Best Use:	Residential development
Property Rights Appraised:	Fee simple estate
Date of Inspection:	October 26, 2017
Effective Date of Value:	October 26, 2017
Date of Report:	December 8, 2017
Exposure Time:	12 months
Conclusion of Market Value, Subject to a Hypothetical Condition:	$3,185,000

CLIENT, INTENDED USER AND INTENDED USE

The client for this appraisal assignment is the California Statewide Community Development Authority. This report is intended to be used for bond underwriting purposes.

APPRAISAL REPORT FORMAT

This document is an Appraisal Report, intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the 2016-17 edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

TYPE AND DEFINITION OF VALUE

The purpose of this appraisal is to estimate the market value of the subject property, subject to a hypothetical condition, as of the date of inspection. Market value is defined as follows:

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

(1) Buyer and seller are typically motivated;
(2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
(3) A reasonable time is allowed for exposure in the open market;
(4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
(5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.[1]

Note the value estimated herein is based on a hypothetical condition, defined by USPAP as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of the analysis."

[1] Code of Federal Regulations, Title 12, Section 34.42 (55 Federal Register 34696, Aug. 24, 1990; as amended at 57 Federal Register 12202, Apr. 9, 1992; 59 Federal Register 29499, June 7, 1994).

PROPERTY RIGHTS APPRAISED

The market value estimate derived herein is for the fee simple estate, defined as follows:

Fee Simple Estate: absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[2]

DATES OF INSPECTION, VALUE AND REPORT

An inspection of the subject property was completed on October 26, 2017, which represents the effective date of market value. This appraisal report was completed and assembled on December 8, 2017.

SCOPE OF WORK

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

Several legal and physical aspects of the subject property were researched and documented. A physical inspection of the property was completed and serves as the basis for the site description contained in this report. The Developer provided us with a final subdivision map and a site development budget. The sales history was verified by consulting public records, in addition to our conversations with the property owner. The subject's zoning and entitlements, earthquake zone, flood zone, utilities and tax information were obtained from the applicable public agencies.

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

In this appraisal, the highest and best use of the subject property as though vacant was determined based on the four standard tests (legal permissibility, physical possibility, financial feasibility and maximum productivity).

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[2] The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015), 90.

The market value of the appraised property, subject to the Assessment lien securing the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, was estimated employing the sales comparison approach to value and extraction technique. In the sales comparison approach to value, the underlying land was compared to transactions of similarly zoned single-family residential land throughout the Sacramento region. Then, to support the reasonableness of the sales comparison approach conclusions, we utilized an extraction analysis. The lot values indicated by each approach were then reconciled into an opinion of market value, subject to the hypothetical condition various impact fees financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, have been paid.

This appraisal report has been conducted in accordance with appraisal standards and guidelines found in the Uniform Standards of Professional Appraisal Practice (USPAP).

The individuals involved in the preparation of this appraisal include Eric A. Segal, MAI, and Sara A. Gilbertson, Appraiser. Ms. Gilbertson assisted in 1) inspecting the appraised property, 2) reviewing the subject's information provided, 3) the collection and confirmation of market data, 4) the analysis of the market data and 5) preparing the draft report. Mr. Segal 1) inspected the appraised property, 2) reviewed the subject's information provided, 3) reviewed Ms. Gilbertson's research, 4) provided professional input and direction, 5) made any necessary revisions and/or amplifications to the draft report and 6) completed the final report.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

It is noted the use of an extraordinary assumption or hypothetical condition may have affected the results of the appraisal.

Extraordinary Assumptions

None

Hypothetical Conditions

1. The estimate of value provided herein is subject to a hypothetical condition, which assumes the various impact fees (park, transportation, water, etc.) have been financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.

2. No responsibility is assumed for matters of law or legal interpretation.

3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

4. The information and data furnished by others in preparation of this report is believed to be reliable, but no warranty is given for its accuracy.

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

6. It is assumed the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.

7. It is assumed the property conforms to all applicable zoning and use regulations and restrictions unless nonconformity has been identified, described and considered in the appraisal report.

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

9. It is assumed the use of the land and improvements is confined within the boundaries or property lines of the property described and there is no encroachment or trespass unless noted in the report.

10. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user of this report is urged to retain an expert in this field, if desired.

11. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I (we) have not made a specific survey or analysis of this property to determine whether the physical aspects of

the improvements meet the ADA accessibility guidelines. Since compliance matches each owner's financial ability with the cost-to cure the property's potential physical characteristics, the real estate appraiser cannot comment on compliance with ADA. A brief summary of the subject's physical aspects is included in this report. It in no way suggests ADA compliance by the current owner. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost-to-cure any deficiencies would be needed for the Department of Justice to determine compliance.

12. The appraisal is to be considered in its entirety and use of only a portion thereof will render the appraisal invalid.

13. Possession of this report or a copy thereof does not carry with it the right of publication nor may it be used for any purpose by anyone other than the client without the previous written consent of Seevers • Jordan • Ziegenmeyer.

14. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or any other media without the prior written consent and approval of Seevers • Jordan • Ziegenmeyer. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this document to aid in bond underwriting and in the issuance of bonds.

15. Acceptance and/or use of the appraisal report constitutes acceptance of all assumptions and limiting conditions stated in this report.

16. An inspection of the subject properties revealed no apparent adverse easements, encroachments or other conditions, which currently impact the subject. The appraiser is not a surveyor nor qualified to determine the exact location of easements. It is assumed typical easements do not have an impact on the opinion (s) of value as provided in this report. If, at some future date, these easements are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion (s) of value.

17. This appraisal report is prepared for the exclusive use of the appraiser's client. No third parties are authorized to rely upon this report without the express consent of the appraiser. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this document to aid in bond underwriting and in the issuance of bonds.

CERTIFICATION STATEMENT

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have not performed services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment; however, our firm has provided appraisal services for a federally-related transaction.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made a personal inspection of the property that is the subject of this report.
- Sara A. Gilbertson, Appraiser, provided significant real property appraisal assistance to the person signing this certification.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- I have the knowledge and experience to complete this appraisal assignment. Please see the Qualifications of Appraiser(s) portion of the Appendix to this report for additional information.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

December 8, 2017

Eric A. Segal, MAI
State Certification No.: AG026558 (February 18, 2019)

DATE

CERTIFICATION STATEMENT

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made an inspection of the property that is the subject of this report.
- Eric Segal, MAI, reviewed this report.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- As of the date of this report, I have completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.

Sara A. Gilbertson, Appraiser
State Certification No.: 3002204 (May 29, 2018)

December 8, 2017
DATE

Appraisal Report

Silva Estates

E/L of Union Road, S/O E Woodward Avenue
Manteca, California 95337
APN: 224-022-03 (portion of)

California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 17-04 (City of Manteca, County of San Joaquin)

Date of Report: December 8, 2017

Prepared For:

Mr. James Hamill
Mr. Jon Penkower
California Statewide Communities Development Authority
2999 Oak Road, Suite 710
Walnut Creek, California 94597

Prepared By:

Eric A. Segal, MAI
Kari M. Tatton, Appraiser

Seevers Jordan Ziegenmeyer
Real Estate Appraisal & Consultation

Seevers Jordan Ziegenmeyer

Real Estate Appraisal & Consultation

December 8, 2017

Mr. James Hamill
Mr. Jon Penkower
California Statewide Communities
Development Authority
2999 Oak Road, Suite 710
Walnut Creek, California 94597

RE: Silva Estates
E/L of Union Road, S/O E Woodward Avenue
Manteca, California 95337

Messrs. Hamill and Penkower:

At your request and authorization, Seevers • Jordan • Ziegenmeyer has prepared an Appraisal Report pertaining to the above referenced property. This report is written in conformance with the requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP).

The subject property represents all of the California Statewide Communities Development Authority (CSCDA) Statewide Community Infrastructure Program (SCIP) Assessment District No. 17-04 (City of Manteca, County of San Joaquin), and encompasses a total of 9.86± acres of residentially zoned land. The subject is proposed and entitled for the development of a 40-lot single family residential subdivision identified as Silva Estates. As of the date of inspection, site work had recently commenced and is estimated to be complete in March 2018. The subject is located along the east line of Union Road, South of E. Woodward Avenue, within the city of Manteca, San Joaquin County, California. The project will feature six floor plans ranging in size from 2,347 square feet to 3,743 square feet, with lot sizes ranging in size from 6,300 square feet to 10,462 square feet, with an average of 7,435 square feet. A more detailed description of the subject property is provided within the attached report.

We have developed an opinion of market value (fee simple interest) of the appraised property, subject to the hypothetical condition that improvements to be financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, are complete. The effective date of value is October 20, 2017, which represents the date of inspection. As a result of the analysis herein, it is our opinion the market value of the subject property, subject to the Assessment Lien securing such bonds, based on the hypothetical condition noted above, in accordance with the definitions, certifications, general assumptions and limiting conditions set forth in the attached document, is…

THREE MILLION TWO HUNDRED THOUSAND DOLLARS

($3,200,000)

We hereby certify the property has been inspected and we have impartially considered all data collected in the investigation. Further, we have no past, present or anticipated future interest in the property.

The estimate of market value provided assumes a transfer would reflect a cash transaction or terms considered to be equivalent to cash. The estimate is also premised on an assumed sale after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with buyer and seller each acting prudently, knowledgeably, for their own self interest and assuming neither is under duress. The estimate of market value accounts for the impact of the Assessment Lien securing the Bonds.

The appraised property does not have any significant natural, cultural, recreational or scientific value. The appraiser certifies this appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan.

This letter must remain attached to the report, which contains 84 pages, plus related exhibits and Appendix, in order for the value opinion(s) contained herein to be considered valid.

This appraisal has been performed in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

Thank you for the opportunity to work with you on this assignment.

Sincerely,

Eric A. Segal, MAI
State Certification No.: AG026558
Expires: February 18, 2019

Kari M. Tatton, Appraiser
State Certification No.: 3002218
Expires: June 1, 2018

/dtn

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SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Property:	Silva Estates represents partially improved residential land included in the boundaries of California Statewide Communities Development Authority (CSCDA) Statewide Community Infrastructure Program (SCIP) Assessment District No. 17-04 (City of Manteca, County of San Joaquin).
Assessor Parcel Number(s):	224-022-03 (portion of)
Location:	The subject property is located along the east line of Union Road, South of E. Woodward Avenue, within the city of Manteca, San Joaquin County.
Owner of Record:	Meritage Homes of California, Inc.
Land Area:	9.86± acres
Average Lot Size:	7,435± square feet
Current Zoning:	R-1 – One-Family Dwelling
Flood Zoning:	Zone X – Area of minimal flood hazard
Highest and Best Use:	Residential development
Property Rights Appraised:	Fee simple estate
Date of Inspection (Value):	October 20, 2017
Date of Report:	December 8, 2017
Exposure Time:	12 months
Conclusion of Market Value, Subject to a Hypothetical Condition:	$3,200,000

CLIENT, INTENDED USER AND INTENDED USE

The client and intended user for this appraisal assignment is the California Statewide Community Development Authority. This report is intended to be used for bond underwriting purposes.

APPRAISAL REPORT FORMAT

This document is an Appraisal Report, intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP).

TYPE AND DEFINITION OF VALUE

The purpose of this appraisal is to estimate the market value of the appraised property as of the date of inspection, subject to the hypothetical condition that improvements to be financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, are complete. Market value is defined as follows:

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

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interest;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. Dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.[1]

See the Glossary in the Appendix for the definition of Hypothetical Condition.

[1] Code of Federal Regulations, Title 12, Section 34.42 (55 Federal Register 34696, Aug. 24, 1990; as amended at 57 Federal Register 12202, Apr. 9, 1992; 59 Federal Register 29499, June 7, 1994).

PROPERTY RIGHTS APPRAISED

The market value estimate derived herein is for the fee simple estate, defined as follows:

Fee Simple Estate: absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[2]

DATES OF INSPECTION, VALUE AND REPORT

An inspection of the subject property was completed on October 20, 2017, which represents the effective date of market value. This appraisal report was completed and assembled on December 8, 2017.

SCOPE OF WORK

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

Several legal and physical aspects of the subject property were researched and documented. A physical inspection of the property was completed and serves as the basis for the site description contained in this report. The sales history was verified by consulting public records. The subject's zoning and entitlement information, earthquake zone, flood zone, utilities, and tax information were obtained from the respective agencies.

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

In this appraisal, we determined the highest and best use of the subject property as though vacant based on the four standard tests (legal permissibility, physical possibility, financial feasibility and maximum productivity). As will be shown in the Highest and Best Use Analysis section, the highest and best use of the subject property is for near term single-family residential development.

We have been requested to estimate the market value of the subject property as of the date of inspection (October 20, 2017), subject to the hypothetical condition that improvements to be

[2] The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015), 90.

financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, are complete.

We estimated the market value of the subject lots by way of the sales comparison approach, which was reconciled with an extraction technique, or static residual analysis, that considers home prices and costs, leading to an estimate of residual land value. In the sales comparison approach, we adjusted the prices of comparable transactions in the region based on differences between the comparables and subject. Our analysis of the subject lots excluded a typical income capitalization approach, since the subject represents vacant land with no probable income potential.

This appraisal report has been conducted in accordance with appraisal standards and guidelines found in the Uniform Standards of Professional Appraisal Practice (USPAP).

The individuals involved in the preparation of this appraisal include Eric A. Segal, MAI and Kari M. Tatton, Appraiser. Ms. Tatton assisted in 1) reviewing the subject property information, 2) inspecting the subject property, 3) the collection and confirmation of market data, 4) the analysis of the market data and 5) preparing the draft report. Mr. Segal 1) inspected the subject property, 2) reviewed the subject property information, 3) reviewed Ms. Tatton's research, 4) provided professional input and direction, 5) made any necessary revisions and/or amplifications to the draft report and 6) completed the final report.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

It is noted the use of an extraordinary assumption or hypothetical condition may have affected the results of the appraisal.

Extraordinary Assumptions

(None)

Hypothetical Conditions

1. We have been requested to estimate the market value of the subject property as of the date of inspection (October 20, 2017), subject to the hypothetical condition improvements to be financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, are complete. Specifically, according to the Engineer's Report, remaining Bond proceeds eligible for the Silva Estates project include $600,000, or $15,000 per lot, for public improvements. A detailed list of all the approved improvements for the bond financing is presented in the Engineer's Report prepared by David Tausssig & Associates, Inc.

<u>GENERAL ASSUMPTIONS AND LIMITING CONDITIONS</u>

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.

2. No responsibility is assumed for matters of law or legal interpretation.

3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

4. The information and data furnished by others in preparation of this report is believed to be reliable, but no warranty is given for its accuracy.

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

6. It is assumed the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.

7. It is assumed the property conforms to all applicable zoning and use regulations and restrictions unless nonconformity has been identified, described and considered in the appraisal report.

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

9. It is assumed the use of the land and improvements is confined within the boundaries or property lines of the property described and there is no encroachment or trespass unless noted in the report.

10. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea–formaldehyde foam insulation and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user of this report is urged to retain an expert in this field, if desired.

11. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I (we) have not made a specific survey or analysis of this property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. Since compliance matches each owner's financial ability with the cost-to cure the property's potential physical characteristics, the real estate appraiser cannot comment on compliance with ADA. A brief summary of the subject's physical aspects is included in this report. It in no way suggests ADA compliance by

the current owner. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost-to-cure any deficiencies would be needed for the Department of Justice to determine compliance.

12. The appraisal is to be considered in its entirety and use of only a portion thereof will render the appraisal invalid.

13. Possession of this report or a copy thereof does not carry with it the right of publication nor may it be used for any purpose by anyone other than the client without the previous written consent of Seevers • Jordan • Ziegenmeyer.

14. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or any other media without the prior written consent and approval of Seevers • Jordan • Ziegenmeyer. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this document to aid in bond underwriting and in the issuance of bonds.

15. Acceptance and/or use of the appraisal report constitutes acceptance of all assumptions and limiting conditions stated in this report.

16. An inspection of the subject property revealed no apparent adverse easements, encroachments or other conditions that currently impact the property. According to the preliminary title report provided for this appraisal (see Appendix), the subject contains easements for roadways, public utilities, telegraph and telephone, and ingress egress. However, these easements are typical for the area and are not considered to adversely affect the value or marketability of the subject property. The appraiser is not a surveyor nor qualified to determine the exact location of any easements. It is assumed any easements do not have an impact on the opinion(s) of value set forth in this report. If, at some future date, any easements are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion(s) of value contained herein.

17. This appraisal report is prepared for the exclusive use of the appraiser's client. No third parties are authorized to rely upon this report without the express consent of the appraiser. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this document to aid in bond underwriting and in the issuance of bonds.

CERTIFICATION STATEMENT

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have not performed services, as an appraiser, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made an inspection of the property that is the subject of this report.
- Kari M. Tatton, Appraiser, provided significant real property appraisal assistance to the person signing this certification.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- I have the knowledge and experience to complete this appraisal assignment. Please see the Qualifications of Appraiser(s) portion of the Appendix to this report for additional information.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

Eric A. Segal, MAI
State Certification No.: AG026558 (February 18, 2019)

December 8, 2017
DATE

CERTIFICATION STATEMENT

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have not performed appraisal services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made an inspection of the property that are the subject of this report.
- Eric A. Segal, MAI has reviewed this report.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- I have the knowledge and experience to complete this appraisal assignment. Please see the Qualifications of Appraiser(s) portion of the Appendix to this report for additional information.

Kari Tatton, Appraiser State Certification No.: 3002218 (Expires June 1, 2018)	December 8, 2017 DATE

Appraisal Report

Kawana Meadows
Santa Rosa, California 95404
APN: 044-460-001 through -071

California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 16-02 (City of Santa Rosa, County of Sonoma)

Date of Report: December 8, 2017

Prepared For:

Mr. James F. Hamill, Managing Director
Mr. Jon Penkower, Managing Director
California Statewide Communities
Development Authority
1700 North Broadway, Suite 405
Walnut Creek, California 94596

Prepared By:

Eric A. Segal, MAI
Sara Gilbertson, Appraiser

Seevers Jordan Ziegenmeyer
Real Estate Appraisal & Consultation

December 8, 2017

Mr. James F. Hamill, Managing Director
Mr. Jon Penkower, Managing Director
California Statewide Communities
Development Authority
1700 North Broadway, Suite 405
Walnut Creek, California 94596

RE: Kawana Meadows
Santa Rosa, California 95404
APN: 044-460-001 through -071

Messrs. Hamill and Penkower:

At your request and authorization, Seevers • Jordan • Ziegenmeyer has prepared an Appraisal Report pertaining to the above referenced property. This report is written in conformance with the requirements set forth under Standards Rule 2-2(a) of the 2016-17 edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

The subject property represents all of the California Statewide Communities Development Authority (CSCDA) Statewide Community Infrastructure Program (SCIP) Assessment District No. 16-02 (City of Santa Rosa, County of Sonoma). The subject encompasses 68 single-family residential lots and 6 parcels of multifamily residential use (5.08 total acres with 74 for-sale units and 19 for-rent below market rate units). The property consists of taxable land area situated within the boundaries of CSCDA Statewide Community Infrastructure Program Assessment District No. 16-02 (City of Santa Rosa, County of Sonoma) and is located east of Petaluma Hill Road, south of Kawana Springs Road, within the city of Santa Rosa, Sonoma County, California. A more detailed description of the subject property is provided within the attached report.

Preceding to our date of value, Northern California experienced catastrophic wildfires in Napa and Sonoma Counties. Driven by hot, dry winds, seven different major fires burned over 200,000 acres. Specifically, the Tubbs fire spanned 36,432 acres within Napa and Sonoma Counties; of which, the city of Santa Rosa experienced the most devastating effects, losing nearly 3,000 homes (roughly 5% of its housing stock). As of today, the fires are 100% contained. The subject property was not affected by these fires.

The purpose of this appraisal is to provide the market value of the subject portion of the District, subject to the hypothetical condition, which assumes the completion of certain public improvements (on- and off-site roads/streets, sanitary sewer, storm drain, and water), and various development impact fees (development, water, wastewater and park fees), have been financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C. The effective date of value is October 26, 2017.

As a result of the analysis herein, it is our opinion the market value of the appraised property, subject to the Assessment lien securing the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, in accordance with the aforementioned hypothetical condition, and in accordance with the definitions, certifications, general assumptions and limiting conditions set forth in the attached document, as of October 26, 2017, is...

FOURTEEN MILLION FIVE HUNDRED THIRTY THOUSAND DOLLARS
$14,530,000

The estimate of market value assumes a transfer would reflect a cash transaction or terms considered to be equivalent to cash. The estimate is premised on an assumed sale after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with buyer and seller acting prudently, knowledgeably, for their own self-interest and assuming neither is under duress.

This appraisal was completed in accordance with the requirements of 1) the Uniform Standards of Professional Appraisal Practice (USPAP), as well as 2) the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The appraisers certify this assignment was not based on a minimum, maximum, or specified value. We also certify the market data obtained during the appraisal process was impartially collected, considered and analyzed. Further, we have no past, present or anticipated future interest in the subject property.

This letter must remain attached to the report, which contains 84 pages, plus related exhibits and Appendix, in order for the value opinion contained herein to be considered valid.

Thank you for the opportunity to work with your office on this assignment.

Sincerely,

Eric A. Segal, MAI
State Certification No.: AG026558
Expires: February 18, 2019

Sara A. Gilbertson, Appraiser
State Certification No.: 3002204
Expires: May 29, 2018

/mlb

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SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Property:	The subject property represents all of the California Statewide Communities Development Authority (CSCDA) Statewide Community Infrastructure Program (SCIP) Assessment District No. 16-02 (City of Santa Rosa, County of Sonoma). The subject encompasses 68 single-family residential lots and 6 parcels of multifamily residential use (5.08 total acres with 74 for-sale units and 19 for-rent below market rate units).
Assessor Parcel Number(s):	
Single-family Residential	044-460-006 through -046, -048 through -069, and -071 (APN 044-460-071 is to be subdivided into five single-family residential lots)
Multifamily Residential	044-460-001 through -005, and -070
Street Address:	No physical street addresses have been assigned to the subject parcels. Upon completion of the homes/units, it is likely each parcel will receive its own unique address.
Location:	East of Petaluma Hill Road, south of Kawana Springs Road, within the city of Santa Rosa, Sonoma County, California
Owner of Record:	Kawana Meadows Development Corporation
Lot Sizes:	There are 68 single-family lots that comprise the subject property. A statistical breakdown of the lots is shown as follows (figures are in square feet):

Minimum	5,663
Maximum	156,816
Average	16,988
Median	9,148
Mode	7,405

The multifamily parcels range from 0.34 to 2.31 acres (14,810 to 100,624 square feet), for a total land area of 5.08 acres.

Zoning:	The subject property is zoned PD (Planned Development) with General Plan land use designations of Low, Med-Low and Medium Density Residential.
Flood Zoning:	According to the Federal Emergency Management Agency (FEMA) National Flood Insurance Program, Flood Insurance Rate Map (FIRM) the subject property is located on Community Panel 06097C-0737F, dated October 16, 2012). The property is situated in Flood Zone X, described

	as areas determined to be outside the 500-year floodplain, determined to be outside the 1% and 0.2% annual chance floodplains.
Earthquake Zone:	According to the Seismic Safety Commission, the subject site is located within Zone 4, which is considered to be the highest risk zone in California. There are only two zones in California: Zone 4, which is assigned to areas near major faults; and Zone 3, which is assigned to all other areas of more moderate seismic activity. In addition, the subject is located in a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone), as defined by Special Publication 42 (revised January 1994) of the California Department of Conservation, Division of Mines and Geology.
Highest and Best Use:	Single-family residential development
Property Rights Appraised:	Fee simple estate
Date of Inspection:	July 24, 2017
Effective Date of Value:	October 26, 2017
Date of Report:	December 8, 2017
Exposure Time:	12 months
Conclusion of Market Value, Subject to a Hypothetical Condition:	$14,530,000

CLIENT, INTENDED USER AND INTENDED USE

The client for this appraisal assignment is the California Statewide Community Development Authority. This report is intended to be used for bond underwriting purposes.

APPRAISAL REPORT FORMAT

This document is an Appraisal Report, intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the 2016-17 edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

TYPE AND DEFINITION OF VALUE

The purpose of this appraisal is to estimate the market value of the subject property, subject to a hypothetical condition, as of the date of value. Market value is defined as follows:

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

(1) Buyer and seller are typically motivated;
(2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
(3) A reasonable time is allowed for exposure in the open market;
(4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
(5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.[1]

Note the value estimated herein is based on a hypothetical condition, defined by USPAP as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of the analysis."

[1] Code of Federal Regulations, Title 12, Section 34.42 (55 Federal Register 34696, Aug. 24, 1990; as amended at 57 Federal Register 12202, Apr. 9, 1992; 59 Federal Register 29499, June 7, 1994).

PROPERTY RIGHTS APPRAISED

The market value estimate derived herein is for the fee simple estate, defined as follows:

Fee Simple Estate: absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[2]

DATES OF INSPECTION, VALUE AND REPORT

An inspection of the subject property was completed on July 24, 2017. The effective date of market value is October 26, 2017. This appraisal report was completed and assembled on December 8, 2017.

SCOPE OF WORK

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

Several legal and physical aspects of the subject property were researched and documented. A physical inspection of the property was completed and serves as the basis for the site description contained in this report. The Developer provided us with tentative subdivisions maps and a site development budget. The sales history was verified by consulting public records, in addition to our conversations with the property owner. The subject's zoning and entitlements, earthquake zone, flood zone, utilities and tax information were obtained from the applicable public agencies.

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

In this appraisal, the highest and best use of the subject property as though vacant was determined based on the four standard tests (legal permissibility, physical possibility, financial feasibility and maximum productivity).

[2] The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015), 90.

The market value of the appraised property, subject to the Assessment lien securing the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, was estimated employing the sales comparison approach to value. In the sales comparison approach to value, the underlying land was compared to transactions of similarly zoned land (single- and multifamily residential) in the North and East Bay region. The results of the final conclusion of market value are subject to the hypothetical condition certain public improvements (on- and off-site roads/streets, sanitary sewer, storm drain, and water) financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, and various development impact fees (development, water, wastewater and park fees), are in place.

This appraisal report has been conducted in accordance with appraisal standards and guidelines found in the Uniform Standards of Professional Appraisal Practice (USPAP).

The individuals involved in the preparation of this appraisal include Eric A. Segal, MAI, and Sara A. Gilbertson, Appraiser. Ms. Gilbertson assisted in 1) inspected the appraised property, 2) reviewing the subject's information provided, 3) the collection and confirmation of market data, 4) the analysis of the market data and 5) preparing the draft report. Mr. Segal 1) inspected the appraised property, 2) reviewed the subject's information provided, 3) reviewed Ms. Gilbertson's research, 4) provided professional input and direction, 5) made any necessary revisions and/or amplifications to the draft report and 6) completed the final report.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

It is noted the use of an extraordinary assumption or hypothetical condition may have affected the results of the appraisal.

Extraordinary Assumptions

1. According to the Developer, APN 044-460-071 is to be subdivided into five additional single-family residential lots (Lot 1 of 0.50 acres, Lot 2 of 0.23 acres, Lot 3 of 3.60 acres, Lot 4 of 0.86 acres and Lot 5 of 0.31 acres, all accessed via a cul-de-sac). If, at some future date, it is determined this subdivision is not permitted/approved/completed, this could affect our conclusion(s) of value.

Hypothetical Conditions

1. The estimate of value provided herein is subject to a hypothetical condition, which assumes the completion of certain public improvements (on- and off-site roads/streets, sanitary sewer, storm drain, and water), and various development impact fees (development, water, wastewater and park fees), have been financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.

2. No responsibility is assumed for matters of law or legal interpretation.

3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

4. The information and data furnished by others in preparation of this report is believed to be reliable, but no warranty is given for its accuracy.

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

6. It is assumed the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.

7. It is assumed the property conforms to all applicable zoning and use regulations and restrictions unless nonconformity has been identified, described and considered in the appraisal report.

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

9. It is assumed the use of the land and improvements is confined within the boundaries or property lines of the property described and there is no encroachment or trespass unless noted in the report.

10. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea–formaldehyde foam insulation and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user of this report is urged to retain an expert in this field, if desired.

11. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I (we) have not made a specific survey or analysis of this property to determine whether the physical aspects of

the improvements meet the ADA accessibility guidelines. Since compliance matches each owner's financial ability with the cost-to cure the property's potential physical characteristics, the real estate appraiser cannot comment on compliance with ADA. A brief summary of the subject's physical aspects is included in this report. It in no way suggests ADA compliance by the current owner. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost-to-cure any deficiencies would be needed for the Department of Justice to determine compliance.

12. The appraisal is to be considered in its entirety and use of only a portion thereof will render the appraisal invalid.

13. Possession of this report or a copy thereof does not carry with it the right of publication nor may it be used for any purpose by anyone other than the client without the previous written consent of Seevers • Jordan • Ziegenmeyer.

14. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or any other media without the prior written consent and approval of Seevers • Jordan • Ziegenmeyer. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this document to aid in bond underwriting and in the issuance of bonds.

15. Acceptance and/or use of the appraisal report constitutes acceptance of all assumptions and limiting conditions stated in this report.

16. An inspection of the subject properties revealed no apparent adverse easements, encroachments or other conditions, which currently impact the subject. The appraiser is not a surveyor nor qualified to determine the exact location of easements. It is assumed typical easements do not have an impact on the opinion (s) of value as provided in this report. If, at some future date, these easements are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion (s) of value.

17. This appraisal report is prepared for the exclusive use of the appraiser's client. No third parties are authorized to rely upon this report without the express consent of the appraiser. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this document to aid in bond underwriting and in the issuance of bonds.

CERTIFICATION STATEMENT

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed services as an appraiser regarding the properties that are the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made a personal inspection of the property that is the subject of this report.
- Sara A. Gilbertson, Appraiser, provided significant real property appraisal assistance to the person signing this certification.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- I have the knowledge and experience to complete this appraisal assignment. Please see the Qualifications of Appraiser(s) portion of the Appendix to this report for additional information.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

December 8, 2017

Eric A. Segal, MAI
State Certification No.: AG026558 (February 18, 2019)

DATE

CERTIFICATION STATEMENT

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made an inspection of the property that is the subject of this report.
- Eric Segal, MAI, reviewed this report.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- As of the date of this report, I have completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.

Sara A. Gilbertson, Appraiser
State Certification No.: 3002204 (May 29, 2018)

December 8, 2017
DATE

Appraisal Report

Paseo Vista (Phases 1-3)

Santa Rosa, California 95407
APNs: 043-041-001, -046; 125-501-007 & -015

California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 16-03 (County of Sonoma)

Date of Report: December 8, 2017

Prepared For:

Mr. James F. Hamill, Managing Director
Mr. Jon Penkower, Managing Director
California Statewide Communities Development Authority
1700 North Broadway, Suite 405
Walnut Creek, California 94596

Prepared By:

Eric A. Segal, MAI
Sara Gilbertson, Appraiser

Seevers
Jordan
Ziegenmeyer
Real Estate Appraisal & Consultation

December 8, 2017

Mr. James F. Hamill, Managing Director
Mr. Jon Penkower, Managing Director
California Statewide Communities
Development Authority
1700 North Broadway, Suite 405
Walnut Creek, California 94596

RE: Paseo Vista (Phases 1-3)
Santa Rosa, California 95407
APN: 043-041-001, -046; 125-501-007 & -015

Messrs. Hamill and Penkower:

At your request and authorization, Seevers • Jordan • Ziegenmeyer has prepared an Appraisal Report pertaining to the above referenced property. This report is written in conformance with the requirements set forth under Standards Rule 2-2(a) of the 2016-17 edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

The subject property represents all of the California Statewide Communities Development Authority (CSCDA) Statewide Community Infrastructure Program (SCIP) Assessment District No. 16-03 (County of Sonoma). The subject encompasses 117 single-family residential lots and 15 triplex lots. The property consists of taxable land area situated within the boundaries of CSCDA Statewide Community Infrastructure Program Assessment District No. 16-03 (County of Sonoma) and is located east of Dutton Avenue, north of Hearn Avenue, within an unincorporated area of Sonoma County, California. A more detailed description of the subject property is provided within the attached report.

Preceding to our date of value, Northern California experienced catastrophic wildfires in Napa and Sonoma Counties. Driven by hot, dry winds, seven different major fires burned over 200,000 acres. Specifically, the Tubbs fire spanned 36,432 acres within Napa and Sonoma Counties; of which, the city of Santa Rosa experienced the most devastating effects, losing nearly 3,000 homes (roughly 5% of its housing stock). As of today, the fires are 100% contained. The subject property was not affected by these fires.

The purpose of this appraisal is to provide the market value of the subject portion of the District, subject to the hypothetical condition, which assumes the completion of certain public improvements (on- and off-site roads/streets, sanitary sewer, storm drain, and water) have been financed by the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C. The effective date of value is October 26, 2017.

3825 Atherton Road, Suite 500 | Rocklin, CA 95765 | Phone: 916.435.3883 | Fax: 916.435.4774

As a result of the analysis herein, it is our opinion the market value of the appraised property, subject to the Assessment lien securing the CSCDA Statewide Community Infrastructure Program Revenue Bonds, Series 2017C, in accordance with the aforementioned hypothetical condition, and in accordance with the definitions, certifications, general assumptions and limiting conditions set forth in the attached document, as of October 26, 2017, is presented on the next page.

SIXTEEN MILLION FIVE HUNDRED EIGHTY THOUSAND DOLLARS
$16,580,000

The estimate of market value assumes a transfer would reflect a cash transaction or terms considered to be equivalent to cash. The estimate is premised on an assumed sale after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with buyer and seller acting prudently, knowledgeably, for their own self-interest and assuming neither is under duress.

This appraisal was completed in accordance with the requirements of 1) the Uniform Standards of Professional Appraisal Practice (USPAP), as well as 2) the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The appraisers certify this assignment was not based on a minimum, maximum, or specified value. We also certify the market data obtained during the appraisal process was impartially collected, considered and analyzed. Further, we have no past, present or anticipated future interest in the subject property.

This letter must remain attached to the report, which contains 85 pages, plus related exhibits and Appendix, in order for the value opinion contained herein to be considered valid.

Thank you for the opportunity to work with your office on this assignment.

Sincerely,

Eric A. Segal, MAI
State Certification No.: AG026558
Expires: February 18, 2019

Sara A. Gilbertson, Appraiser
State Certification No.: 3002204
Expires: May 29, 2018

/mlb

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SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Property:	The subject property represents all of the California Statewide Communities Development Authority (CSCDA) Statewide Community Infrastructure Program (SCIP) Assessment District No. 16-03 (County of Sonoma). The subject encompasses 117 single-family residential lots and 15 triplex lots, identified as Paseo Vista Phases 1-3.
Assessor Parcel Number(s):	043-041-001, -046; 125-501-007 & -015
	The final map was recorded on September 18, 2017; however, individual Assessor parcel numbers have not yet been assigned by the Assessor.
Street Address:	
043-041-001	2290 Dutton Avenue, Santa Rosa, CA 95407
043-041-046	No physical street address is assigned
125-501-007	2000 Dutton Avenue, Santa Rosa, CA 95407
125-501-015	1960 Dutton Avenue, Santa Rosa, CA 95407
Location:	East of Dutton Avenue, north of Hearn Avenue, within an unincorporated area of Sonoma County, California
Owner of Record:	Paseo Vista, Inc.
Lot Sizes:	There are 117 single-family lots and 15 triplex lots that comprise the subject property. A statistical breakdown of the lots is shown as follows (figures are in square feet):

	Minimum	Maximum	Average
Single-family Lots:	1,472	3,010	1,905
Triplex Lots:	2,469	3,947	3,112

Zoning:	The subject property is zoned R2 (Medium Density Residential District), with a maximum density of 10 dwelling units per acre.
Flood Zoning:	According to the Federal Emergency Management Agency (FEMA) National Flood Insurance Program, Flood Insurance Rate Map (FIRM) the subject property is located on Community Panel 06097C-0736F, dated October 16, 2012). The property is situated in Flood Zone X, described as areas determined to be outside the 500-year floodplain, determined to be outside the 1% and 0.2% annual chance floodplains.
Earthquake Zone:	According to the Seismic Safety Commission, the subject site is located within Zone 4, which is considered to be the highest

risk zone in California. There are only two zones in California: Zone 4, which is assigned to areas near major faults; and Zone 3, which is assigned to all other areas of more moderate seismic activity. In addition, the subject is located in a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone), as defined by Special Publication 42 (revised January 1994) of the California Department of Conservation, Division of Mines and Geology.

Highest and Best Use:	Residential development
Property Rights Appraised:	Fee simple estate
Date of Inspection:	July 24, 2017
Effective Date of Value:	October 26, 2017
Date of Report:	December 8, 2017
Exposure Time:	12 months
Conclusion of Market Value, Subject to a Hypothetical Condition:	$16,580,000

CLIENT, INTENDED USER AND INTENDED USE

The client for this appraisal assignment is the California Statewide Community Development Authority. This report is intended to be used for bond underwriting purposes.

APPRAISAL REPORT FORMAT

This document is an Appraisal Report, intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the 2016-17 edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

TYPE AND DEFINITION OF VALUE

The purpose of this appraisal is to estimate the market value of the subject property, subject to a hypothetical condition, as of the date of value. Market value is defined as follows:

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

(1) Buyer and seller are typically motivated;
(2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
(3) A reasonable time is allowed for exposure in the open market;
(4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
(5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.[1]

Note the value estimated herein is based on a hypothetical condition, defined by USPAP as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of the analysis."

[1] Code of Federal Regulations, Title 12, Section 34.42 (55 Federal Register 34696, Aug. 24, 1990; as amended at 57 Federal Register 12202, Apr. 9, 1992; 59 Federal Register 29499, June 7, 1994).

PROPERTY RIGHTS APPRAISED

The market value estimate derived herein is for the fee simple estate, defined as follows:

Fee Simple Estate: absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[2]

DATES OF INSPECTION, VALUE AND REPORT

An inspection of the subject property was completed on July 24, 2017. The effective date of market value is October 26, 2017. This appraisal report was completed and assembled on December 8, 2017.

SCOPE OF WORK

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

Several legal and physical aspects of the subject property were researched and documented. A physical inspection of the property was completed and serves as the basis for the site description contained in this report. The Developer provided us with tentative subdivisions maps, site development and home construction budgets. The sales history was verified by consulting public records, in addition to our conversations with the property owner. The subject's zoning and entitlements, earthquake zone, flood zone, utilities and tax information were obtained from the applicable public agencies.

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

In this appraisal, the highest and best use of the subject property as though vacant was determined based on the four standard tests (legal permissibility, physical possibility, financial feasibility and maximum productivity).

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[2] The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015), 90.

The market value of the appraised property, subject to the Assessment lien securing the CSCDA Statewide Community Infrastructure Program (SCIP) Revenue Bonds, Series 2017C, was estimated employing the sales comparison approach to value. In the sales comparison approach to value, the underlying land was compared to transactions of similarly zoned land (single- and multifamily residential) in the North and East Bay region. The results of the final conclusion of market value are subject to the hypothetical condition certain public improvements (on- and off-site roads/streets, sanitary sewer, storm drain, and water) financed by the CSCDA Statewide Community Infrastructure Program (SCIP) Revenue Bonds, Series 2017C, are in place.

This appraisal report has been conducted in accordance with appraisal standards and guidelines found in the Uniform Standards of Professional Appraisal Practice (USPAP).

The individuals involved in the preparation of this appraisal include Eric A. Segal, MAI, and Sara A. Gilbertson, Appraiser. Ms. Gilbertson assisted in 1) inspected the appraised property, 2) reviewing the subject's information provided, 3) the collection and confirmation of market data, 4) the analysis of the market data and 5) preparing the draft report. Mr. Segal 1) inspected the appraised property, 2) reviewed the subject's information provided, 3) reviewed Ms. Gilbertson's research, 4) provided professional input and direction, 5) made any necessary revisions and/or amplifications to the draft report and 6) completed the final report.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

It is noted the use of an extraordinary assumption or hypothetical condition may have affected the results of the appraisal.

Extraordinary Assumptions

None

Hypothetical Conditions

1. The estimate of value provided herein is subject to a hypothetical condition, which assumes the completion of certain public improvements (on–and off-site roads/streets, sanitary sewer, storm drain, and water) have been financed by the CSCDA Statewide Community Infrastructure Program (SCIP) Revenue Bonds, Series 2017C.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.

2. No responsibility is assumed for matters of law or legal interpretation.

3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

4. The information and data furnished by others in preparation of this report is believed to be reliable, but no warranty is given for its accuracy.

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

6. It is assumed the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.

7. It is assumed the property conforms to all applicable zoning and use regulations and restrictions unless nonconformity has been identified, described and considered in the appraisal report.

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

9. It is assumed the use of the land and improvements is confined within the boundaries or property lines of the property described and there is no encroachment or trespass unless noted in the report.

10. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea–formaldehyde foam insulation and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user of this report is urged to retain an expert in this field, if desired.

11. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I (we) have not made a specific survey or analysis of this property to determine whether the physical aspects of

the improvements meet the ADA accessibility guidelines. Since compliance matches each owner's financial ability with the cost-to cure the property's potential physical characteristics, the real estate appraiser cannot comment on compliance with ADA. A brief summary of the subject's physical aspects is included in this report. It in no way suggests ADA compliance by the current owner. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost-to-cure any deficiencies would be needed for the Department of Justice to determine compliance.

12. The appraisal is to be considered in its entirety and use of only a portion thereof will render the appraisal invalid.

13. Possession of this report or a copy thereof does not carry with it the right of publication nor may it be used for any purpose by anyone other than the client without the previous written consent of Seevers • Jordan • Ziegenmeyer.

14. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or any other media without the prior written consent and approval of Seevers • Jordan • Ziegenmeyer. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this document to aid in bond underwriting and in the issuance of bonds.

15. Acceptance and/or use of the appraisal report constitutes acceptance of all assumptions and limiting conditions stated in this report.

16. An inspection of the subject properties revealed no apparent adverse easements, encroachments or other conditions, which currently impact the subject. The appraiser is not a surveyor nor qualified to determine the exact location of easements. It is assumed typical easements do not have an impact on the opinion (s) of value as provided in this report. If, at some future date, these easements are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion (s) of value.

17. This appraisal report is prepared for the exclusive use of the appraiser's client. No third parties are authorized to rely upon this report without the express consent of the appraiser. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this document to aid in bond underwriting and in the issuance of bonds.

<u>CERTIFICATION STATEMENT</u>

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed services as an appraiser regarding the properties that are the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made a personal inspection of the property that is the subject of this report.
- Sara A. Gilbertson, Appraiser, provided significant real property appraisal assistance to the person signing this certification.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- I have the knowledge and experience to complete this appraisal assignment. Please see the Qualifications of Appraiser(s) portion of the Appendix to this report for additional information.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

December 8, 2017

Eric A. Segal, MAI
State Certification No.: AG026558 (February 18, 2019)

DATE

CERTIFICATION STATEMENT

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made an inspection of the property that is the subject of this report.
- Eric Segal, MAI, reviewed this report.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- As of the date of this report, I have completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.

Sara A. Gilbertson, Appraiser
State Certification No.: 3002204 (May 29, 2018)

December 8, 2017
DATE