2015-1124

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

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority, 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 MATTERS" herein.

$33,015,000
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2007-01
(ORINDA WILDER PROJECT)
SPECIAL TAX REFUNDING BONDS, SERIES 2015

Dated: Date of Delivery **Due: September 1, as shown on the Inside Cover**

The California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), Special Tax Refunding Bonds, Series 2015 (the "Bonds") are being issued by the California Statewide Communities Development Authority (the "Authority") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Law") and the Indenture (as defined herein) to (a) refund all of the outstanding California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), Special Tax Bonds, Series A (2007), and (b) fund the Reserve Fund, and (c) pay certain costs of issuing the Bonds. See "PLAN OF REFUNDING" herein.

Bonds may be purchased in the principal amount of $5,000 or integral multiples thereof. Interest is payable semiannually on March 1 and September 1 of each year, commencing March 1, 2016. The Bonds are being issued as fully registered bonds in book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers will not receive certificates representing their interest in the Bonds. See Appendix G – "BOOK-ENTRY SYSTEM."

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

The Bonds are secured by a pledge of and are payable from the Special Taxes (as defined herein) to be levied on certain real property within the California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), County of Contra Costa, State of California (the "District"), including any prepayments thereof and any amounts received, net of costs of collection, as a result of foreclosure or other actions by the Authority to collect delinquent Special Taxes, and amounts held in certain funds pursuant to the Indenture. See "SECURITY FOR THE BONDS."

THE PRINCIPAL OF AND INTEREST AND REDEMPTION PREMIUMS, IF ANY, ON THE BONDS ARE LIMITED OBLIGATIONS PAYABLE SOLELY FROM THE PROCEEDS OF THE SPECIAL TAX. THE AUTHORITY IS NOT OBLIGATED TO PAY THE BONDS EXCEPT FROM THE PROCEEDS OF THE SPECIAL TAX. THE GENERAL FUNDS AND ASSETS OF THE AUTHORITY ARE NOT LIABLE AND THE FULL FAITH AND CREDIT OF THE AUTHORITY IS NOT PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUMS, IF ANY, ON THE BONDS. NO TAX OR ASSESSMENT OTHER THAN THE SPECIAL TAX SHALL EVER BE LEVIED OR COLLECTED TO PAY THE PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUMS, IF ANY, ON THE BONDS. THE BONDS ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF OR CHARGE, LIEN OR ENCUMBRANCE UPON ANY OF THE PROPERTY OF THE AUTHORITY OR ANY OF ITS INCOME OR RECEIPTS EXCEPT THE MONEY HELD IN THE SPECIAL TAX FUND PURSUANT TO THE INDENTURE. NEITHER THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST OR REDEMPTION PREMIUMS, IF ANY, ON THE BONDS IS A GENERAL DEBT, LIABILITY OR OBLIGATION OF THE AUTHORITY.

Investment in the Bonds involves a significant degree of risk and is speculative in nature, and may not be appropriate for some investors. See "SPECIAL RISK FACTORS" for a discussion of certain 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 information for quick reference only. It is not a complete summary of the Bonds. Investors should read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds are offered when, as and if issued and delivered to the Underwriter, subject to the approval as to their validity by Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority, and subject to certain other conditions. Orrick, Herrington & Sutcliffe LLP has also served as Disclosure Counsel to the Authority. Certain legal matters will be passed upon for the Underwriter by its counsel, Jones Hall, A Professional Law Corporation, San Francisco, California. It is anticipated that the Bonds will be available for delivery in book-entry form through DTC on or about July 15, 2015.

RBC Capital Markets®

This Official Statement is dated June 24, 2015.

MATURITY SCHEDULE

$33,015,000
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2007-01
(ORINDA WILDER PROJECT)
SPECIAL TAX REFUNDING BONDS, SERIES 2015

Maturity Date (September 1)	Principal Amount	Interest Rate	Yield	CUSIP[1]
2016	$745,000	3.500%	1.400%	13077EDZ0
2017	970,000	4.000	1.920	13077EEA4
2018	1,005,000	4.000	2.360	13077EEB2
2019	1,045,000	4.000	2.670	13077EEC0
2020	1,085,000	4.000	2.960	13077EED8
2021	1,130,000	4.250	3.260	13077EEE6
2022	1,180,000	4.250	3.460	13077EEF3
2023	1,235,000	4.500	3.640	13077EEG1
2024	1,285,000	4.500	3.780	13077EEH9
2025	1,345,000	4.500	3.900	13077EEJ5
2026	1,405,000	4.000	4.112	13077EEM8
2027	1,460,000	4.125	4.231	13077EEN6

$4,795,000 5.000% Term Bonds Maturing September 1, 2030, Yield: 4.300%[C], CUSIP[1]: 13077EEK2

$14,330,000 5.000% Term Bonds Maturing September 1, 2037, Yield: 4.600%[C], CUSIP[1]: 13077EEL0

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[C] Yield to par call on September 1, 2025.

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

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

Certain of the information set forth herein has been obtained from sources which the Authority believes to be reliable, but such information is not guaranteed as to accuracy or completeness.

All summaries of the Indenture or other documents are made subject to the provisions thereof and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the Authority for further information in connection therewith. 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.

This Official Statement includes forward-looking statements that are based on the current expectations and projections of the Authority or the Developer about future events. These forward-looking statements are subject to risks and uncertainties, including risks and uncertainties outside the control of the Authority, the Developer, or both. Such statements generally are identifiable by the terminology used, such as “project,” “plan,” “expect,” “anticipate,” “estimate,” “budget,” “believe” or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance is given that actual results will meet the Authority’s or the Developer’s forecasts in any way. Except as set forth in the Authority’s and the Developer’s Continuing Disclosure Certificates, forms of which are attached as Appendix F hereto, the Authority and the Developer do not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur or change.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

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 UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

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CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

Commission

Larry Combs, Chair

Kevin O'Rourke, Vice Chair

Terry Schutten, Treasurer

Dan Harrison, Secretary

Irwin Bornstein, Member

Tim Snellings, Member

Dan Mierzwa, Member

PROFESSIONAL SERVICES

Trustee/Escrow Bank

Wilmington Trust, National Association
Los Angeles, California

Appraiser

Seevers, Jordan, Ziegenmeyer & Associates
Rocklin, California

Bond and Disclosure Counsel

Orrick, Herrington & Sutcliffe LLP
San Francisco, California

Verification Agent

Grant Thornton LLP
Chicago, Illinois

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OFFICIAL STATEMENT

$33,015,000
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2007-01
(ORINDA WILDER PROJECT)
SPECIAL TAX REFUNDING BONDS, SERIES 2015

INTRODUCTION

The purpose of this Official Statement, including the cover, table of contents and the Appendices, is to provide certain information concerning the $33,015,000 aggregate principal amount of California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), Special Tax Refunding Bonds, Series 2015 (the "Bonds").

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, the more complete and detailed information contained in the entire Official Statement, including the cover page and Appendices hereto, and the documents summarized or described herein. Investors should review the entire Official Statement. The sale and delivery of the Bonds to investors is made only by means of the entire Official Statement.

The Bonds are being issued by the California Statewide Communities Development Authority (the "Authority") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Law") and the Indenture, dated as of December 1, 2007 (the "Original Indenture"), by and between the Authority and Wilmington Trust, National Association, as successor trustee (the "Trustee"), as amended and supplemented by the First Supplemental Indenture, dated as of July 1, 2015 (as so amended and supplemented, the "Indenture"), by and between the Authority and the Trustee, to (a) refund all of the outstanding California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), Special Tax Bonds, Series A (2007) (the "Series 2007 Bonds"), (b) fund the Reserve Fund for the Bonds, and (c) pay certain costs of issuing the Bonds. See "PLAN OF REFUNDING" herein.

Bonds may be purchased in principal amounts of $5,000 or integral multiples thereof. Interest is payable semiannually on March 1 and September 1 of each year, commencing March 1, 2016. The Bonds are being issued as fully registered bonds in book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchasers will not receive certificates representing their interest in the Bonds. See Appendix G – "BOOK-ENTRY SYSTEM." The Bonds are subject to redemption prior to maturity as described herein. See "THE BONDS – Redemption" herein.

The Commission of the Authority (the "Commission"), through proceedings conducted under the Law, formed the California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), County of Contra Costa, State of California (the "District") and was initially authorized to issue special tax bonds for the District in an aggregate principal amount not to exceed $75,000,000. Pursuant to the Original Indenture and such authorization, the Authority issued the Series 2007 Bonds, in the original principal amount of $37,500,000. Subsequent to such issuance, the Commission undertook certain change proceedings with respect to the District to, among other things, eliminate the ability to issue any additional special tax bonds for the District (in addition to the Series 2007 Bonds) under such authorization except for refunding bonds. See "THE DISTRICT – General Information."

The District is located within the City of Orinda (the "City") in Contra Costa County, California. Specifically, the District is located just south of Highway 24 at Gateway Boulevard, ½ mile east of the Caldecott Tunnel. The City is a community of approximately 18,000 people situated in the San Francisco Bay area approximately 13 miles east of the City and County of San Francisco and 8 miles east of the City of Oakland (through the four-bore Caldecott Tunnel). For further information on the City, see "THE COMMUNITY OF ORINDA" and Appendix A – "GENERAL INFORMATION ON THE CITY OF ORINDA AND VICINITY."

The District contains approximately 1,572 gross acres, including planned residential development and public land use areas such as playfields, roadways and hiking trails. Public land use areas will not be subject to the lien of the Special Taxes securing the Bonds. Upon projected build out, the District is expected to contain 245 single-family homes that will be subject to the lien of Special Taxes securing the Bonds.

OG Property Owner, LLC (the "Developer"), previously the owner of all of the land within the District at the time of formation of the District, is currently the owner of 151 of the 245 lots within the District, accounting for approximately 59% of the Fiscal Year 2014-15 assessed value of property within the District and approximately 55% of the Special Taxes levied in Fiscal Year 2014-15. Of the 94 conveyed lots, 61 lots were conveyed to Taylor Morrison of California, LLC ("Taylor Morrison"), 13 lots were conveyed to other builders, 18 lots were conveyed to private individuals, and the Developer constructed and sold completed homes on two lots to individual homebuyers. Taylor Morrison accounts for approximately 22% of the Fiscal Year 2014-15 assessed value of property within the District and approximately 30% of the Special Taxes levied in Fiscal Year 2014-15. See "THE DEVELOPER" and "THE DISTRICT" herein. Two of the 245 lots (with a combined Fiscal Year 2014-15 assessed value of $3,389,705) prepaid their portion of the Special Tax securing the payment of debt service on the Bonds (the "Prepaid Lots"). After accounting for the exclusion of the two Prepaid Lots (which are not owned by the Developer or by Taylor Morrison), the Developer accounts for approximately 61% of the Fiscal Year 2014-15 assessed value of property within the District, and Taylor Morrison accounts for approximately 22% of the Fiscal Year 2014-15 assessed value of property within the District.

A map showing the general location of the City and the District in particular appear on the page following this introduction. For additional information concerning the District and its development, see "THE DISTRICT."

Pursuant to the Law, the qualified electors of the District were the owners of all Taxable Parcels within the District at the time of formation of the District. They approved the levy of a special tax (the "Special Tax") on their real property within the boundaries of the District. See "THE DISTRICT – General Information." The Bonds are limited obligations payable solely from and secured by a pledge of the Special Taxes, including any prepayments thereof and any amounts received, net of costs of collection, as a result of foreclosure or other actions by the Authority to collect delinquent Special Taxes, and amounts held in certain funds pursuant to the Indenture, including amounts on deposit in a Reserve Fund. See "SECURITY FOR THE BONDS."

THE PRINCIPAL OF AND INTEREST AND REDEMPTION PREMIUMS, IF ANY, ON THE BONDS ARE LIMITED OBLIGATIONS PAYABLE SOLELY FROM THE PROCEEDS OF THE SPECIAL TAX. THE AUTHORITY IS NOT OBLIGATED TO PAY THE BONDS EXCEPT FROM THE PROCEEDS OF THE SPECIAL TAX. THE GENERAL FUNDS AND ASSETS OF THE AUTHORITY ARE NOT LIABLE AND THE FULL FAITH AND CREDIT OF THE AUTHORITY IS NOT PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUMS, IF ANY, ON THE BONDS. NO TAX OR ASSESSMENT OTHER THAN THE SPECIAL TAX SHALL EVER BE LEVIED OR COLLECTED TO PAY THE PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUMS, IF ANY, ON THE BONDS. THE BONDS ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF OR CHARGE, LIEN OR ENCUMBRANCE

UPON ANY OF THE PROPERTY OF THE AUTHORITY OR ANY OF ITS INCOME OR RECEIPTS EXCEPT THE MONEY HELD IN THE SPECIAL TAX FUND PURSUANT TO THE INDENTURE. NEITHER THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST OR REDEMPTION PREMIUMS, IF ANY, ON THE BONDS IS A GENERAL DEBT, LIABILITY OR OBLIGATION OF THE AUTHORITY.

Certain risk factors should be considered, in addition to other matters set forth herein, in evaluating the investment quality of the Bonds. See "SPECIAL RISK FACTORS."

Brief descriptions of the Bonds, the Indenture, the security for the Bonds, the District, the Developer, the status of development within the District and certain other information are included in this Official Statement. Such descriptions and information do not purport to be comprehensive or definitive. The descriptions herein of the Bonds, the Indenture and other documents are qualified in their entirety by reference to the complete terms thereof. Capitalized terms used but not defined herein have the meanings given in the Indenture, certain provisions of which, including certain definitions, are summarized in Appendix E hereto. Copies of the Indenture and such other documents may be obtained from the Trustee, 10250 Constellation Boulevard, Suite 2800, Los Angeles, California 90067.

Location of District

THE BONDS

Description of the Bonds

The Bonds will be issued pursuant to the Law and the Indenture as fully registered Bonds without coupons in denominations of $5,000, or any integral multiple thereof (not exceeding the principal amount maturing at any one time). The Bonds will be issued in book-entry only form. The Depository Trust Company, New York, New York will act as securities depository for the Bonds. So long as the Bonds are held in book-entry only form, principal of and interest on the Bonds will be paid directly to DTC for distribution to the beneficial owners of the Bonds in accordance with DTC's procedures. See Appendix G – "BOOK-ENTRY SYSTEM."

The Bonds will be dated the date of delivery and will mature on September 1 in the years and in the principal amounts shown on the inside cover of this Official Statement. The Bonds will bear interest at the per annum rates shown on the inside cover of this Official Statement. Such interest will be payable semiannually on March 1 and September 1 of each year, commencing March 1, 2016 (each, an "Interest Payment Date") and will be computed on the basis of a 360-day year consisting of twelve 30-day months. Each Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (i) it is authenticated on a day during the period from the sixteenth (16th) day of the calendar month next preceding an Interest Payment Date to such Interest Payment Date, both days inclusive, in which event it will bear interest from such Interest Payment Date, or (ii) it is authenticated on a day on or before the fifteenth (15th) day of the month preceding the first Interest Payment Date, in which event it will bear interest from its date; provided, that if at the time of authentication of any Bond interest is then in default on the Bonds, the Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment of interest on the Bonds.

Interest and redemption premiums, if any, on, and the principal of, the Bonds will be payable in lawful money of the United States of America at the principal corporate trust office of the Trustee in Los Angeles, California or at such other place as designated by the Trustee. Payment of interest on the Bonds due on or before the maturity or prior redemption thereof will be made only to the person named in the Trustee's registration books as the registered owner thereof at the close of business on the 15th day of the month next preceding the Interest Payment Date. Interest will be paid by check mailed by first class mail to the registered owner at the address appearing in such registration books, except that a registered owner of $1,000,000 or more in principal amount of Bonds then Outstanding may elect to receive payment on any Interest Payment Date by wire transfer of immediately available funds to an account in a bank or trust company or savings bank that is a member of the Federal Reserve System and that is located in the United States of America by delivering written instructions to the Trustee at least 15 days before each such Interest Payment Date. Payment of the principal of and redemption premium, if any, on the Bonds shall be made only to the person named in such registration books as the registered owner thereof. Principal and redemption premiums, if any, will be paid only on the surrender of the Bonds at the principal corporate trust office of the Trustee at maturity or on redemption prior to maturity.

So long as Cede & Co. is the registered owner 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. 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 G – "BOOK – ENTRY SYSTEM" herein.

Redemption

Extraordinary Redemption from Prepayment of Special Tax. The Bonds are subject to extraordinary redemption by the Authority prior to their respective maturity dates as a whole or in part on any Interest Payment Date solely from money derived by the Authority from prepayments of the Special Tax under the Law at the following redemption prices (computed upon the principal amount of the Bonds or portions thereof called for redemption), together with accrued interest to the date fixed for redemption, as follows:

103% if redeemed on any Interest Payment Date on or prior to September 1, 2017; and

100% if redeemed on any Interest Payment Date after September 1, 2017 and prior to maturity.

Any extraordinary redemption by the Authority of the Bonds shall first be applied to the redemption of Bonds maturing on September 1, 2027, and then to the redemption of Bonds maturing on September 1, 2026. If and when there is no longer Outstanding any Bonds maturing on September 1, 2027 or September 1, 2026, any extraordinary redemption by the Authority of Bonds shall then be applied to the redemption of Bonds as directed by the Authority.

Transfers of property ownership and certain other circumstances could result in prepayments of the Special Tax. Such prepayments would result in redemption of all or a portion of the Bonds prior to their stated maturity, at the redemption prices corresponding to the redemption dates as shown herein and would thus cause a proportionate reduction of the amount on deposit in the Reserve Fund. See "SECURITY FOR THE BONDS – Funds and Accounts; Flow of Funds" herein.

Optional Redemption. The Bonds maturing on or after September 1, 2026 are subject to optional redemption by the Authority prior to their respective maturity dates as a whole or in part on any date on or after September 1, 2025, from money derived by the Authority from any source other than Mandatory Sinking Account Payments (defined herein) or prepayments of the Special Tax (described herein), at a redemption price equal to 100% (computed upon the principal amount of the Bonds or portions thereof called for redemption), together with accrued interest to the date fixed for redemption.

Mandatory Redemption from Mandatory Sinking Account Payments. The Authority will establish and maintain with the Trustee the 2030 Sinking Account in the Redemption Fund for the Bonds maturing on September 1, 2030 (the "2030 Term Bonds"), to receive payments (the "2030 Mandatory Sinking Account Payments") for the mandatory redemption of the 2030 Term Bonds. The 2030 Term Bonds are subject to mandatory redemption by the Authority prior to their maturity date in part on any September 1 on and after September 1, 2028, in the principal amounts thereof together with accrued interest thereon to the date fixed for redemption, without premium, solely from 2030 Mandatory Sinking Account Payments deposited into the 2030 Sinking Account, as follows except that if any Bonds maturing on September 1, 2030 shall have been extraordinarily and/or optionally redeemed pursuant to the Indenture, the amounts of the Mandatory Sinking Account Payments shall be reduced proportionately by the principal amount of all such Bonds so redeemed:

2030 Term Bonds

Mandatory Sinking Account Payment Date (September 1)	Mandatory Sinking Account Payments
2028	$1,520,000
2029	1,595,000
2030*	1,680,000

* Maturity

The Authority will establish and maintain with the Trustee the 2037 Sinking Account in the Redemption Fund for the Bonds maturing on September 1, 2037 (the "2037 Term Bonds"), to receive payments (the "2037 Mandatory Sinking Account Payments") for the mandatory redemption of the 2037 Term Bonds. The 2037 Term Bonds are subject to mandatory redemption by the Authority prior to their maturity date in part on any September 1 on and after September 1, 2031, in the principal amounts thereof together with accrued interest thereon to the date fixed for redemption, without premium, solely from 2037 Mandatory Sinking Account Payments deposited into the 2037 Sinking Account, as follows except that if any Bonds maturing on September 1, 2037 shall have been extraordinarily and/or optionally redeemed pursuant to the Indenture, the amounts of the Mandatory Sinking Account Payments shall be reduced proportionately by the principal amount of all such Bonds so redeemed:

2037 Term Bonds

Mandatory Sinking Account Payment Date (September 1)	Mandatory Sinking Account Payments
2031	$1,765,000
2032	1,845,000
2033	1,940,000
2034	2,040,000
2035	2,140,000
2036	2,245,000
2037*	2,355,000

* Maturity

Selection of Bonds for Redemption. If less than all the Outstanding Bonds are to be redeemed at the option of the Authority or from prepayments of the Special Tax, the Authority will select the maturity dates from which the Bonds shall be redeemed, and if less than all the Outstanding Bonds of any one maturity are to be redeemed at any one time, the Trustee will select the Bonds of such maturity or the portions thereof to be redeemed in integral multiples of five thousand dollars ($5,000) by lot in any manner that it deems appropriate.

Notice of Redemption. The Trustee will mail a notice of redemption to the registered owners of the Bonds selected for redemption, at the addresses appearing on the registration books, at least 30 days but not more than 60 days prior to the date fixed for redemption; however, neither the failure to receive a notice of redemption nor any immaterial defect therein shall affect the sufficiency or validity of the redemption proceedings. So long as the Bonds are held in book-entry only form, the Trustee will send notices of redemption exclusively to DTC, as registered owner of the Bonds, and will not send any such notices to any beneficial owners. DTC is to distribute such notices to the beneficial owners of the Bonds

in accordance with its procedures. See Appendix G – "BOOK-ENTRY SYSTEM." The Trustee will also provide notice to information services and securities depositories selected by the Authority.

Upon written direction of the Authority received at least eight (8) days prior to the date fixed for the redemption of Bonds pursuant to the Indenture, the Trustee shall rescind, cancel and annul such redemption by giving notice of such rescission, cancellation and annulment at least seven (7) days prior to the date fixed for redemption to the same persons and in the same manner as the original notice of redemption.

Effect of Redemption of Bonds. If notice of redemption has been duly given, and has not been rescinded as described in the preceding paragraph, and the Trustee holds money for the payment of the principal of and redemption premiums, if any, on, together with interest to the redemption date on, the Bonds to be redeemed, then on the redemption date such Bonds to be redeemed shall become due and payable, and from and after the redemption date interest on the Bonds to be redeemed will cease to accrue and the Holders of such Bonds shall have no rights except to receive payment of principal, redemption premiums, if any, thereon and interest accrued thereon to the redemption date. Such Bonds are required to be surrendered on the redemption date at the address or addresses of the Trustee so designated. If any Bond chosen for redemption will not be redeemable in whole, upon presentation of such Bond for redemption there will be issued in lieu of the unredeemed portion of principal thereof a new Bond or Bonds of the same maturity date, of authorized denominations equal in aggregate principal amount to such unredeemed portion.

Transfer and Exchange of Bonds

So long as DTC or Cede & Co. is the registered owner of the Bonds, transfers of beneficial interests in the Bonds shall be according to the DTC book-entry system, as more fully described herein. See Appendix G – "BOOK-ENTRY SYSTEM." The Indenture provides that the Trustee will keep at its principal corporate trust office books for the transfer and exchange of the Bonds, which books at all times during normal business hours with reasonable prior notice shall be open to inspection by the Authority or by any Owner. Any Bond may, in accordance with its terms, be transferred or exchanged on such books by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon payment by the Owner requesting such transfer or exchange of any tax or other governmental charge required to be paid with respect to such transfer or exchange, and upon surrender of such Bond for cancellation accompanied by delivery of a duly executed written instrument of transfer or exchange in a form approved by the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer or exchange, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds of the same maturity date and of authorized denominations for the same aggregate principal amount, except that neither the Authority nor the Trustee shall be required (i) to transfer or exchange any Bonds during the 15-day period prior to the selection of any Bonds for redemption, or (ii) to transfer or exchange any Bond which has been selected for redemption in whole or in part, except the unredeemed portion of such Bond selected for redemption in part, from and after the day that such Bond has been selected for redemption in whole or in part.

Debt Service Schedule

The debt service schedule for the Bonds, assuming no early redemptions, is set forth as follows:

Period Ending September 1	Principal	Interest	Debt Service
2016	$745,000	$1,731,195	$2,476,195
2017	970,000	1,508,975	2,478,975
2018	1,005,000	1,470,175	2,475,175
2019	1,045,000	1,429,975	2,474,975
2020	1,085,000	1,388,175	2,473,175
2021	1,130,000	1,344,775	2,474,775
2022	1,180,000	1,296,750	2,476,750
2023	1,235,000	1,246,600	2,481,600
2024	1,285,000	1,191,025	2,476,025
2025	1,345,000	1,133,200	2,478,200
2026	1,405,000	1,072,675	2,477,675
2027	1,460,000	1,016,475	2,476,475
2028	1,520,000	956,250	2,476,250
2029	1,595,000	880,250	2,475,250
2030	1,680,000	800,500	2,480,500
2031	1,765,000	716,500	2,481,500
2032	1,845,000	628,250	2,473,250
2033	1,940,000	536,000	2,476,000
2034	2,040,000	439,000	2,479,000
2035	2,140,000	337,000	2,477,000
2036	2,245,000	230,000	2,475,000
2037	2,355,000	117,750	2,472,750
Total	**$33,015,000**	**$21,471,495**	**$54,486,495**

PLAN OF REFUNDING

The Bonds are being issued to (a) refund all of the outstanding Series 2007 Bonds, as further described below, (b) fund the Reserve Fund for the Bonds, and (c) pay certain costs of issuing the Bonds.

The Series 2007 Bonds are outstanding in the aggregate principal amount of $33,900,000. The Authority will deposit a portion of the proceeds of the Bonds, together with other funds of the Authority, in an irrevocable escrow fund (the "Escrow Fund") to refund, on an advance refunding basis, the Series 2007 Bonds on September 1, 2015 (the "Redemption Date"). See "ESTIMATED SOURCES AND USES OF FUNDS." The Escrow Fund will be established pursuant to an Escrow Agreement, dated as of July 1, 2015, by and between the Authority and Wilmington Trust, National Association, as prior trustee for the Series 2007 Bonds and escrow bank (the "Escrow Bank"). Amounts so deposited in the Escrow Fund will be held and applied pursuant to the Escrow Agreement so that the amounts in the Escrow Fund will be sufficient to pay the principal of and interest on the Series 2007 Bonds due on September 1, 2015, and to redeem the Series 2007 Bonds maturing after September 1, 2015 at a redemption price equal to 103% of the principal amount of such Series 2007 Bonds being so redeemed on the Redemption Date. The sufficiency of such amounts to refund the Series 2007 Bonds on the Redemption Date, will be verified by Grant Thornton LLP (the "Verification Agent"), an independent firm of certified public accountants. See "VERIFICATION AGENT."

The monies held under the Escrow Agreement are pledged to the payment of the Series 2007 Bonds and is not available for the payment of the Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the Bonds and other funds of the Authority are set forth in the following table.

Sources:

Principal Amount of Bonds	$33,015,000.00
Plus Net Original Issue Premium	1,251,262.15
Other Available Funds	4,786,515.81
Total Sources	$39,052,777.96

Uses:

Deposit to Escrow Fund	$35,895,378.75
Deposit to Reserve Fund [(1)]	2,481,600.00
Costs of Issuance [(2)]	675,799.21
Total Uses	$39,052,777.96

(1) Represents amounts currently on deposit in the Reserve Fund.

(2) Includes underwriter's discount, legal fees, Verification Agent fees, printing costs and other costs of issuance relating to the Bonds.

THE COMMUNITY OF ORINDA

The City of Orinda is situated in southwest Contra Costa County, California, just over the East Bay Hills (and through the four-bore Caldecott Tunnel) from Oakland and Berkeley and within 30 minutes of downtown San Francisco by freeway or mass transit. The City was incorporated as a city in 1985, after more than 100 years of gradual development. It is a community of 12.8 square-miles and approximately 18,000 residents. The City is considered one of the more up-scale communities in the San Francisco Bay Area with natural beauty, excellent schools, safety, history, culture and proximity to major San Francisco Bay Area locations.

For further information on the City, see Appendix A – "GENERAL INFORMATION ON THE CITY OF ORINDA AND VICINITY".

THE DEVELOPER

The information in this section has been provided by the Developer and others. The Authority and the Underwriter believe this information to be reliable, but can give no assurances that it is accurate or complete. No assurance can be given that the proposed development of the property within the District will occur in a timely manner or in the configuration or to the density described herein, or that the Developer or any other property owner will or will not retain ownership of its respective property within the District. There may be material adverse changes in this information after the date of this Official Statement.

Neither the Bonds nor any of the Special Taxes are personal obligations of any property owner within the District. The Bonds are secured by a pledge of and are payable from the Special Taxes and amounts on deposit in certain of the funds and accounts maintained by the Trustee under the Indenture. There is no assurance that the Developer or any other owner has or will have the ability to pay the Special Taxes or that, even if they have the ability, they will choose to pay such Special Taxes. An owner may elect not to pay the Special Taxes when due and cannot be legally compelled to do so. Neither the Authority nor any Bondholder will have the ability at any time to seek payment from the owners of property within the District of any Special Tax or any principal or interest due on the Bonds, or the ability to control who becomes a subsequent owner of any property within the District. The Authority's only remedy for the failure of a landowner to pay Special Taxes on a parcel of land within the District is to foreclose on such parcel. See "SECURITY FOR THE BONDS – Covenant for Superior Court Foreclosure" and "SPECIAL RISK FACTORS – Non-Recourse Obligation to Pay Special Taxes" and "– Special Tax Delinquencies."

OG Property Owner, LLC

OG Property Owner, LLC (the "Developer"), through a series of single member limited liability companies, is 100% owned and managed by Orinda Gateway LLC. Orinda Gateway LLC consists of four members: (i) WSC Orinda Gateway Investors IV, LLC ("WSC"), (ii) Orinda Gateway Associates, LLC ("OGA"), (iii) Brookside Land Company, LLC ("Brookside Land"), and (iv) Wilder Investors, LLC ("Wilder"). While WSC and OGA are members, Wilder is the sole equity and voting member and is itself wholly-owned by large institutional investment funds with substantial assets. Brookside Land is the Project Manager/Administrative Member whose role and responsibilities are to carry on the affairs of the Developer to develop raw land into lots to be sold to home builders or individuals. Lucas Austin Alexander, LLC d/b/a Brooks Street ("Brooks Street") is the managing entity of Brookside Land. Brooks Street is a fully-integrated real estate company with offices in Newport Beach and Walnut Creek, California. The company is presently executing on several large-scale real estate developments in

California that include brownfield remediation, urban infill, adaptive reuse, mixed-use, and master planned communities.

The Developer's development plan is to complete the infrastructure necessary to create 245 residential finished lots, construct homes on certain lots, then sell and convey finished lots and completed homes to individual homeowners and merchant builders. As of March 31, 2015, the Developer owned 152 of the 245 residential lots within the District and had conveyed 93 residential lots to private individuals and builders. Subsequent to March 31, 2015, the Developer conveyed an additional residential lot to Taylor Morrison. See "THE DISTRICT – Plan and Status of Development" herein.

Other recent projects completed by or under management of Brooks Street (or its principals or related entities) in California include the following:

(i) Newport Banning Ranch (Newport Beach, CA): Banning Ranch is an approximately 400-acre property located along Pacific Coast Highway in Newport Beach, California with 97 developable acres, 50 acres of parks, 237 acres of natural open space, and 17 acres of remaining oil-producing facilities. Brooks Street is seeking entitlement approvals for over 1,375 residential units, a 75-room hotel, and 75,000 square feet of retail. This project combines many complex development issues, including remediating a 50-year old oil field, securing California Coastal Commission approvals, and creating public access to beach areas.

(ii) Jordan Ranch (Dublin, CA): Jordan Ranch is a 109-unit townhome project in Dublin, California. Brooks Street is presently managing all aspects of the project, including planning and construction.

(iii) Dos Pueblos (Santa Barbara, CA): Dos Pueblos is a 143-acre property along the Gaviota Coast in Santa Barbara, California. The property is presently being entitled for 2 ultra-luxury lots on 65 acres with direct beach access and 10 luxury lots on 78 acres. Brooks Street is managing all of the entitlement efforts.

(iv) One Ford Road (Newport Beach, CA): One Ford Road is a 100-acre site in Newport Beach that the Brooks Street principals managed through environmental remediation, entitlement, land planning through vertical construction phases while working through a subsidiary of Ford Motor Company. A former industrial property, One Ford Road required extensive remediation, demolition and coordinated entitlement efforts. The project, which has been fully built out with all 370 residential units sold, has won several land planning, design and marketing awards.

(v) Tourtelot Project (Benicia, CA): Tourtelot consists of 220-acres formerly owned by Pacific Bay Homes, a subsidiary of Ford Motor Company. The property represented the build out of the final 417 market rate homes and 50 below market rate homes in the 5,000 home Southampton Hills Master Planned Community. Early in the site development process, several unexploded ordnance items were discovered due to the property's prior United States Army use, the result of which halted all development activities. One of Brooks Street's principals, Scott Goldie, managed the clean up process which involved all significant State and Federal agencies with influence over real estate development, including the City of Benicia, the California Department of Fish and Game ("CDFG"), Environmental Protection Agency, U.S. Army Corps of Engineers, Department of Defense, California Department of Toxic Substances Control and others. Mr. Goldie launched a public/private partnership to align interests and move the clean up process forward, eventually successfully disposing over 5,000 ordnance items, 70,000 tons of chemically impacted soils, and 70,000 tons of ordnance scrap. Tourtelot represents the first California project impacted by ordnance and explosives to receive State approval for unrestricted residential use.

(iv) Plant 51 (San Jose, CA): Plant 51 is a 265-unit condominium unit located in downtown San Jose, CA. The 4-acre property consists of three buildings originally built in 1911 and operated as a fruit packing plant. Brooks Street assisted in acquiring the property from Centex Homes in 2008 as part of a large portfolio acquisition and managed all construction and marketing efforts. Brooks Street reworked the existing land plan and created a number of compelling elements that facilitated a stronger community feel, including landscaped courtyards and gathering places as well as a state-of-the-art recreational and fitness center. At the time, Plant 51 was one of the fastest selling condominium project in San Jose despite the highly competitive market. The final units in Plant 51 closed in 2012.

History of Property Tax Payments; Loan Defaults; Bankruptcy; Litigation; Continuing Disclosure. In connection with the issuance of the Bonds, a representative of the Developer will execute a certificate dated the date of delivery of the Bonds containing the following representations:

- Except as described in this Official Statement (i.e., the late payment of property taxes with respect to the District in April 2008), neither the Developer nor any Relevant Entity (as defined below) has ever defaulted to any material extent in the payment of special taxes or assessments in connection with the District or any other community facilities districts or assessment districts in California within the past five years.

- Neither the Developer nor, to the Actual Knowledge of the Developer (as defined below), any of its Relevant Entities, is currently in default on any obligation to repay borrowed money, which default is reasonably likely to materially and adversely affect the Developer's ability to develop the Property (as defined below) as proposed in this Official Statement.

- The Developer is able to pay its bills as they become due and no proceedings are pending against the Developer (with proper service of process to the Developer having been accomplished), or, to the Actual Knowledge of the Developer, threatened in writing in which the Developer may be adjudicated as bankrupt or become the debtor in a bankruptcy proceeding, or be discharged from all of its debts or obligations, or be granted an extension of time to pay its debts or be allowed to reorganize or readjust its debts.

- Except as described in this section of the Official Statement under "THE DISTRICT – Pending/Potential Litigation," there is no litigation or administrative proceeding of any nature pending against the Developer (with proper service of process or proper notice to the Developer having been accomplished) or, to the Actual Knowledge of the Developer, threatened in writing against the Developer (i) which, if successful, is reasonably likely to materially and adversely affect the Developer's ability to complete the proposed development and sale of the Property as described in this Official Statement, or to pay the Special Taxes or ordinary *ad valorem* property tax obligations on its Property when due, or (ii) which challenges or questions the validity or enforceability of the Bonds, the resolution authorizing the issuance of the Bonds, the Indenture or the Purchase Contract (as defined herein).

- Except as described herein under "CONTINUING DISCLOSURE," to the Actual Knowledge of the Developer, the Developer is not aware of any material failures to comply with previous undertakings by it or any Relevant Entity to provide periodic continuing disclosure reports or notices of material events in connection with any other community facilities district or assessment districts in California within the past five years.

For purposes of the above representations of the Developer, the following defined terms and phrases have the following meanings:

"Actual Knowledge of the Developer" shall mean the current actual knowledge of the authorized representative of the Developer signing the certificate containing the above representations (the "Developer Certificate") as of the date of the Developer Certificate. The authorized representative of the Developer signing the Developer Certificate has not conducted any extraordinary inspection or inquiry.

"Property" as used under this caption "– History of Property Tax Payments; Loan Defaults; Bankruptcy; Litigation; Continuing Disclosure" means the property within the District held in the name of the Developer.

"Relevant Entity" means (i) any person or entity directly, or indirectly through one or more intermediaries, controlling, controlled by or under common control with the Developer, and (ii) for whom information, including financial information or operating data, concerning such person or entity referenced in clause (i) is material to an evaluation of the Bonds (i.e. information relevant to the Developer's development plan with respect to the Property and its payment of Special Taxes prior to delinquency, or the assets or funds held by the Developer or any such Relevant Entity that would materially affect the Developer's ability to develop its Property or pay its Special Taxes prior to delinquency). For purposes of the above representations, Relevant Entities shall exclude WSC, OGA, Wilder and Brookside Land, and their respective Relevant Entities other than the Developer.

The Authority has not investigated, and makes no representation regarding, the track record of WSC, OGA, Wilder, Brookside Land or any of their respective Relevant Entities with respect to (a) their payment of special taxes, assessments or any other obligations, or (b) their compliance with any continuing disclosure undertakings. The Authority provides no assurances that such entities have not defaulted on any payment of special taxes, assessments or any other obligations, or that such entities have not failed to comply in all material respects with their continuing disclosure undertakings.

THE DISTRICT

General Information

On May 23, 2007, the Authority, in accordance with the Law, adopted a resolution establishing the District. At a special election held on the same date, the owners of the property within the boundaries of the District authorized the District to incur a bonded indebtedness in an amount not to exceed $75,000,000 and approved a rate and method of apportioning the Special Taxes to pay the principal of and interest on the Bonds (as amended, the "Rate and Method"). At an election conducted in change proceedings on November 19, 2007, the qualified electors approved, among other things, increases in the maximum annual Category A Special Tax from $11,913 to $13,250 to provide sufficient coverage for debt service on the Series 2007 Bonds and administrative costs. Subsequent to the issuance of the Series 2007 Bonds, which are currently the only bonds outstanding that are payable from the Special Taxes, at an election conducted in change proceedings on August 4, 2010, the qualified electors voted to eliminate the authority to issue additional bonds (other than refunding bonds) under the Rate and Method and, among other things, to eliminate the Category B Special Tax and the related One-Time Special Tax (which have never been levied). A copy of such Rate and Method is attached hereto as Appendix C – "SECOND AMENDED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX." The Special Taxes levied in accordance with the Rate and Method are expected to provide sufficient coverage for debt service on the Bonds and administrative costs. See "SECURITY FOR THE BONDS – Second Amended Rate and Method of Apportionment of Special Tax" herein.

The District is located within the City of Orinda in Contra Costa County, California. A map showing the location of the City appears herein under the caption "INTRODUCTION." Specifically, the District is located just south of Highway 24 at Gateway Boulevard, ½ mile east of the Caldecott Tunnel.

The District contains approximately 1,572 gross acres, of which approximately 300 acres are part of the development. The remaining land in the District has been set aside as permanent open space. The expected land uses within the District, as authorized by the Development Agreement described in "– Development Entitlements" herein, include planned residential development and public land use areas such as playfields, roadways and hiking trails. Public land use areas will not be subject to the lien of the Special Taxes securing the Bonds.

A map showing the location of the District is included under the caption "INTRODUCTION."

Development Entitlements

Development Agreement and Conceptual Development Plan. In 2005, the City Council of the City (the "City Council") adopted the Development Agreement and Pre-Annexation Agreement that included a Conceptual Development Plan and Conditions of Approval and superseded an original development agreement (as further amended from time to time, the "Development Agreement"), authorizing the construction of 245 single-family homes, community facilities, open space and infrastructure. To date, there have been a total of six major amendments to the Development Agreement approved by the City Council, and two administrative changes approved by the City Manager of the City. The Developer and the City are currently negotiating major amendment(s) to the Development Agreement that are anticipated to be considered by the City Council in the summer or early fall of 2015: (a) to clarify and streamline the design review process for homes on finished lots, (b) to confirm the timing for completion of the trails, (c) to confirm the phasing plan for the installation of the transition slope landscaping, and (d) potentially, to relocate the art and garden center to a location adjacent to the community playfields.

The Development Agreement includes the Conceptual Development Plan (the "CDP") to provide the standards, terms and conditions for development of the land within the District, including uses, design standards, circulation, landscaping, utilities and grading. The Development Agreement limits residential use within the District to no more than 245 market rate units with certain non-residential uses, including (a) a private swim club, which is complete, (b) community facilities, including five new community playfields, three of which are complete, an art and garden center, which has yet to be complete and may be relocated to a location adjacent to the community playfields, as noted above, and a trail system which has yet to be complete, (c) open space preserve areas, which will all be turned over to long term landowners in approximately 2016-2017, and (e) all ancillary uses, parking, circulation and utilities, including the re-routing of the high-voltage power lines discussed herein, which is complete. Further, the Development Agreement requires that the Developer complete construction of all Improvements located within each phase of the final map no later than, and as a condition precedent to, the issuance of the first certificate of occupancy or equivalent thereof for the first residence of the related phase of the final map.

Final Maps. Three final maps have been recorded for 211 of the proposed 245 residential lots: the final map for Subdivision 9074 (72 lots) recorded on September 26, 2008; the final map for Subdivision 9222 (79 lots) recorded on December 12, 2013; and the final map for Subdivision 9224 (60 lots) recorded on December 24, 2014 (prior to completion of the final work creating finished lots). The final map for the remaining Subdivision 9223 (34 lots) is presently anticipated to record by October 2015.

Design Review. Certain project components will undergo design review, including, but not limited to, the homes to be constructed on the finished lots and the art and garden center. As noted above, the Developer is currently negotiating an amendment to the Development Agreement to clarify and streamline the design review process for the remaining lots. The timing of design review for public improvements is governed by the Development Agreement. Design review for the homes to be constructed on the finished lots will occur when the purchaser of the lot and/or the builder submits an

application for such review to the City. The timing of application for design review for the homes is at the discretion of the purchaser and/or the builder. No building permits can be issued for any of the structures until the necessary design review approval is obtained.

Environmental Impact Report

In 2005, the City Council certified a Second Supplemental Environmental Impact Report (as amended, the "EIR") for the development of the land within the District. To address certain of the environmental considerations and impacts related to the development of the land within the District, the City Council previously adopted mitigation measures, binding itself, the Developer and their successors and assigns to implement the mitigation measures identified in the EIR.

All required permits from State and federal resource agencies related to the development of the land within the District have been received. However, pursuant to the requirements of the existing environmental permits and the Development Agreement, the Developer is required to conduct ongoing mitigation and monitoring throughout the development process. See "SPECIAL RISK FACTORS – Endangered and Threatened Species" and "– Hazardous Substances" herein.

Pending/Potential Litigation

Water Board Settlement Discussions. The Developer is currently in settlement discussions with the San Francisco Bay Regional Water Quality Control Board (the "Water Board") following a December 2014 notice of violation. The basis of the violation alleged by the Water Board is as follows: Following a record rainfall, the Water Board alleges that water run-off entered into the storm drain system without being treated according to the Water Board's required "best practices." The Water Board and the Developer are negotiating an appropriate settlement to this claim. A previous notice of violation was issued by the Water Board relating to a fiscal year 2007-08 incident that occurred during active grading operations, which was settled by the Developer paying a cash settlement.

Pending Litigation. The Developer was recently joined as a defendant to a lawsuit filed by the victims of a 2012 car accident occurring on Highway 24, which is located near the District and the project. Several people were seriously injured, including individuals involved in the car accident as well as fire fighters called to the scene. The accident happened following a rain storm. Initially, the victims sued CalTrans, however, the Developer was recently added as a defendant. The basis of the claim alleged against the Developer is that the development of the project in the District may have caused additional rain water to run off onto Highway 24 and therefore impacted the safety of Highway 24.

Plan and Status of Development

The information in this section has been provided by the Developer. The Authority and the Underwriter believe this information to be reliable, but can give no assurances that the District will be developed in the manner or within the time periods described in this section. All acreage, residential lot mix and residential unit figures herein are estimates deemed to be reasonable based on approved development plans, but are subject to change as development progresses based on market conditions and other factors. No assurance can be given that such figures will in fact be achieved upon full build out of the District or that development will occur as currently anticipated as described herein.

Neither the Bonds nor any of the Special Taxes are personal obligations of any property owner within the District. The Bonds are secured by a pledge of and are payable from the Special Taxes and amounts on deposit in certain of the funds and accounts maintained by the Trustee under the Indenture. There is no assurance that the Developer or any other owner has or will have the ability to pay the

Special Taxes or that, even if they have the ability, they will choose to pay such Special Taxes. An owner may elect not to pay the Special Taxes when due and cannot be legally compelled to do so. Neither the Authority nor any Bondholder will have the ability at any time to seek payment from the owners of property within the District of any Special Tax or any principal or interest due on the Bonds, or the ability to control who becomes a subsequent owner of any property within the District. The Authority's only remedy for the failure of a landowner to pay Special Taxes on a parcel of land within the District is to foreclose on such parcel. See "SECURITY FOR THE BONDS – Covenant for Superior Court Foreclosure" and "SPECIAL RISK FACTORS – Non-Recourse Obligation to Pay Special Taxes" and "– Special Tax Delinquencies."

The Developer's development plan is to complete the infrastructure necessary to create 245 finished lots, construct homes on certain lots, then sell and convey finished lots and completed homes to individual and merchant builders. As of March 31, 2015, the Developer owned 152 of the 245 residential lots within the District and had conveyed 93 residential lots to a combination of individuals and merchant builders. Subsequent to March 31, 2015, the Developer conveyed an additional residential lot to Taylor Morrison.

Pursuant to the Development Agreement, the Developer has been doing work on the site since approximately June 2006. Mass grading of the entire development commenced in June 2006 and was completed in 2009. As of March 31, 2015, Subdivisions 9074 (72 lots) and Subdivision 9222 (79 lots) were in finished lot condition – with streets, concrete curbs and gutters, and all utilities extended to each lot – for a total of 151 finished lots out of the 245 proposed residential lots. The remaining 94 lots (in Subdivisions 9223 and 9224) required additional infrastructure work, including those to complete the storm drain, sewer, water and dry utility systems and final paving. Infrastructure work for Subdivision 9224 (60 lots) is expected to be completed by October 2015, and infrastructure work for Subdivision 9223 (34 lots) is expected to be completed by December 2015.

Final maps were recorded for Subdivision 9074 (72 lots) on September 26, 2008, Subdivision 9222 (79 lots) on December 12, 2013, and Subdivision 9224 (60 lots) on December 24, 2014. The final map for the remaining Subdivision 9223 (34 lots) is presently anticipated to be recorded by October 2015.

Non-residential improvements constructed or proposed to be constructed by the Developer within the District include a private community clubhouse and pool known as The Quarry House, public roadways (including Wilder Road), in-tract private roadways, five community playing fields (including parking lot areas and restroom facilities), a trail system, an art and garden center, landscaping, and improvements related to a geologic hazard abatement district (the "GHAD") formed by the City in 2008. The Quarry House is complete and in use by residents. Three of the five community playfields are complete and have been transferred to the City. The two remaining community playfields are required to be delivered when the 150th building permit has been obtained. The Developer has yet to complete the art and garden center and trail systems, and not all of the community landscaping improvements have been completed at this time.

The completion dates described herein are estimated by the Developer and no assurance can be given that they will be met. Delay in the construction of improvements and amenities could cause a delay in the ability of the Developer to sell completed lots and could adversely affect the Developer's plan of finance. As of March 31, 2015, the Developer anticipates the cost to complete the remaining infrastructure improvements for the remaining 94 lots at approximately $3.4 million, which is exclusive of soft costs, carry costs, and home construction costs, and other master development improvements.

The single-family lot sizes within the District range from approximately 9,700 to 53,944 square feet with an average of approximately 20,291 square feet. The lots are divided into four minimum lot size categories ranging from 9,000 to 19,500 square feet, with each lot size category accompanied by a

maximum home size restriction. Within the smallest minimum lot size category (9,000 square feet), home sizes cannot exceed 2,500 square feet (excluding basement and up to 400 square feet of garage space) and within the largest minimum lot size category (19,500 square feet), homes cannot exceed 5,000 square feet (excluding basement and up to 400 square feet of garage space).

The following table summarizes the Developer's current residential development plan for the District.

Table 1
California Statewide Communities Development Authority
Community Facilities District No. 2007-01
(Orinda Wilder Project)

Current Residential Development Plan[(1)]

No. of Lots	Minimum Lot Size (sq. ft.)	Maximum House Plan Size (sq. ft.)[(2)]
42	9,000	2,500
79	12,500	3,800
38	16,400	4,500
86	19,500	5,000

(1) Subject to change to address market or other conditions.
(2) Excludes basement and up to 400 square feet of garage space as well as additional square footage variances as may be approved by the City.
Source: The Developer.

As of March 31, 2015, the Developer owned 152 of the 245 residential lots within the District and had conveyed 93 residential lots to private individuals and builders. Of the 93 conveyed lots as of such date, 60 lots were conveyed to Taylor Morrison, 13 lots were conveyed to other builders, 18 lots were conveyed to private individuals, and the Developer constructed and sold completed homes on two lots to individual homebuyers. Subsequent to March 31, 2015, the Developer conveyed an additional residential lot to Taylor Morrison. According to Taylor Morrison, the 61 lots it acquired remained primarily vacant finished lots as of March 31, 2015 and without any building permits issued. See "– Taylor Morrison Plan of Development and Finance" below for the status of development of the lots acquired by Taylor Morrison.

According to the Underwriter and based on information provided to the Underwriter, the 151 residential lots owned by the Developer account for approximately 59% of the Fiscal Year 2014-15 assessed value of the taxable property within the District and approximately 55% of the Special Taxes levied in Fiscal Year 2014-15, and the 61 residential lots owned by Taylor Morrison account for approximately 22% of the Fiscal Year 2014-15 assessed value of the taxable property within the District and approximately 30% of the Special Taxes levied in Fiscal Year 2014-15. After accounting for the exclusion of the two Prepaid Lots, according to the Underwriter and based on information provided to the Underwriter, the Developer accounts for approximately 61% of the Fiscal Year 2014-15 assessed value of property within the District, and Taylor Morrison accounts for approximately 22% of the Fiscal Year 2014-15 assessed value of property within the District. Except for a late payment of property taxes with respect to the District in April 2008, the Developer has paid its property taxes with respect to land owned by the Developer within the District on a timely basis.

As of March 31, 2015, within the District, there were 11 completed homes (including two production homes and one model home constructed by the Developer), 10 homes in various stages of

construction (none of which were under construction by the Developer), and nine additional homes with building permits but which have yet to begin construction (none of which were proposed to be constructed by the Developer).

Of the 152 lots owned by the Developer as of March 31, 2015, 40 lots were finished and available for sale (including the model home), and 18 were finished and under contract with individuals and/or builders. The remaining 94 lots owned by the Developer as of such date were unfinished. As previously mentioned, the Developer expects to bring all 245 residential lots to a finished lot condition by the end of 2015.

As of March 31, 2015, building permits for three homes had been obtained by the Developer, including two permits for the two completed-sold homes (closed sales) and one permit for the completed-unsold home being used as the model home, and no homes were under construction by the Developer. The Developer's current expectation for the sale of the residential lots in the District is that all lots will be sold by the Developer to private individuals and builders by 2018.

Any purchaser of a lot must submit final plans for design review prior to issuance of a building permit. See "– Development Entitlements – *Design Review*" herein. Further, the Development Agreement requires that the Developer complete construction of all Improvements located within each phase of the final map no later than, and as a condition precedent to, the issuance of the first certificate of occupancy or equivalent thereof for the first residence of the related phase of the final map.

Developer's Plan of Finance

The information in this section has been provided by the Developer. The Authority and the Underwriter believe this information to be reliable, but can give no assurances that the Project will be financed in the manner described in this section.

Neither the Bonds nor any Special Taxes are personal obligations of the Developer or any other property owner within the District. The Bonds are secured solely by the Special Taxes and amounts on deposit in certain of the funds and accounts maintained by the Trustee under the Indenture. There is no assurance that the Developer or any other owner has or will have the ability to pay the Special Taxes or that, even if they have the ability, they will choose to pay such Special Taxes. An owner may elect not to pay the Special Taxes when due and cannot be legally compelled to do so. Neither the Authority nor any Bondholder will have the ability at any time to seek payment from the owners of property within the District of any Special Tax or any principal or interest due on the Bonds, or the ability to control who becomes a subsequent owner of any property within the District. The Authority's only remedy for the failure of a landowner to pay Special Taxes on a parcel of land within the District is to foreclose on such parcel. See "SECURITY FOR THE BONDS – Covenant for Superior Court Foreclosure" and "SPECIAL RISK FACTORS – Non-Recourse Obligation to Pay Special Taxes" and "– Special Tax Delinquencies."

As of March 31, 2015, the Developer had expended a substantial amount in land acquisition, improvements, home construction costs, and other development, marketing and sales costs related to its land within the District. The Developer expects the cost to complete the remaining infrastructure improvements for 94 lots in the District to be approximately $3.4 million, which is exclusive of soft costs, carry costs, and home construction costs, and other master development improvements.

To date, the Developer has financed its acquisition of the land within the District, entitlement processing and the costs of the improvements made to the land, including home construction costs, with a combination of equity contributions from certain prior and current members, borrowings under certain prior loans and the existing Revolving Line of Credit (described below), lot and home sales proceeds, and

proceeds from the Series 2007 Bonds. The Developer expects to use lot sales proceeds and borrowings under the Revolving Line of Credit to complete its development in the District.

Series 2007 Bond Proceeds. A portion of the proceeds of the Series 2007 Bonds was used to finance certain public infrastructure and the payment of certain development impact fees required to mitigate the impacts of the residential development planned in the District. See "– Public Infrastructure" below. All Series 2007 Bond proceeds have been expended, leaving no such bond proceeds available to fund additional eligible improvements and fees.

Revolving Line of Credit. In June 2012, the Developer secured a $10 million revolving line of credit from First Republic Bank to fund development expenses (the "Revolving Line of Credit"). The Revolving Line of Credit is secured by a deed of trust (the "Deed of Trust") encumbering various lots in the District owned by the Developer, including the residential lots that have yet to be conveyed to individuals and merchant builders. In August 2014, the Revolving Line of Credit was increased to $15 million and the maturity date extended to July 31, 2017. As of March 31, 2015, $5 million in borrowings remains outstanding, with $10 million of remaining capacity. The Developer's ability to renew or extend the Revolving Credit Facility in the future is dependent upon a number of factors including the state of the commercial lending environment, the willingness of banks to lend to developers and the Developer's financial condition and strength.

Although the Developer expects to have sufficient funds available to complete its development in the District in accordance with the development schedule described in this Official Statement, there can be no assurance that amounts necessary to finance the remaining development will be available from the Developer or any other source when needed. For example, borrowings under the Revolving Line of Credit may not be available. Neither the Developer nor any of its members or other related entities are under any legal obligation of any kind to expend funds for the development of the Developer's property in the District. Any contributions by the Developer to fund the costs of such development and home construction are entirely voluntary.

If and to the extent lot sale proceeds and borrowings under the Revolving Line of Credit are inadequate to fund the remaining development costs to complete the planned development by the Developer in the District when they are incurred and other financing by the Developer is not put into place, there could be a shortfall in the funds required to complete the proposed development by the Developer in the District and the remaining portions of the Developer's project in the District may not be developed. The Developer is not obligated to make any additional contributions, however, and no assurance can be given that such contributions would be made to fund such costs.

Taylor Morrison Plan of Development and Finance

The information in this section has been provided by Taylor Morrison and others. The Authority and the Underwriter believe this information to be reliable, but can give no assurances that it is accurate or complete. No assurance can be given that the proposed development of the property owned by Taylor Morrison within the District will occur in a timely manner or in the configuration or to the density described herein, or that Taylor Morrison or any other property owner will or will not retain ownership of its respective property within the District. There may be material adverse changes in this information after the date of this Official Statement. Additionally, no assurance can be given that Taylor Morrison's project within the District will be financed in the manner described in this section.

Neither the Bonds nor any Special Taxes are personal obligations of Taylor Morrison or any other property owner within the District. The Bonds are secured solely by the Special Taxes and amounts on deposit in certain of the funds and accounts maintained by the Trustee under the Indenture. There is

no assurance that Taylor Morrison or any other owner has or will have the ability to pay the Special Taxes or that, even if they have the ability, they will choose to pay such Special Taxes. An owner may elect not to pay the Special Taxes when due and cannot be legally compelled to do so. Neither the Authority nor any Bondholder will have the ability at any time to seek payment from the owners of property within the District of any Special Tax or any principal or interest due on the Bonds, or the ability to control who becomes a subsequent owner of any property within the District. The Authority's only remedy for the failure of a landowner to pay Special Taxes on a parcel of land within the District is to foreclose on such parcel. See "SECURITY FOR THE BONDS – Covenant for Superior Court Foreclosure" and "SPECIAL RISK FACTORS – Non-Recourse Obligation to Pay Special Taxes" and "– Special Tax Delinquencies."

Taylor Morrison. Taylor Morrison of California, LLC ("Taylor Morrison") owns 61 vacant residential lots in the District, each of which is in a primarily finished lot condition. Taylor Morrison is a subsidiary of Taylor Morrison Home Corporation, a Delaware corporation ("TMHC"), a public company whose common stock is traded on the New York Stock Exchange under the symbol "TMHC".

According to the Underwriter and based on information provided to the Underwriter, Taylor Morrison's 61 lots account for 22% of the Fiscal Year 2014-15 assessed value of property within the District and 30% of the Special Taxes levied in Fiscal Year 2014-15. After accounting for the exclusion of the two Prepaid Lots, according to the Underwriter and based on information provided to the Underwriter, Taylor Morrison accounts for approximately 22% of the Fiscal Year 2014-15 assessed value of property within the District.

Taylor Morrison Development Plan. Taylor Morrison plans to create conceptual and construction plans and process them through design review with the City and the County of Contra Costa after the Developer first confirms that such plans conform with the approved design review guidelines. After securing design review approval, Taylor Morrison can obtain a building permit. Taylor Morrison plans to begin a small phase of homes (three to seven homes generally, but likely five homes to start) and construct the homes either through completion or leave some minor non-structural elements undone so that homebuyers could have some input on design finishes (e.g., flooring, hardware, paint, colors, etc.). Taylor Morrison has yet to set initial base pricing but estimates that it will price the homes to achieve approximately one to three closings per month. Taylor Morrison expects to obtain initial building permits and begin construction of its first phase of homes in the summer of 2015.

Taylor Morison Finance Plan. Taylor Morrison has financed the land acquisition and site development and home construction costs related to its property in the District with cash. Taylor Morrison expects to finance its remaining site development and home construction costs in the District with cash. There is no guaranty, however, that Taylor Morrison will have timely access to the funds needed to complete its proposed development in the District.

Public Infrastructure

The Developer was required to finance and construct the public infrastructure needed to serve the proposed development within the District, including, but not limited to, roads, land improvements, park and trail improvements, storm drain facilities, re-routing of high-voltage power lines, wastewater treatment and transmission facilities, water supply, storage and transmission facilities and other miscellaneous public facilities and appurtenances needed (collectively, the "Improvements") and to pay certain development impact fees needed to mitigate the impacts that will result from the proposed development within the District (the "Development Impact Fees"). Mass grading of the entire development commenced in June 2006 and was completed in 2009. As of March 31, 2015, work was complete for 151 of the 245 lots (see "– Plan and Status of Development" herein). The net proceeds of the Series 2007 Bonds, certain investment earnings thereon and the Special Taxes were sufficient to fund

a portion, but not all, of the Improvements. The Developer is responsible for any remaining costs to complete construction of the Improvements not previously funded with the Series 2007 Bonds. See "– Developer's Plan of Finance" herein for a description of the Developer's finance plan.

Water Supply

The water supply for development within the District is provided by EBMUD. All water facilities serving the development are substantially complete except for the water system serving the remaining intract system related to Subdivision 9223 (34 lots) and finishing work related to some remaining public improvements. Water meters will be purchased to service landscaping and commensurate with home construction.

From time to time certain parts of California, including areas where the District is located, may experience extended drought conditions, which may impact development within the District and may affect the value of properties within the District. See "SPECIAL RISK FACTORS – Drought Conditions" herein.

Wastewater Treatment Capacity

Wastewater treatment capacity for the District is provided by the Central Contra Costa Sanitary Sewer District (the "Sewer District"). Wastewater connection fees were or will be paid to the Sewer District at the time of home construction.

Flood Hazard Map Information

According to the flood insurance rate maps of the Federal Emergency Management Agency ("FEMA"), residential lots within the District are located outside the limits of the 500-year floodplain and, therefore, not within a Special Flood Hazard Area based on existing maps.

Seismic Conditions

The District is located near the Hayward Fault Zone and, according to the California Seismic Safety Commission, is located in a Seismic Zone 4, which is assigned to areas of major faults. Seismic Zone 4 is considered to be the highest risk zone in California. Although located in a Seismic Zone 4, the Disrict is not located within an earthquake fault zone designated pursuant to the Alquist-Priolo Act. See "SPECIAL RISK FACTORS – Natural Disasters" herein.

SECURITY FOR THE BONDS

General

The Bonds are authorized pursuant to the Law and are issued under the Indenture pursuant to a resolution of the Authority. The Law was enacted by the California Legislature to provide an alternate method of financing certain essential public capital facilities and services, especially in developing areas of the State. Subject to approval by a two-thirds vote of qualified electors and compliance with the provisions of the Law, a legislative body of a city, county or joint exercise of power authority may issue bonds for a community facilities district and may levy and collect a special tax within such district to repay such indebtedness.

THE PRINCIPAL OF AND INTEREST AND REDEMPTION PREMIUMS, IF ANY, ON THE BONDS ARE LIMITED OBLIGATIONS PAYABLE SOLELY FROM THE PROCEEDS OF THE

SPECIAL TAX. THE AUTHORITY IS NOT OBLIGATED TO PAY THE BONDS EXCEPT FROM THE PROCEEDS OF THE SPECIAL TAX. THE GENERAL FUNDS AND ASSETS OF THE AUTHORITY ARE NOT LIABLE AND THE FULL FAITH AND CREDIT OF THE AUTHORITY IS NOT PLEDGED FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUMS, IF ANY, ON THE BONDS. NO TAX OR ASSESSMENT OTHER THAN THE SPECIAL TAX SHALL EVER BE LEVIED OR COLLECTED TO PAY THE PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUMS, IF ANY, ON THE BONDS. THE BONDS ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF OR CHARGE, LIEN OR ENCUMBRANCE UPON ANY OF THE PROPERTY OF THE AUTHORITY OR ANY OF ITS INCOME OR RECEIPTS EXCEPT THE MONEY HELD IN THE SPECIAL TAX FUND PURSUANT TO THE INDENTURE. NEITHER THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST OR REDEMPTION PREMIUMS, IF ANY, ON THE BONDS IS A GENERAL DEBT, LIABILITY OR OBLIGATION OF THE AUTHORITY.

Although the Special Tax will constitute a lien on Taxable Parcels in the District, it will not constitute a personal indebtedness of the owners of such property. There is no assurance that the owners will be financially able to pay the annual Special Tax or that they will pay such tax even if financially able to do so. The risk of nonpayment by property owners is more fully described in "SPECIAL RISK FACTORS – Non-Recourse Obligation to Pay Special Taxes."

The Special Taxes

In accordance with the provisions of the Law and a Joint Community Facilities Agreement, between the Authority and the City, the Authority established the District on May 23, 2007 for the purpose of funding certain services and providing for the financing of certain public facilities and payment of certain fees for the District. At an election conducted on May 23, 2007, the qualified electors within the District authorized the issuance of special tax bonds, not to exceed $75,000,000 principal amount, for the purpose of financing such public facilities and the levy of the One-Time Special Tax (as defined herein) and the annual levy of the Category A Special Tax, the Category B Special Tax and the Services Special Tax (each as defined herein) in the District to be used for the purpose, among others, of paying the interest on and principal of and redemption premiums, if any, on such bonds. At an election conducted in change proceedings on November 19, 2007, the qualified electors approved, among other things, increases in the maximum annual Category A Special Tax from $11,913 to $13,250 to provide sufficient coverage for debt service on the Series 2007 Bonds and administrative costs. Subsequent to the issuance of the Series 2007 Bonds, which are currently the only bonds outstanding that are payable from the Special Taxes, at an election conducted in change proceedings on August 4, 2010, the qualified electors voted to eliminate the authority to issue additional bonds (other than refunding bonds) under the Rate and Method and, among other things, to eliminate the Category B Special Tax and the related One-Time Special Tax (which have never been levied). A copy of such Rate and Method is attached hereto as Appendix C – "SECOND AMENDED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX."

Principal of and interest on the Bonds is payable from the annual Special Taxes to be levied and collected on Taxable Parcels within the District and from the proceeds, if any, from the foreclosure and sale of such property for delinquency of such Special Taxes.

The amount of Special Taxes that the District may levy in any year is strictly limited by the maximum rates approved by the qualified electors within the District. The Special Taxes, all funds and accounts established under the Indenture (other than the Acquisition and Construction Fund, the Prepayment Fund, the Services Fund, Expense Fund and the Rebate Fund) and any interest earned thereon are pledged to the payment of and constitute a trust fund for the payment of principal and interest on the

Bonds. So long as the principal of and interest on the Bonds remains unpaid, the Special Taxes, such funds and accounts, and investment earnings thereon shall not be used for any other purpose, except as permitted by the Indenture, and shall be held in trust for the benefit of the owners of any Bonds and shall be applied pursuant to the Indenture and any authorized supplement thereto.

Pursuant to the Indenture, so long as any Bonds are outstanding, the Authority is required annually to levy the Category A Special Tax against all Taxable Parcels (as defined in Appendix C – "SECOND AMENDED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX") in the District and make provision for the collection of the Category A Special Tax in amounts which will be sufficient, after making reasonable allowances for contingencies and errors in the estimates, to yield proceeds equal to the amounts required for compliance with the agreements, conditions, covenants and terms contained in the Indenture, and which in any event will be sufficient to pay the interest on, principal (including Mandatory Sinking Account Payments, if any) and redemption premiums, if any, on all Outstanding Bonds as they become due and payable, and to pay all current Expenses for the Bonds as they become due and payable.

The Special Tax is to be levied and collected against all Taxable Parcels within the District in accordance with the Rate and Method. Certain provisions of the Rate and Method are summarized herein, and a copy of the Rate and Method is attached as Appendix C. The Rate and Method annually allocates the required Category A Special Tax and Services Special Tax among the Taxable Parcels in the District based upon whether they are Developed, Large Lot or Undeveloped Parcels, subject to the maximum annual tax that may be levied against each Taxable Parcel.

Although the Special Tax will constitute a lien on Taxable Parcels in the District, it will not constitute a personal indebtedness of the owners of such property. There is no assurance that the owners will be financially able to pay the annual Special Tax or that they will pay such tax even if financially able to do so. The risk of nonpayment by property owners is more fully described in "SPECIAL RISK FACTORS – Non-Recourse Obligation to Pay Special Taxes."

Second Amended Rate and Method of Apportionment of Special Tax

General. The Authority has covenanted to cause the levy of the Special Taxes in an amount determined according to the Rate and Method. The Rate and Method apportions the total amount of Special Taxes to be collected among the Taxable Parcels in the District as more particularly described herein. Capitalized terms not otherwise defined under this heading shall have the meaning given such terms in Appendix C – "SECOND AMENDED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX." Further, this description of the Rate and Method is qualified in all respects by the full text thereof, set forth in Appendix C hereto.

Determination of Parcels subject to the Special Tax. Annually, the Administrator shall prepare a list of the Parcels subject to the Special Tax using the records of the County Assessor and City records 30 days prior to the beginning of each Fiscal Year. The Administrator shall identify the Taxable Parcels from a list of all Parcels within the District's boundary by excluding all Parcels not subject to the Special Tax ("Tax-Exempt Parcels"). Tax-Exempt Parcels consist of any Parcel that is or is intended to be publicly owned and is normally exempt from the levy of general *ad valorem* property taxes under California law, including public streets, schools, parks, public drainageways, public landscaping, wetlands, greenbelts and open public space, and any Parcel that is or is intended to be owned by a homeowners' association, and that are not lots designated for development of a single-family residential unit.

Categories of Special Tax. The Rate and Method provides two categories of Special Tax: (i) the Services Special Tax, and (ii) the Category A Special Tax.

(i) The Services Special Tax will be levied annually to pay for maintenance of the public playfields within the District, the additional level of City police services to be provided within the District due to its development, and any other services that may be authorized by a landowner vote under the Law. The maximum amount of the Services Special Tax that may be levied in tax year 2007-08 was $1,800 per Residential Lot. This amount increases by 2% annually, and may be levied by the Authority in perpetuity. The Services Special Taxes are pledged on a first priority basis to the payment of principal and interest on the Bonds in the event there is a shortfall in Special Tax revenues otherwise available for debt service; however, in the event the revenues from the Services Special Tax is not needed for such purpose, each September 1 such amounts are deposited in the Services Fund and once so deposited, are no longer available to pay principal and interest on the Bonds.

(ii) The Category A Special Tax is levied to pay principal and interest on the Bonds. The maximum Category A Special Tax is $13,250 per Residential Lot per year. It is authorized to be levied until all Bonds have been repaid and all Authorized Facilities have been completed, but in no case may it be levied beyond tax year 2044-45. The Category A Special Tax does not increase from year to year.

To see how the Services Special Tax and the Category A Special Tax is calculated with respect to Large Lots, see Appendix C – "SECOND AMENDED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX."

The Category A Special Tax and, if needed, the Services Special Tax are pledged to secure the Bonds on an equal basis without preference.

Setting the Annual Special Tax Levy. In accordance with the Rate and Method, the Administrator shall annually calculate the Services Special Tax and the Category A Special Tax. The sum of these two elements will be the amount to be levied against each Taxable Parcel on the Contra Costa County secured property tax bill.

The following table shows the debt service coverage for the Bonds based on annual, maximum Category A Special Taxes and Services Special Taxes.

Table 2
California Statewide Communities Development Authority
Community Facilities District No. 2007-01
(Orinda Wilder Project)

Annual Maximum Category A Special Taxes and Services Special Taxes and Debt Service Coverage

Year Ending (Sept. 1)	Maximum Category A Special Tax[1]	Services Special Tax[2]	Total Maximum Special Taxes[3]	Total Debt Service	Debt Service Coverage
2016	$3,219,750	$249,478	$3,469,228	$2,476,195	1.40
2017	3,219,750	$254,468	$3,474,218	2,478,975	1.40
2018	3,219,750	$259,557	$3,479,307	2,475,175	1.41
2019	3,219,750	$264,748	$3,484,498	2,474,975	1.41
2020	3,219,750	$270,043	$3,489,793	2,473,175	1.41
2021	3,219,750	$275,444	$3,495,194	2,474,775	1.41
2022	3,219,750	$280,953	$3,500,703	2,476,750	1.41
2023	3,219,750	$286,572	$3,506,322	2,481,600	1.41
2024	3,219,750	$292,303	$3,512,053	2,476,025	1.42
2025	3,219,750	$298,150	$3,517,900	2,478,200	1.42
2026	3,219,750	$304,113	$3,523,863	2,477,675	1.42
2027	3,219,750	$310,195	$3,529,945	2,476,475	1.43
2028	3,219,750	$316,399	$3,536,149	2,476,250	1.43
2029	3,219,750	$322,727	$3,542,477	2,475,250	1.43
2030	3,219,750	$329,181	$3,548,931	2,480,500	1.43
2031	3,219,750	$335,765	$3,555,515	2,481,500	1.43
2032	3,219,750	$342,480	$3,562,230	2,473,250	1.44
2033	3,219,750	$349,330	$3,569,080	2,476,000	1.44
2034	3,219,750	$356,316	$3,576,066	2,479,000	1.44
2035	3,219,750	$363,443	$3,583,193	2,477,000	1.45
2036	3,219,750	$370,711	$3,590,461	2,475,000	1.45
2037	3,219,750	$378,126	$3,597,876	2,472,750	1.46
Total	**$70,834,500**	**$6,810,502**	**$77,645,002**	**$54,486,495**	

[1] Source: The maximum Category A Special Tax. The Category A Special Tax is levied to pay principal and interest on the Bonds. It is authorized to be levied until all Bonds have been repaid. The maximum Category A Special Tax is $13,250 per Residential Lot per year.
[2] Source: Actual Fiscal Year 2014-15 Services Special Tax levy adjusted for 2% annual increase. The Services Special Tax is pledged on a first priority basis to the payment of principal and interest on the Bonds in the event there is a shortfall in Special Tax revenues otherwise available for debt service; however, in the event the revenues from the Services Special Tax is not needed for such purpose, each September 1 such amounts are deposited in the Services Fund and once so deposited, are no longer available to pay principal and interest on the Bonds. The Services Special Tax amount increases by 2% annually.
[3] Source: The maximum Category A Special Tax plus the Actual Fiscal Year 2014-15 Services Special Tax levy adjusted for 2% annual increase.
Source: The Underwriter; except as noted.

Authority Policy Regarding Assessments and Special Taxes

On January 29, 2007, the Authority adopted its "Amended and Restated Local Goals and Policies Concerning the Use of the Mello-Roos Community Facilities Act of 1982" (the "Authority Policy"). The Authority Policy requires that the credit quality of any community facilities district bond issue be such that the requirements of Section 53345.8 of the Law will be met; provided, however, that the Authority requires that the value of the real property that would be subject to the special tax to pay debt service on the community facilities district bonds be at least four times the principal amount of the community

facilities district bonds to be sold and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Law or a special assessment levied on property within the community facilities district. The Authority expects to remain in full compliance with the Authority Policy after the issuance of the Bonds and refunding of the Series 2007 Bonds. See "SECURITY FOR THE BONDS – Estimated Appraised Value-to-Lien Debt Ratios."

Funds and Accounts; Flow of Funds

All proceeds of the Special Taxes (including any prepayments thereof and the proceeds from the sale of property collected pursuant to the foreclosure provisions of the Indenture for the delinquency of Special Taxes and proceeds from any security for payment of Special Taxes, taken in lieu of foreclosure, but excluding amounts held in the Rebate Fund), are required to be deposited into the Special Tax Fund held by the Trustee and, except as otherwise provided in the Indenture, are pledged to the payment of the Bonds.

Priority of Deposits. All prepayments of the Category A Special Tax shall be immediately deposited by the Trustee in the Prepayment Fund. Where the Rate and Method provides for use to pay for Authorized Facilities, those funds shall be immediately deposited by the Trustee in the Acquisition and Construction Fund. All other money in the Special Tax Fund shall be set aside by the Trustee in the following respective funds in the following order of priority, and all money in each fund shall be applied, used and withdrawn only for the purposes authorized in the Indenture, namely:

(1) Redemption Fund;
(2) Expense Fund;
(3) Reserve Fund;
(4) Services Fund; and
(5) Acquisition and Construction Fund.

Redemption Fund. At least five (5) Business Days prior to each March 1 and September 1, the Trustee shall, from the money in the Special Tax Fund, deposit into the Redemption Fund an amount of money equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds on such dates, except no such transfer need be made to the extent amounts have previously been deposited in the Redemption Fund and set aside therein for the payment of such interest, including without limitation sale proceeds of Bonds deposited in such fund for such purpose. At least five (5) Business Days prior to September 1 of each year, commencing with the first September 1 on which principal is due on any of the Bonds, the Trustee shall, from the then remaining money in the Special Tax Fund, deposit into the Redemption Fund an amount of money equal to the aggregate amount of principal becoming due and payable on all Outstanding Serial Bonds on such date plus the aggregate of the Mandatory Sinking Account Payments required by the Indenture and by all Supplemental Indentures to be made on such date into the Sinking Accounts.

Expense Fund. On or before March 1 and September 1 of each year, the Trustee is required, from the then remaining money in the Special Tax Fund, to transfer to and deposit in the Expense Account a sum equal to the amount required by the Authority for the payment of budgeted Expenses during the six-month period commencing on such date, or to reimburse the Authority for payment of unbudgeted Expenses during the prior six-month period. Amounts on deposit in the Expense Fund are not pledged to the payment of debt service on the Bonds.

Reserve Fund. The Trustee shall establish and maintain the Reserve Fund into which shall be deposited an amount equal to the Required Bond Reserve. Moneys in the Reserve Fund shall be used solely for the purpose of paying the principal of and interest on the Bonds in the event that the moneys in

the Redemption Fund are insufficient therefor, and for that purpose the Trustee shall withdraw from the Reserve Fund, for deposit in the Redemption Fund, moneys necessary for such purpose. Amounts in the Reserve Fund shall only be withdrawn to pay principal and interest on the Bonds; provided, that if the amount on deposit in the Reserve Fund is less than the Required Bond Reserve, the Trustee shall notify the Authority of the amount needed to replenish the Reserve Fund to the Required Bond Reserve and the Authority shall collect the deficiency by including it in the next annual Special Tax levy, to the extent permitted by law and as necessary. The term Required Bond Reserve is defined under the Indenture as, for each Series of Bonds, as of any date of calculation, the least of (a) ten percent (10%) of the proceeds (within the meaning of Section 148 of the Code) of such Series of Bonds, or (b) the Maximum Annual Debt Service, or (c) one hundred twenty-five percent (125%) of the Average Annual Debt Service, all as computed by the Authority under the Code and specified in writing by the Trustee, and means for all Outstanding Bonds, the sum of the Required Bond Reserve for each Series of Outstanding Bonds. On the delivery date of the Bonds, amounts in deposit in the Reserve Fund are expected to be in an amount no less than the Required Bond Reserve for the Bonds as of such date.

The Trustee shall, on or before the first (1st) day in September in each year, from the then remaining money in the Special Tax Fund, deposit into the Reserve Fund the amount of money that is required to restore the Reserve Fund to an amount equal to the Required Bond Reserve.

The Trustee is responsible for valuation of all investments in the Reserve Fund. Such investments shall be valued at the face value thereof if such investments mature within twelve (12) months from the date of valuation, or if such investments mature more than twelve (12) months after the date of valuation, at the price at which such investments are redeemable by the Trustee at his option, if so redeemable, or if not so redeemable, at the lesser of (i) the cost of such investments; or (ii) the market value of such investments and in making any valuations under the Indenture, the Trustee may use and rely on computerized securities pricing services that may be available to it, including those available through its regular accounting system; provided, that no deposit need be made into the Reserve Fund if the amount contained therein is at least equal to the Required Bond Reserve.

Services Fund. The Trustee shall establish and maintain the Services Fund. On September 1 of each year, after transferring all of the sums required to be transferred on or prior to such date by the foregoing provisions, the Trustee shall transfer to the Services Fund the full amount of the Services Special Tax levied in the previous Fiscal Year and amounts levied in previous Fiscal Years that have not previously been transferred to the Services Fund. At any time, the Trustee shall transfer so much of the money in the Services Fund to the City as the City shall request in writing, for the City's use in providing those services authorized under the Resolution of Formation. Amounts on deposit in the Services Fund are not pledged to the payment of debt service on the Bonds.

Acquisition and Construction Fund. All money remaining in the Special Tax Fund on September 1 of each year after making the foregoing transfers and deposits is required to be deposited by the Trustee into the Acquisition and Construction Fund. All moneys in the Acquisition and Construction Fund are required to be used by the Authority to construct or acquire Improvements for the benefit of the District, including the use by the Authority to reimburse the Developer for certain development impact fees. Any amount remaining in the Acquisition and Construction Fund after the completion of its purpose, which completion shall be conclusively evidenced by a Certificate of the City, shall be transferred by the Trustee to the Special Tax Fund, except that any amounts remaining in the Acquisition and Construction Fund after all the Bonds and any bonds issued to refund the Bonds have been paid and retired shall be deposited in the Services Fund. Amounts, if any, on deposit in the Acquisition and Construction Fund are not pledged to the payment of debt service on the Bonds.

Prepayment Fund. All money in the Prepayment Fund constituting proceeds of prepayments of the Category A Special Tax shall be used to redeem the Bonds as provided in the Indenture.

No Additional Bonds

The Indenture permits the Authority to issue a Series of bonds payable from the Special Taxes on a parity with the Bonds (the "Additional Bonds"), but only for refunding purposes and subject to the conditions under the Indenture. Additionally, certain change proceedings with respect to the District eliminated, among other things, the authority to issue any Additional Bonds other than refunding bonds. Accordingly, no Additional Bonds may be issued payable from the Special Taxes except for refunding bonds.

Covenant for Superior Court Foreclosure

The Indenture provides that the Category A Special Tax and the Services Special Tax are to be collected by the County of Contra Costa on the secured property tax roll. Except as provided in the special covenant for foreclosure described herein and in the Law, the Special Taxes are subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for *ad valorem* property taxes.

Pursuant to Section 53356.1 of the Law, in the event of any delinquency in the payment of the Special Tax, the Authority may order the institution of a Superior Court action to foreclose the lien therefor within specified time limits. In such an action, the real property subject to the unpaid amount may be sold at a judicial foreclosure sale. Such judicial foreclosure action is not mandatory. However, the Authority has covenanted for the benefit of the Owners of the Bonds that it will annually on or before October 1 review the public records of the County of Contra Costa relating to the collection of the Special Tax collected in the prior Fiscal Year, and on the basis of such review the Authority shall, not later than December 1 of such year, institute foreclosure proceedings as authorized by the Law against all parcels that are delinquent in the payment of any amount of such Special Tax in order to enforce the lien of all delinquent installments of the Special Tax, and will diligently prosecute and pursue the foreclosure proceedings to judgment and sale; provided that any actions taken to enforce delinquent Special Tax liens shall be taken only consistent with Sections 53356.1 through 53356.7, both inclusive, of the Law; and provided further, that the Authority shall not be obligated to enforce the lien of any delinquent installment of the Special Tax for any Fiscal Year in which the Authority shall have received one hundred percent (100%) of the amount of such installment from the County of Contra Costa pursuant to the so-called "Teeter Plan."

In the event that sales or foreclosures of property are necessary, there could be a delay in payments to Owners of the Bonds (if the Reserve Fund has been depleted) pending such sales or the prosecution of such foreclosure proceedings and receipt by the Authority of the proceeds of sale. However, within the limits of the Special Tax, the Authority may adjust the Special Tax levied on Taxable Parcels in the District, subject to the limitation on the Maximum Annual Special Tax, to provide an amount required to pay interest on, principal of, and redemption premiums, if any, on the Bonds, and the amount, if any, necessary to replenish the Reserve Fund to an amount equal to the Required Bond Reserve for the Bonds and to pay all current Expenses for the District. There is, however, no assurance that the total amount of the Special Tax that could be levied and collected against Taxable Parcels in the District will be at all times sufficient to pay the amounts required to be paid by the Indenture, even if the Special Tax is levied at the Maximum Annual Special Tax rates. See "SPECIAL RISK FACTORS."

No assurances can be given that a judicial foreclosure action, once commenced, will be completed or that it will be completed in a timely manner. If a judgment of foreclosure and order of sale

is obtained, the judgment creditor (the Authority) must cause a Notice of Levy to be issued. Under current law, a judgment debtor (property owner) has 120 days from the date of service of the Notice of Levy in which to redeem the property to be sold, which period may be shortened to 20 days for parcels other than those on which a dwelling unit for not more than four persons is located. If a judgment debtor fails to redeem and the property is sold, his only remedy is an action to set aside the sale, which must be brought within 90 days of the date of sale. If, as a result of such an action, a foreclosure sale is set aside, the judgment is revived and the judgment creditor is entitled to interest on the revived judgment as if the sale had not been made (Section 701.680 of the California Code of Civil Procedure). The constitutionality of the aforementioned legislation, which repeals the former one-year redemption period, has not been tested; and there can be no assurance that, if tested, such legislation will be upheld.

The Law does not require the Authority to purchase or otherwise acquire any lot or parcel of property to be sold if there is no other purchaser at such sale. The Law and the Indenture do specify that the Special Tax will have the same lien priority as for *ad valorem* property taxes in the case of delinquency. Section 53356.6 of the Law requires that property sold pursuant to foreclosure under the Law be sold for not less than the amount of judgment in the foreclosure action, plus post judgment interest and authorized costs, unless the consent of the owners of 75% of the Outstanding Bonds is obtained.

After the Authority has ordered a foreclosure action, it shall dismiss the action before judgment if the owner of the subject property (or any other person) pays all of the following amounts: the delinquent Special Tax on the subject property and all penalties, interests and costs accrued; costs of the foreclosure action; authorized attorney's fees; and the tax collector's authorized costs.

Property Values

Appraised Property Values. Seevers Jordan Ziegenmeyer, Rocklin, California (the "Appraiser"), has prepared an appraisal of 143 of the 153 Taxable Parcels within the District, dated May 4, 2015, which estimates the value of the not fully developed Taxable Parcels as of May 1, 2015 (the "Appraisal"). The Taxable Parcels not subject to the Appraisal are the ten fully developed parcels within the District. The Appraisal is attached to this Official Statement as Appendix B. The Appraisal estimates the value of 143 of the 153 existing parcels (comprising 235 of the 245 lots) in the District (collectively, the "Appraised Parcels"). The Appraised Parcels includes Subdivisions 9223 and 9224, the Large Lot parcels. The Appraised Parcels do not include the two Prepaid Lots.

The Appraisal is based on a number of general assumptions and limiting conditions, including, among others, the following:

(i) 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.

(ii) 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.

(iii) 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.

(iv) 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.

(v) 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.

(vi) Unless otherwise stated in the Appraisal 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, ureaformaldehyde 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.

Using the assumptions and conditions set forth in the Appraisal, the Appraiser estimates that the hypothetical market value of the Appraised Parcels is estimated to be $185,675,000 as of the valuation date of the Appraisal. The complete Appraisal, including all attachments and addenda, is reproduced in Appendix B. The information contained herein is only a summary of certain information contained in the Appraisal, and such information is qualified in its entirety by the complete Appraisal. See "SPECIAL RISK FACTORS – Appraisal Risks."

Assessed Property Values. The following table shows the history of assessed valuation of the Taxable Parcels within the District from Fiscal Year 2010-11 through Fiscal Year 2014-15. The following table includes the assessed valuation for the two Prepaid Lots that prepaid their portion of the Special Tax securing the payment of debt service on the Bonds. Such two Prepaid Lots have a combined Fiscal Year 2014-15 Assessed Value of $3,389,705.

Table 3
California Statewide Communities Development Authority
Community Facilities District No. 2007-01
(Orinda Wilder Project)

Assessed Valuations
Fiscal Years 2010-11 through 2014-15

Fiscal Year	Parcels	Assessed Valuation	Annual AV Growth
2010-11	153	$174,854,769	--
2011-12	153	132,936,317	-24.0%
2012-13	153	136,207,134	2.5
2013-14	153	147,393,304	8.2
2014-15	153	153,864,740	4.4

Source: David Taussig & Associates, Inc.

Value-to-Lien by Ownership. The following table shows top ten taxpayers of Special Taxes within the District, and the assessed valuation of all Taxable Parcels within the District owned thereby on the Fiscal Year 2014-15 tax roll, the Special Taxes levied on such owners in Fiscal Year 2014-15 and value-to-lien information.

Table 4
California Statewide Communities Development Authority
Community Facilities District No. 2007-01
(Orinda Wilder Project)

Top Ten Taxpayers
Fiscal Year 2014-15

Owner	Number of Parcels	Number of Lots	Assessed Valuation[4]	Appraised Valuation[1]	Building Permit Value[2]	Special Taxes Levied	Percentage of Total Special Taxes	Direct Debt	Direct Value-to-Lien [3]
The Developer	59	151	$91,218,911	$108,750,000	$1,054,472	$1,685,810	55.3%	$20,558,602	5.46
Taylor Morrison California	61	61	33,550,000	55,205,000	0	908,383	29.8	8,305,131	6.65
Valley Property Investors 3	3	3	1,913,000	1,810,000	1,761,225	44,675	1.5	408,449	12.89
Orinda Dssi One LLC	2	2	1,380,000	1,810,000	1,046,039	29,783	1.0	272,299	10.49
Safavi Hooman	2	2	1,258,000	1,810,000	679,941	29,783	1.0	272,299	9.14
Shreyas LLC	2	2	1,380,000	1,810,000	0	29,783	1.0	272,299	6.65
Armandpour Tim & Racquel Tre	1	1	1,657,246	--	0	14,892	0.5	136,150	12.17
Ashby Mark A & Mary Jo Tre	1	1	1,310,000	--	0	14,892	0.5	136,150	9.62
Bagley Parker & Julie	1	1	1,313,405	--	0	14,892	0.5	136,150	9.65
Dunlap Scott	1	1	690,000	905,000	720,403	14,892	0.5	136,150	11.94
Total Top Ten:	**133**	**225**	**$135,670,562**	**$172,100,000**	**$5,262,080**	**$2,787,782**	**91.4**	**$30,633,679**	**6.06**
Total District:[4]	**151**	**243**	**$150,475,035**	**$185,675,000**	**$9,914,334**	**$3,049,078**	**100.0%**	**$33,015,000**	**6.33**

(1) Reflects appraised values as of May 1, 2015 obtained from the Appraiser.
(2) Building permit values obtained from the County of Contra Costa.
(3) Value includes the appraised value for the Appraised Parcels in place of their assessed values, plus the values of building permits as of May 1, 2015, plus the sale price for one parcel.
(4) Two parcels (APN 273-300-018 and APN 273-300-023) have prepaid their portion of the Special Tax securing the payment of debt service on the Bonds and, accordingly, such parcels are not included in the calculation of total assessed valuation of property within the District or in the Fiscal Year 2014-15 Special Taxes. Such two parcels have a combined Fiscal Year 2014-15 assessed value of $3,389,705.
Source: The Underwriter; except as noted.

Value-to-Lien by Land Use and Development. The following table below set forth the stratification of property values of Taxable Parcels within the District based on land use and status of development, and such parcels' respective value-to-lien ratio.

Table 5
California Statewide Communities Development Authority
Community Facilities District No. 2007-01
(Orinda Wilder Project)

Value-to-Lien by Land Use and Development
Fiscal Year 2014-15

Land Use	Number of Parcels	Number of Lots	Total Assessed Value[5]	Total Appraised Value [1]	Building Permit Value [2]	Total Adjusted Value [3]	Direct Debt	Direct Value-to-Lien [3]
Single Family Residential (Developed)	8	8	$12,171,124	--	$650,000	$13,919,124[4]	$1,019,824	13.65
Single Family Residential (Under Construction, Building Permits)	16	16	10,644,000	$14,120,000	9,264,334	23,384,334	2,178,395	10.73
Single Family Residential (Design Review)	15	15	10,076,035	11,595,000	0	11,595,000	2,042,245	5.68
Single Family Residential (Finished Lots)	110	110	63,986,876	91,810,000	0	91,810,000	14,976,465	6.13
Single Family Residential (Undeveloped, Large Lot Parcel)	2	94	53,597,000	68,150,000	0	68,150,000	12,798,070	5.33
Total: [5]	**151**	**243**	**$150,475,035**	**$185,675,000**	**$9,914,334**	**$208,858,458**	**$33,015,000**	**6.33**

[1] Reflects appraised values as of May 1, 2015 obtained from the Appraiser.
[2] Building permit values obtained from the County of Contra Costa.
[3] Adjusted value includes the appraised value for the Appraised Parcels in place of their assessed values, plus the values of building permits as of May 1, 2015. Adjusted value also includes the sale price for one parcel (see footnote 4 below).
[4] Includes the sale price for one parcel (APN 273-300-007), which has an assessed value for Fiscal Year 2014-15 of $595,000 and was recently sold for $2,343,000.
[5] Two parcels (APN 273-300-018 and APN 273-300-023) have prepaid their portion of the Special Tax securing the payment of debt service on the Bonds and, accordingly, such parcels are not included in the calculation of total assessed valuation of property within the District or in the Fiscal Year 2014-15 Special Taxes. Such two parcels have a combined Fiscal Year 2014-15 assessed value of $3,389,705.
Source: The Underwriter; except as noted.

Value-to-Lien by Range. The following table below set forth the stratification of value-to-liens of the Taxable Parcels within the District, based on the appraised property values as set forth below.

Table 6
California Statewide Communities Development Authority
Community Facilities District No. 2007-01
(Orinda Wilder Project)

Value-to-Lien by Range
Fiscal Year 2014-15

Value-to-Lien Range	Number of Parcels	Total Assessed Value [4]	Total Appraised Value [1]	Building Permit Value [2]	Special Taxes Levied	Direct Debt	Direct Value-to-Lien [3]
Greater than 15	3	$5,694,439	$0	$650,000	$44,675	$408,449	18.22
10.00:1 to 14.99:1	15	11,187,720	11,765,000	7,836,913	216,621	1,972,872	11.27
7.00:1 to 9.99:1	6	5,932,965	2,355,000	1,427,421	89,349	816,898	9.35
5.00:1 to 6.99:1	127	127,659,911	171,555,000	0	2,698,433	29,816,781	5.75
Total: [4]	**151**	**$150,475,035**	**$185,675,000**	**$9,914,334**	**$3,049,078**	**$33,015,000**	**6.33**

[1] Reflects appraised values as of May 1, 2015 obtained from the Appraiser.
[2] Building permit values obtained from the County of Contra Costa.
[3] Value includes the appraised value for the Appraised Parcels in place of their assessed values, plus the values of building permits as of May 1, 2015, plus the sale price for one parcel.
[4] Two parcels (APN 273-300-018 and APN 273-300-023) have prepaid their portion of the Special Tax securing the payment of debt service on the Bonds and, accordingly, such parcels are not included in the calculation of total assessed valuation of property within the District or in the Fiscal Year 2014-15 Special Taxes. Such two parcels have a combined Fiscal Year 2014-15 assessed value of $3,389,705.
Source: The Underwriter; except as noted.

Direct and Overlapping Debt

The principal of and interest on the Bonds are payable from the Special Tax authorized to be collected within the District, and payment of the Special Tax is secured by a lien on Taxable Parcels within the District. Such lien is co-equal to and independent of the lien for general taxes and any other liens imposed under the Law, regardless of when they are imposed on the property in the District. The imposition of additional special taxes, assessments and general property taxes will increase the amount of independent and co-equal liens which must be satisfied in foreclosure. The City, the County and certain other public agencies are authorized by the Law to form other community facilities districts and, under other provisions of State law, to form special assessment districts, either or both of which could include all or a portion of the land within the District. Further, private liens, such as deeds of trust securing loans obtained by the Developer, have been and may in the future be placed upon property in the District at any time. Under California law, the Special Taxes have priority over all existing and future private liens imposed on property subject to the lien of the Special Taxes.

The following table, prepared by California Municipal Statistics Inc., sets forth the existing authorized indebtedness payable from taxes and assessments that may be levied on all Taxable Parcels within the District, including the two Prepaid Lots. In certain cases, the percentages of debt calculations are based on assessed values, which are expected to change significantly as development within the District progresses.

Table 7
California Statewide Communities Development Authority
Community Facilities District No. 2007-01
(Orinda Wilder Project)

Direct and Overlapping Indebtedness
as of March 1, 2015

2014-15 Local Secured Assessed Valuation: $153,864,740

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 3/1/15
Bay Area Rapid Transit District General Obligation Bonds	0.027%	$ 173,097
Contra Costa Community College District General Obligation Bonds	0.096	438,809
Acalanes Union High School District General Obligation Bonds	0.561	1,166,524
Orinda Union School District General Obligation Bonds	2.841	221,797
East Bay Regional Park District General Obligation Bonds	0.042	74,799
California Statewide Communities Development Authority Community Facilities District - No. 2007-01 – Orinda Wilder Project	**100.000**	**33,150,000** [(1)]
TOTAL GROSS DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$35,225,026
OVERLAPPING GENERAL FUND DEBT:		
Contra Costa County General Fund Obligations	0.096%	$ 263,032
Contra Costa County Pension Obligations Bonds	0.096	247,860
Contra Costa Community College District Certificates of Participation	0.096	674
City of Orinda Certificates of Participation	2.856	236,493
Moraga-Orinda Fire District Pension Obligation Bonds	1.727	352,579
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		$ 1,100,638
Less: Contra Costa County supported obligations		247,860
TOTAL NET OVERLAPPING GENERAL FUND DEBT		$ 852,778
GROSS COMBINED TOTAL DEBT		$36,325,664 [(2)]
NET COMBINED TOTAL DEBT		$36,077,804

(1) Represents the Series 2007 Bonds to be refunded; excludes Bonds to be sold.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2014-15 Assessed Valuation:

Direct Debt ($33,150,000)	21.54%
Total Direct and Overlapping Tax and Assessment Debt	22.89%
Gross Combined Total Debt	23.61%
Net Combined Total Debt	23.45%

Source: California Municipal Statistics, Inc.

Other than as described herein, the property in the District is not subject to any other bonded special tax or assessment liens (other than the lien of the Special Tax).

There can be no assurance that the Developer, its affiliates or any subsequent owner will not petition for the formation of other community facilities districts or for a special assessment district or districts and that parity special taxes or special assessments will not be levied by the City, the County or some other public agency to finance additional public facilities. Other than described as follows, no other special districts are currently contemplated by the Authority, the City or the Developer.

Geologic Hazard Abatement District. The GHAD, known as the Orinda Geologic Hazard Abatement District, was formed and includes all of the property in the District. The GHAD is responsibility for maintenance of the storm water system at the levels required to meet the conditions of the county wide National Pollutant Discharge Elimination System permit. The GHAD currently levies an annual assessment of $1,800 per residential lot for such maintenance and authorized servies. It is not expected that the GHAD will incur any indebtedness.

Trail Maintenance Assessment District. The East Bay Regional Park District ("EBRPD") has established the Gateway Valley Zone of Benefit ("ZB-6") for the purpose of funding long term trail maintenance and patrol activities within the District. ZB-6 established a maximum annual assessment of $88 per residential lot for such purpose.

See "SPECIAL RISK FACTORS – Parity Taxes and Special Assessments" herein.

Estimated Appraised Value-to-Lien Debt Ratios

The appraised value of the land of the Appraised Parcels in the District subject to the lien of the Special Taxes, as estimated by the Appraiser as of May 1, 2015, subject to the methodology and assumptions contained in the Appraisal, is $185,675,000. Such amount, together with the building permit values provided by the County of Contra Costa and the assessed values of the developed parcels not included in the Appraisal (but not including the assessed values of the two Prepaid Lots), results in a total estimated value of $208,858,458, which is approximately 6.33 times the aggregate principal amount of the Bonds. See "– Property Values" above.

No assurance can be given that the foregoing Value-to-Lien debt ratio will be maintained during the period of time that the Bonds are Outstanding. The Authority has no control over future property values or the amount of additional indebtedness that may be issued in the future by other public agencies, the payment of which, through the levy of a tax or an assessment, is on a parity with the Special Taxes. See "SPECIAL RISK FACTORS – Appraisal Risks" and "– Value-to-Lien Debt Ratios."

Other Potential Debt

The Authority has no control over the amount of additional debt payable from taxes or assessments levied on all or a portion of the property within the District which may be incurred in the future by other governmental agencies having jurisdiction over all or a portion of the property within the District. Furthermore, nothing prevents the owners of property within the District from consenting to the issuance of additional debt which would be secured by taxes or assessments on a parity with the Special Taxes. To the extent such indebtedness is payable from assessments, other special taxes levied pursuant to the Law or *ad valorem* taxes, such assessments, special taxes and *ad valorem* taxes will be secured by liens on the property within the District on a parity with the lien of the Special Taxes.

Accordingly, the debt on the property within the District could increase, without any corresponding increase in the value of the property therein, and thereby reduce the estimated value-to-lien debt ratio that exists at the time the Bonds are issued. The imposition of such additional indebtedness could also reduce the willingness and ability of the property owners within the District to pay the Special Taxes when due. See "SPECIAL RISK FACTORS – Parity Taxes and Special Assessments."

SPECIAL RISK FACTORS

The following is a discussion of certain risk factors which should be considered, in addition to other matters described in this Official Statement, in evaluating the investment quality of the Bonds. This discussion does not purport to be comprehensive or definitive. The occurrence of one or more events discussed herein could adversely affect the value of the property in the District, or could adversely affect the ability or willingness of property owners in the District to pay Special Taxes when due. A failure to receive Special Taxes could result in the inability of the Authority to pay debt service on the Bonds when due.

Insufficiency of Special Taxes

Under the Rate and Method, the annual amount of Special Tax to be levied on each parcel in the District is to be based on whether such parcel is publicly owned or otherwise exempt from Special Taxes and, if not so exempt, whether such parcel is a Developed Parcel, a Large Lot Parcel or an Undeveloped Parcel. See "SECURITY FOR THE BONDS – Second Amended Rate and Method of Apportionment of Special Tax." Although all of the Taxable Parcels in the District are classified as Developed Parcels pursuant to the Rate and Method, 151 of the total 245 lots (including the Large Lots) are currently owned by the Developer and 61 of the total 245 lots are currently owned by Taylor Morrison. The remaining 33 lots are owned by other merchant builders or individual homeowners, two of which are the Prepaid Lots. See "THE DISTRICT" herein. No assurance can be given with respect to continued development of the District and with respect to the sale of any lots owned by the Developer to any merchant builders or individual homeowners. Other factors may also affect a landowner's willingness and ability to keep Special Taxes current. See "SPECIAL RISK FACTORS – Failure to Develop" herein for a discussion of the risks associated with development of the land within the District.

Limited Obligation To Pay Bonds

Funds for the payment of the principal of and interest on the Bonds are derived from Special Taxes levied against certain property in the District. The Special Taxes collected could be insufficient to pay debt service on the Bonds due to delinquencies, non-payment or the failure to receive timely and sufficient proceeds from foreclosure proceedings. The Authority's obligation with respect to delinquent Special Taxes is limited to the institution of judicial foreclosure proceedings under the circumstances described in the Indenture. The Authority has no obligation to make any payment on the Bonds except from Special Tax revenues and the other sources pledged under, and subject to the limitations provided in, the Indenture. See "SECURITY FOR THE BONDS – Covenant for Superior Court Foreclosure."

Non-Recourse Obligation to Pay Special Taxes

The obligation to pay Special Taxes levied within the District does not constitute a personal obligation of the current or subsequent owners of the property in the District. Enforcement of Special Tax payment obligations is limited to judicial foreclosure in the Contra Costa County Superior Court. See "SECURITY FOR THE BONDS – Covenant for Superior Court Foreclosure." If the proceeds of any foreclosure sale are insufficient to satisfy the applicable Special Tax lien, the Authority is not entitled to the deficiency from the landowner. There is no assurance that any current or subsequent owner of a parcel subject to Special Taxes will be able to pay the Special Taxes, or that such owner will choose to pay such installments even if otherwise able to do so.

The Developer is the owner of 151 of the total 245 lots within the District. The Developer is a special purpose entity with limited assets other than property within the District and related assets. See "THE DEVELOPER" herein. Although bondholders should not look to the assets or credit of the

Developer as a source of payment for the Bonds, the Developer's ability to pay Special Taxes and to develop the District is subject to the financial resources available to it. The members of the Developer have no obligation to contribute additional capital to the Developer in the event of a shortfall of other resources, and the Authority can give no assurance that any such additional capital contributions will occur.

Special Tax Delinquencies

The Tax Collector of the County will include the Special Taxes on the *ad valorem* property tax bills sent to owners of properties within the District. Such Special Tax installments will be due and payable and bear the same penalties and interest for non-payment as *ad valorem* property tax installments.

Significant delinquencies in the payment of annual Special Tax installments or delays in foreclosure proceedings to collect such Special Taxes could result in the depletion of the Reserve Fund and adversely affect the ability to pay debt service on the Bonds when due. See "SECURITY FOR THE BONDS – Covenant for Superior Court Foreclosure," for a discussion of the provisions that apply, and the procedures that the District is obligated to follow, under the Indenture in the event of delinquencies in the payment of Special Taxes. See "SPECIAL RISK FACTORS – Payments by FDIC" and "– Bankruptcy" herein, for a discussion of the policy of the Federal Deposit Insurance Corporation regarding the payment of special taxes and limitations on the District's ability to foreclose on the lien of the Special Taxes in certain circumstances.

Failure to Develop

Land development operations are subject to comprehensive federal, State of California and local regulations. Various federal, state and local agencies have issued approvals within their jurisdictional authority required for the development. See "THE DISTRICT – Environmental Impact Report" herein. If the Developer does not make any changes in the future to the project as approved, the only remaining required discretionary approvals for the development of the lots will be the City's design review approval. If the Developer should elect in the future to amend the Development Agreement, (other than a minor administrative amendment), and obtains the required approval from the City Council, the voters in the City could disapprove the amended Development Agreement by referendum.

Future governmental restrictions, including, but not limited to, governmental policies restricting or controlling development within the District, could be enacted, and future land use initiatives approved by the voters in the City could add more restrictions and requirements on development within the District. Moreover, there can be no assurance that the means and incentive to conduct land development operations within the District will not be adversely affected by a deterioration of the real estate market or economic conditions generally, future local, State and federal governmental policies relating to real estate development, the income tax treatment of real property ownership, acts of war or terrorism, or other factors.

The completion of development of the Taxable Parcels in the District, and the sale thereof, 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 District. There can be no assurance that development within the District will not be adversely affected by these or other factors, including future governmental policies or environmental issues.

Certain of the Taxable Parcels in the District are presently undergoing active development. An inability to sell residential lots within the District as currently proposed would result in slower rates of

diversification of property ownership within the District. Concentration of ownership also increases the risk of a failure to collect sufficient Special Taxes to pay debt service on the Bonds, all other things being equal. The timely payment of Special Taxes levied on the Taxable Parcels depends primarily upon the ability and willingness of owners of such property to pay such taxes when due. A slowdown in or cessation of the development of land within the District could reduce the ability and willingness of such owners to make Special Tax payments, and could greatly reduce the value of such property in the event it has to be foreclosed upon to collect delinquent special taxes. See "SPECIAL RISK FACTORS – Bankruptcy" herein for a discussion of certain limitations on the ability of the District to pursue judicial foreclosure proceedings with respect to taxpayers with delinquent Special Taxes.

Construction Risk

Further development of property within the District is conditioned upon the construction of homes and certain improvements. Such construction is subject to a number of risks, including, without limitation, general economic conditions, increased construction costs, fluctuations in the real estate market, inclement weather, shortages of or other supply problems relating to labor and materials, design or construction defects, delays in obtaining governmental or agency approvals and permits, compliance with existing permits and approvals and other risks. The realization of one or more of such risks could result in delays to or a failure to develop the land within the District.

Concentration of Ownership and Risks Relating to Future Owners

Generally, the risk of delinquency or nonpayment of Special Taxes at levels which do not permit the timely payment of principal of and interest on the Bonds is inversely correlated to the diversity of ownership of Taxable Parcels within the District. The Developer currently is the owner of 151 of the 245 lots within the District, accounting for approximately 59% of the Fiscal Year 2014-15 assessed value of property within the District and approximately 55% of the Special Taxes levied in Fiscal Year 2014-15, and Taylor Morrison accounts for approximately 22% of the Fiscal Year 2014-15 assessed value of property within the District and approximately 30% of the Special Taxes levied in Fiscal Year 2014-15. After accounting for the exclusion of the two Prepaid Lots (which are not owned by the Developer or by Taylor Morrison), the Developer accounts for approximately 61% of the Fiscal Year 2014-15 assessed value of property within the District, and Taylor Morrison accounts for approximately 22% of the Fiscal Year 2014-15 assessed value of property within the District. The sale of residential lots to merchant builders or to individuals, and the ultimate construction and/or sale of residences to individual homeowners will diversify ownership of real property within the District. See "THE DISTRICT – General Information" and "– Plan and Status of Development."

The Developer plans to sell its real property holdings in the District to merchant builders or as custom home sites to individuals. No representation is made as to the experience, abilities or financial resources of any future owner of property in the District, or the likelihood that any such future owner will be successful in developing property within the District beyond the stage of development reached by the Developer. The Authority has not made any investigation of or imposed any restrictions on any prospective owner of property in the District.

Appraisal Risks

The Appraiser has estimated the hypothetical market value of the Appraised Parcels in the District on the basis of certain assumptions which the Appraiser believes to be reasonable under the circumstances. See the Appraisal included in Appendix B hereto. However, certain of the assumptions by the Appraiser may prove to be untrue.

Moreover, the development proposed for the District is a high-end residential development with few direct comparable properties in the surrounding area. As a result, the Appraisal relies on sales of individual, high-end residential development custom lots in central Contra Costa County and, therefore, the sample size of comparable properties available for analysis by the Appraiser is limited.

Although the Authority believes that the Appraiser's methodology and assumptions are reasonable under the circumstances, the Appraiser's hypothetical market value conclusions are expressions of professional opinion only. No assurance can be given that the market values of the Appraised Parcels in the District are equal to or greater than the Appraiser's estimated hypothetical market value, 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 District 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 District could lower the ability or willingness of the owner of such parcel to pay Special Taxes when due and would decrease the amount recoverable at a foreclosure sale of such parcel.

See "SECURITY FOR THE BONDS – Property Values" for a further discussion of property values in the District.

Bankruptcy

The payment of Special Taxes and the ability of the Authority to foreclose the lien of a delinquent Special Tax may be limited by bankruptcy, insolvency, or other laws generally affecting creditors' rights or by the laws of the State relating to judicial foreclosure.

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

Although bankruptcy proceedings would not cause the Special Taxes to become extinguished, the amount of any lien on property securing the payment of delinquent Special Taxes could be reduced if the value of the property were determined by the bankruptcy court to have become less than the amount of the lien, and the amount of the delinquent Special Taxes in excess of the reduced lien would then be treated as an unsecured claim by the court. Further, bankruptcy of a property owner could result in a delay in prosecuting superior court foreclosure proceedings. Such a delay could adversely affect the payment of the principal of, and interest on, the Bonds when due. The prosecution of foreclosure proceedings could also be delayed by other factors affecting the prosecution of lawsuits generally.

Disclosures to Future Purchasers

A Second Amended Notice of Special Tax Lien was recorded in the Office of the County Recorder pursuant to the Law on August 2, 2010. While title companies normally refer to such notices in title reports, there can be no guarantee that such reference will be made or, if made, that a prospective homebuyer or lender will consider such obligation for Special Taxes in the purchase of a home or the lending of money thereon. Failure to disclose the existence of the Special Taxes or the full amount of the pro rata share of debt on the land in the District may affect the willingness and ability of future owners of land within the District to pay the Special Taxes when due.

Billing of Special Taxes

A special tax formula can result in a substantially heavier property tax burden being imposed upon properties within a community facilities district than elsewhere in a city or county, and this in turn can lead to problems in the collection of the special tax. In some community facilities districts, taxpayers have refused to pay the special tax and have commenced litigation challenging the special tax, the community facilities district and the bonds issued by or on behalf of the district.

Under provisions of the Law, the Special Taxes are to be billed to the properties within the District which were entered on the assessment roll of the County Assessor by January 1 of the previous fiscal year on the regular property tax bills sent to owners of such properties. Such Special Tax installments are due and payable, and bear the same penalties and interest for non-payment, as regular property tax installments. These Special Tax installment payments cannot be made separately from property tax payments. Therefore, the unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and installment payments of Special Taxes in the future. See "SECURITY FOR THE BONDS – Covenant for Superior Court Foreclosure," for a discussion of the provisions which apply, and procedures which the Authority is obligated to follow, in the event of delinquency in the payment of installments of Special Taxes.

Endangered and Threatened Species

It is illegal to harm or disturb any plants or animals in their natural habitats that have been listed as endangered species by the United States Fish & Wildlife Service under the ESA or by the CDFG under the California Endangered Species Act without a permit. Thus, the presence of an endangered plant or animal could delay development of vacant property in the District or reduce the value of Taxable Parcels. Failure to develop the vacant property in the District as planned, or substantial delays in the completion of the planned development of the property may increase the amount of Special Taxes to be paid by the owners of Taxable Parcels and affect the willingness and ability of the owners of the property within the District to pay the Special Taxes when due.

The U.S. Fish and Wildlife Service issued its Biological Opinion for the development of land within the District on October 8, 2004 and the CDFG issued a California Endangered Species Act permit and a Section 1602 Agreement for the development on November 12, 2004 and February 2, 2004, respectively. Further, while the EIR identified several plant and animal species with special status that would suffer population or habitat degradation or losses as a result of the development of land within the District, in each instance the City Council concluded either (i) that the implementation of feasible mitigation measures would reduce the impacts to a level that is less than significant or (ii) that any significant and unavoidable impacts are outweighed by economic, legal and social considerations. Accordingly, the presence of any rare, endangered or sensitive species in the District is not expected to interfere with the proposed development in the District.

Natural Disasters

In the future, the District could be subject to unpredictable seismic activity, fires, flooding, acts of terrorism or war, or other calamities or natural disasters. The District is located near the Hayward Fault Zone and, according to the California Seismic Safety Commission, is located in a Seismic Zone 4, which is assigned to areas of major faults. Seismic Zone 4 is considered to be the highest risk zone in California. Although located in a Seismic Zone 4, the Disrict is not located within an earthquake fault zone designated pursuant to the Alquist-Priolo Act. 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 District will elect to purchase earthquake insurance. In short, the occurrence of seismic activity, fires, flooding or other casualties in or around the Districts could result in substantial damage to both property and infrastructure in the Districts which, in turn, could substantially reduce the value of such properties and could affect the ability or willingness of the owners to pay Special Taxes when due and would decrease the amount recoverable at a foreclosure sale of such properties.

According to FEMA flood insurance rate maps, residential lots within the District are located outside the limits of the 500-year floodplain and, therefore, not within a Special Flood Hazard Area based on existing maps. Flood insurance will not be required as a condition to obtaining a home loan in the District.

Drought Conditions

From time to time certain parts of California, including areas where the District is located, may experience extended drought conditions. On March 27, 2015, Governor Brown signed emergency legislation (AB 91 and 92) that will mandate reductions in residential use and expedite $1 billion for drought and water infrastructure projects, including emergency food aid, drinking water, water recycling, conservation awareness and flood protection. The action comes as the Sierra Nevada snowpack, which Californians rely on heavily during the summer for their water needs, is near a record low. Previously, on January 17, 2014, Governor Brown proclaimed a state of emergency due to the severe drought conditions faced by the State. Legislation was enacted in February which provided $687.4 million to support drought relief. Extended drought conditions may impact development within the District and may affect the value of properties within the District.

Hazardous Substances

The market value of the property in the District could decrease if a hazardous substance is discovered or released in the vicinity of the District. In general, the owners and operators of a parcel may be required by law to remedy conditions relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance condition of property whether or not the owner (or operator) had anything to do with creating or handling the hazardous substance. Should any of the parcels be affected by a hazardous substance, the value of such parcels could decline, because the purchaser, upon becoming the owner, will become obligated to remedy the condition.

The estimated value of the property within the District, as set forth in the Appraisal, assumes there are no hazardous substances and that there is no liability to remedy a hazardous substance condition of the property. The Authority has made no independent investigation as to the environmental condition of the District and the Authority is not aware of the presence of any hazardous substance liabilities with respect to the District except as described herein. However, it is possible that such liabilities do currently exist and that the Authority is not aware of them.

In December 1997, hazardous substances located on small portions of the property within the District were removed by Orinda Gateway, LLC in accordance with a California Department of Toxic Substances Control ("DTSC") approved Removal Action Workplan (the "Workplan"). Upon Orinda Gateway, LLC's removal of the hazardous substances, the California DTSC confirmed by letter to Orinda

Gateway, LLC that Orinda Gateway, LLC had fulfilled its obligations to cleanup and remove the hazardous substances from the property pursuant to the Workplan. In 2005, Orinda Gateway, LLC engaged ENGEO INCORPORATED, a geotechnical firm, to provide the "Phase One Environmental Site Assessment of the Orinda Gateway, LLC Properties located in Orinda, California." The resulting assessment was completed in September 2005 and concluded that the previously identified and removed hazardous substances no longer posed significant environmental impacts to the proposed development.

Further, it is possible that liabilities may arise in the future with respect to any of the land within the District resulting from the present or future existence of a substance classified as a hazardous substance under the federal or State environmental laws. Any of these possibilities could adversely affect the value of a parcel and the willingness or ability of the owner of any parcel to pay the Special Tax when due.

Payments by FDIC

The ability of the Authority to collect the Special Taxes and interest and penalties specified by state law, and to foreclose the lien of delinquent Special Taxes, may be limited in certain respects with regard to properties in which the Federal Deposit Insurance Corporation (the "FDIC") or other similar federal governmental agencies has or obtains an interest. On June 4, 1991, the FDIC issued a Statement of Policy Regarding the Payment of State and Local Property Taxes. This 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 neither 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.

The Policy Statement states that the FDIC generally will not pay non *ad valorem* taxes on property in which it has a fee interest, unless the amount of tax is fixed at the time that the FDIC acquires its fee interest in the property, nor will it recognize the validity of any lien to the extent it purports to secure the payment of any such amounts. Special taxes imposed under the Law and a special tax formula which determines the special tax due each year, are specifically identified in the Policy Statement as being imposed each year and therefore covered by the FDIC's federal immunity. With respect to property in California owned by the FDIC on January 9, 1997 and that was owned by the Resolution Trust Corporation ("RTC") on December 31, 1995, or that became the property of the FDIC through foreclosure of a security interest held by the RTC on that date, the FDIC will continue the RTC's prior practice of paying special taxes imposed pursuant to the Law if the taxes were imposed prior to the RTC's acquisition of an interest in the property. All other special taxes may be challenged by the FDIC.

Currently, the FDIC does not have an interest in any land within the District. The Authority is unable to predict what effect the FDIC's application of the Policy Statement would have in the event of a delinquency on a parcel within the District in which the FDIC obtains an interest, although prohibiting the

lien of the FDIC to be foreclosed at a judicial foreclosure sale would reduce or eliminate the persons willing to purchase a parcel at a foreclosure sale. Owners of the Bonds should assume that the Authority will be unable to foreclose on any parcel owned by the FDIC. Such an outcome could cause a draw on the Reserve Fund and could adversely affect the payment when due of debt service on the Bonds.

Parity Taxes and Special Assessments

The Special Taxes constitute a lien against the parcels of land on which they have been levied. Such lien is on a parity with all special taxes levied by the Authority or other agencies and is co-equal to and independent of the lien for general property taxes, regardless of when they are imposed upon the same property. See "SECURITY FOR THE BONDS – Direct and Overlapping Debt" herein for a discussion of direct and overlapping debt on property within the District.

The Authority does not have control over the ability of other entities to issue indebtedness secured by *ad valorem* taxes, special taxes or assessments payable from all or a portion of the property within the District. In addition, the owners of property within the District may, without the consent or knowledge of the Authority, petition other public agencies to issue public indebtedness secured by *ad valorem* taxes, special taxes or assessments. Any such special taxes may have a lien on such property on a parity with the lien of the Special Taxes. See "SECURITY FOR THE BONDS – Other Potential Debt."

Value-to-Lien Debt Ratios

The estimated value-to-lien debt ratios set forth herein under the caption "SECURITY FOR THE BONDS – Estimated Value-to-Lien Debt Ratios" are based in part on the appraised values of property in the District as of May 1, 2015. No assurance can be given that such value-to-lien debt ratios will be maintained over time. As discussed herein, many factors which are beyond the control of the Authority could adversely affect the property values within the District. The Authority also has no control over the amount of additional indebtedness that may be issued by other public agencies, the payment of which, through the levy of a tax or an assessment, is on a parity with the Special Taxes. See "SPECIAL RISK FACTORS – Parity Taxes and Special Assessments" and "SECURITY FOR THE BONDS – Other Potential Debt." A decrease in the property values in the District or an increase in bond debt liens on property in the District, or both, could result in a lowering of the value-to-lien debt ratios of the property in the District.

Limitations on Remedies

The Indenture does not permit the acceleration of the Bonds in the event of a payment default or other default under the terms of the Bonds or the Indenture. Generally, remedies are limited to legal actions to compel the Authority to perform under the Bonds and the Indenture, to enjoin acts which are unlawful or violate the rights of the Holders, or to account as the trustee of an express trust. See Appendix E – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Remedies of Holders." Remedies available to the Owners may be inadequate to assure the timely payment of principal of and interest on the Bonds or to preserve the tax-exempt status of the Bonds. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation or modification of the rights of the Owners.

Bond Counsel has limited its opinion as to the enforceability of the Bonds and of the Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or others similar laws affecting generally the enforcement of creditor's rights, by equitable principles, by the exercise of judicial discretion and by limitations on remedies against public agencies in the State of California.

Right to Vote on Taxes Act

Article XIIIC and Article XIIID to the California Constitution, enacted in 1996, limit the authority of local governments to impose taxes and property-related assessments, fees and charges. Many provisions of Articles XIIIC and XIIID have not yet been interpreted by the courts, although a number of lawsuits have been filed requesting the courts to interpret various aspects thereof.

Among other things, Section 3 of Article XIIIC states that ". . . the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge." The Law provides for a procedure, which includes notice, hearing, protest and voting requirements to alter the rate and method of apportionment of an existing special tax. However, the Law prohibits a legislative body from adopting any resolution to reduce the rate of any special tax or terminate the levy of any special tax pledged to repay any debt incurred pursuant to the Law unless such legislative body determines that the reduction or termination of the special tax would not interfere with the timely retirement of that debt. Although the matter is not free from doubt, it is likely that the exercise by the voters of the initiative power referred to in Article XIIIC to reduce or terminate a Special Tax is subject to the same restrictions as are applicable to the Authority pursuant to the Law. Accordingly, although the matter is not free from doubt, it is likely that Articles XIIIC and XIIID have not conferred on the voters the power to repeal or reduce the Special Taxes if such reduction would interfere with the timely retirement of the Bonds.

It may be possible, however, for voters or the District to reduce the Special Taxes in a manner which does not interfere with the timely repayment of the Bonds, but which does reduce the maximum amount of Special Taxes that may be levied in any year below the existing levels. Therefore, no assurance can be given with respect to the levy of Special Taxes for administrative expenses. Furthermore, no assurance can be given with respect to the future levy of the Special Taxes in amounts greater than the amount necessary for the timely retirement of the Bonds.

The interpretation and application of Articles XIIIC and XIIID 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 certainty the outcome of such determination or the timeliness of any remedy afforded by the courts. See "SPECIAL RISK FACTORS – Limitations on Remedies."

Ballot Initiatives and Legislative Measures

Article XIIIC was adopted pursuant to a measure qualified for the ballot pursuant to California's constitutional initiative process and the State Legislature has in the past enacted legislation which has altered the spending limitation or established minimum funding provisions for particular activities. From time to time, other initiative measures could be adopted by California voters or legislation enacted by the State Legislature. The adoption of any such initiative or enactment of legislation might place limitations on the ability of the State, the County of Contra Costa, the City of Orinda or local districts to increase revenues or to increase appropriations or on the ability of a property owner to complete the development of property within the District.

Loss of Tax Exemption

As discussed under the caption "TAX MATTERS," interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were issued, as a result of acts or omissions of the Authority in violation of the Code. Should such an event occur, the Bonds are not subject to redemption and will remain Outstanding until maturity or until

redeemed under the optional redemption or mandatory sinking fund redemption provisions of the Indenture.

IRS Audit of Tax-Exempt Bond Issues

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

Limited Liquidity of the Bonds

The District has not applied for, and does not expect to receive, a rating on the Bonds from any nationally recognized rating organization. This fact, coupled with the fact that the Bonds are secured by Special Taxes payable by a relatively small number of landowners, may limit the secondary market for, and therefore the liquidity of, the Bonds.

THE AUTHORITY

The Authority is a joint powers agency organized pursuant to a Joint Exercise of Powers Agreement among a number of California counties, cities and special districts entered into pursuant to the provisions relating to the joint exercise of powers contained in Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code. The Authority is authorized to establish community facilities districts and issue the Bonds under the Law.

LITIGATION

To the knowledge of the Authority, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending against the Authority seeking to restrain or enjoin the sale or issuance of the Bonds, or in any way contesting or affecting any proceedings of the Authority taken concerning the sale thereof, the pledge or application of any moneys or security provided for the payment of the Bonds, the validity or enforceability of the documents executed by the Authority in connection with the Bonds, the completeness or accuracy of the Official Statement or the existence or powers of the Authority relating to the sale of the Bonds.

CONTINUING DISCLOSURE

The Authority has covenanted for the benefit of the Owners of the Bonds pursuant to a continuing disclosure certificate ("the "Authority Continuing Disclosure Certificate") to provide, each year for so long as the Bonds are Outstanding, certain financial information and operating data relating to the Bonds and the District, ownership of the property in the District that is subject to the Special Tax, the occurrence of delinquencies in payment of the Special Tax, and the status of foreclosure proceedings, if any, respecting Special Tax delinquencies (the "District Disclosure Report"), and to provide notices of the occurrence of certain enumerated events. The financial information and operating data will be provided annually on or before March 31 for the twelve months ended on the preceding June 30, commencing March 31, 2016. A form of the Authority's undertaking is included in Appendix F – "FORMS OF CONTINUING DISCLOSURE CERTIFICATES." The District Disclosure Reports are to be filed by the Authority through the Electronic Municipal Market Access (EMMA) website of the Municipal Securities Rulemaking Board, or any other entity designated or authorized by the Securities and Exchange Commission (the "SEC") to receive reports or notices pursuant to Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12").

These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12. In the last five years, certain event filings on certain series of the Authority's Statewide Community Infrastructure Program Revenue Bonds were filed more than 10 days after an unscheduled draw on the respective reserve funds.

Pursuant to a continuing disclosure certificate (the "Developer Continuing Disclosure Certificate and, together with the Authority Continuing Disclosure Certificate, the "Continuing Disclosure Certificates"), the Developer has covenanted for the benefit of the Owners of the Bonds to provide certain financial information and operating data relating to the Developer, its development plan and its financing plan (the "Developer Disclosure Report"), and to provide notices of the occurrence of certain enumerated events, until the Property is developed to the planned development stage or until the Developer's obligation to so provide such information, data and notices is otherwise terminated in accordance with the provisions of the Developer Continuing Disclosure Certificate. A form of the Developer Continuing Disclosure Certificate is included in Appendix F – "FORMS OF CONTINUING DISCLOSURE CERTIFICATES." Such information is to be provided or caused to be provided by the Developer annually not later than March 31 of each year, commencing March 31, 2016. The Developer Disclosure Reports are to be filed by the Develop through EMMA, or any other entity designated or authorized by the SEC to receive reports or notices pursuant to Rule 15c2-12. These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12. In the last five years, the Developer did not file its semiannual reports in connection with its undertaking entered into with the Series 2007 Bonds, except for the semiannual reports due on March 31, 2010, September 30, 2010 and September 30, 2011, and the most recent semiannual report due on March 31, 2015, which most recent semiannual report was not timely filed. The obligation to provide the Developer Disclosure Report in connection with the Bonds is an annual reporting requirement rather than a semiannual reporting requirement. The Developer plans to hire a third party to assist with its continuing disclosure obligations under the Developer Continuing Disclosure Certificate.

LEGAL OPINIONS

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 Authority ("Bond Counsel"). Bond Counsel has not undertaken any responsibility for the accuracy, completeness or fairness of this Official Statement and expresses no opinion as to the matters set forth herein. A complete copy of the proposed form of Bond Counsel opinion is contained in Appendix D hereto and will accompany the Bonds. Orrick, Herrington & Sutcliffe LLP has also served as Disclosure Counsel to the Authority. Certain legal matters will be passed upon for the Underwriter by its counsel, Jones Hall, A Professional Law Corporation, San Francisco, California ("Underwriter's Counsel").

Payment of the fees and expenses of Bond Counsel, Disclosure Counsel and Underwriter's Counsel are contingent upon the issuance and delivery of the Bonds. From time to time, Bond Counsel may represent the Underwriter on matters unrelated to the Bonds.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, 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 Internal Revenue Code of 1986 (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. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix D 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 Authority has 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. For example, the Obama Administration's budget proposals in recent years have proposed legislation that would limit the exclusion from gross income of interest on the Bonds to some extent for high-income individuals. 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 ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Authority, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Authority has 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 Authority 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 Authority and its 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 Authority legitimately disagrees 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 Authority or the beneficial owners to incur significant expense.

VERIFICATION AGENT

Grant Thornton LLP, Chicago, Illinois, the Verification Agent, an independent firm of certified public accountants, will deliver to the District its reports indicating that it has examined, in accordance with standards established by the American Institute of Certified Public Accountants, the information and assertions provided by the Authority, the Underwriter and their representatives. Included in the scope of its examination will be a verification of the mathematical accuracy of the mathematical computations of the adequacy of the amounts in the Escrow Fund to pay the interest, principal and redemption price coming due on the Series 2007 Bonds on the Redemption Date as described in "THE REFUNDING PLAN."

UNDERWRITING

The Bonds are being purchased by RBC Capital Markets, LLC (the "Underwriter"). Pursuant to a Bond Purchase Contract between the Underwriter and the Authority (the "Purchase Contract"), the Underwriter has agreed to purchase all of the Bonds for an aggregate purchase price of $33,853,574.65, subject to certain conditions set forth in the Purchase Contract. The purchase price reflects the principal amount of the Bonds of $33,015,000.00, less an underwriter's discount of $412,687.50, and plus a net original issue premium of $1,251,262.15. The initial offering prices stated on the inside cover of this Official Statement may be changed from time to time by the Underwriter. The Underwriter may offer and

sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts), dealer banks, banks acting as agent and others at prices lower than said public offering prices.

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 Authority. 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 Authority.

NO RATINGS

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

MISCELLANEOUS

The quotations from, and the summaries and explanations of the Indenture and other statutes and documents contained herein do not purport to be complete, and reference is made to such documents and statutes for the full and complete statements of their respective provisions.

This Official Statement is submitted only in connection with the initial offering of the Bonds by the Authority, and is not to be used for any other purpose. This Official Statement does not constitute a contract with the purchasers of the Bonds.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement has been duly authorized by the Authority.

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

By: /s/Norman Coppinger
Authorized Signatory

APPENDIX A

GENERAL INFORMATION ON THE CITY OF ORINDA AND VICINITY

The California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project) (the "District") is located within the City of Orinda (the "City"). The City is situated in southwest Contra Costa County (the County"), just over the East Bay Hills (and through the four-bore Caldecott Tunnel) from Oakland and Berkeley and within 30 minutes of downtown San Francisco. The City was incorporated as a city in 1985, after more than 100 years of gradual development. The following financial and economic data for the City and the County are presented for information purposes only. The principal of and interest and redemption premiums, if any, on the California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), Special Tax Refunding Bonds, Series 2015 (the "Bonds") are limited obligations payable solely from the proceeds of the Special Tax. The Authority is not obligated to pay the Bonds except from the proceeds of the Special Tax. The general funds and assets of the Authority are not liable and the full faith and credit of the Authority is not pledged for the payment of the principal of or interest or redemption premiums, if any, on the Bonds. No tax or assessment other than the Special Tax shall ever be levied or collected to pay the principal of or interest or redemption premiums, if any, on the Bonds. The Bonds are not secured by a legal or equitable pledge of or charge, lien or encumbrance upon any of the property of the Authority or any of its income or receipts except the money held in the Special Tax Fund pursuant to the Indenture. Neither the payment of the principal of or the interest or redemption premiums, if any, on the Bonds is a general debt, liability or obligation of the Authority.

Demographic Information

Table A sets forth demographic information for the City for the last five years.

TABLE A
CITY OF ORINDA
Demographic Statistics
2010-2014

As of January 1	City Population
2010	17,643
2011	17,714
2012	17,839
2013	17,951
2014	18,089

Source: California Department of Finance Demographic Research Unit.

Table B sets forth the 2010 Census age distribution of the City's residents.

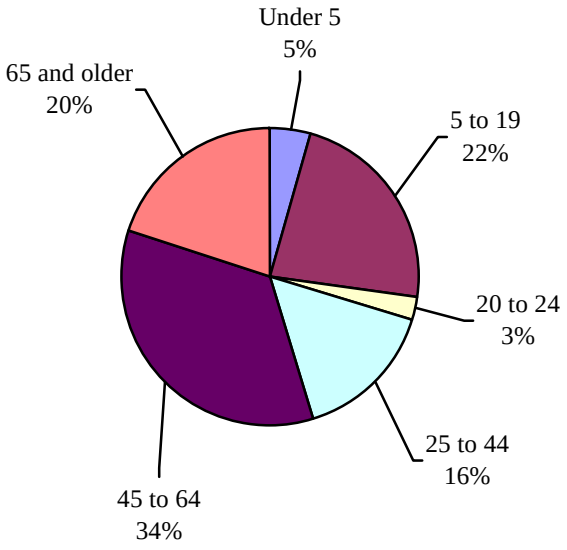
TABLE B
CITY OF ORINDA
Demographic Statistics, 2010
Age Distribution

Age	Population
Under 5	806
5 to 19	3,977
20 to 24	458
25 to 44	2,741
45 to 64	6,111
65 and older	3,550
Total	17,643

Source: U. S. Census Bureau, Census 2010.

Figure 1 presents the 2010 Census figures for the age distribution of the City's residents.

Figure 1
Age Distribution



Source: U. S. Census Bureau, Census 2010.

Employment

Table C sets forth the annual employment statistics in the City.

TABLE C
CITY OF ORINDA
Labor Force, 2010-2014[(1)]

Year	Civilian Labor Force	Employed Labor Force	Unemployed Labor Force	Unemployment Rate
2010	8,600	8,200	400	4.3
2011	8,700	8,400	300	4.0
2012	8,900	8,600	300	3.4
2013	9,100	8,800	300	2.8
2014	8,600	8,400	300	3.0

Source: State of California, Employment Development Department, Labor Market Information Division.
(1) Data not seasonally adjusted.

An unemployment rate history, including the City, is set forth in Table D.

TABLE D
CITY OF ORINDA
Comparative Unemployment Statistics
Unemployment Rate (%)
Annual Averages[(1)]

Year	City of Orinda	Contra Costa County	State of California	United States
2010	4.3	11.1	12.4	9.6
2011	4.0	10.4	11.8	8.9
2012	3.4	9.0	10.4	8.1
2013	2.8	7.4	8.9	7.4
2014	3.0	6.1	7.5	6.2

Source: California Employment Development Department, Labor Market Information Division and the U.S. Department of Labor, Bureau of Labor Statistics.
(1) Data not seasonally adjusted.

Table E sets forth the income levels for the City.

TABLE E
CITY OF ORINDA
Demographic Statistics
Income Levels

Income Level	Amount
Median Household Income	$164,437
Mean Family Income	$248,318
Per Capita Income	$77,530

Source: U. S. Census Bureau, Census 2010.

Education

The City offers a K-12 school system that is consistently ranked among the best in California, including four public elementary schools, one public middle school, one public high school and one independent school. Several private and public colleges offering opportunities for continuing education are within easy commuting distance.

Table F summarizes the educational attainment of the City's residents.

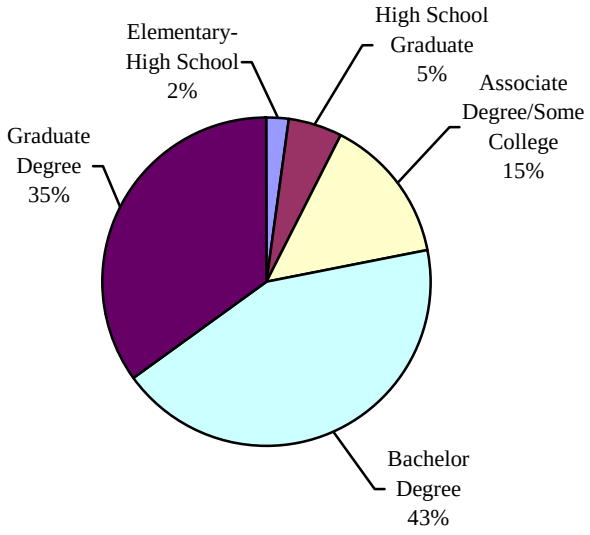
TABLE F
CITY OF ORINDA
Demographic Statistics
Educational Attainment

Level of Education	Number
Elementary-High School	274
High School Graduate	649
Associate Degree/Some College	1,824
Bachelor Degree	5,358
Graduate Degree	4,371
Total[(1)]	12,476

Source: U. S. Census Bureau, Census 2010.
[(1)] Total may not compute due to rounding.

Figure 2 presents the 2010 Census figures for the educational attainment of the City's residents.

Figure 2
Educational Attainment



Source: U. S. Census Bureau, Census 2010.

Community Facilities

The City provides a number of parks, open spaces and trails. The Orinda Community Center Park contains an open grass and two playground areas (one featuring a water play area), picnic and barbecue facilities along with three lighted tennis courts. The Orinda Oaks Park offers an 11 acre picnic, barbecue and play area. Brookside Park offers another 11 acre recreation area with planned connections to the City's extensive network of trails, including the East Bay Regional Park Trails.

Public Services and Infrastructure

In addition to providing public safety services, police, and emergency preparedness, the City also provides a storm drainage system and manages and maintains facilities located in the public rights-of-way. Other community services are provided by regional agencies, including East Bay Municipal Utility District ("EBMUD"), which provides the City's water supply and wastewater treatment; Central Contra Costa Sanitary Sewer District, which provides wastewater collection; the Pleasant Hill Bayshore Disposal, which provides solid waste collection and disposal; Valley Waste Management, which provides curbside collection of recyclable materials; and Moraga Orinda Fire Protection District, which provides fire protection and emergency medical services.

Transportation

Highly developed transportation systems are available to the residents of the City. State route 24 provides access east of the City to several neighboring communities, including Lafayette, Walnut Creek and Pleasant Hill and west of the City to the Oakland and San Francisco metropolitan areas via the Caldecott Tunnel. The City also is served by the Bay Area Rapid Transit ("BART") system with a station adjacent to the City's downtown and the County Connection (the Central Contra Costa Transit Authority, or "CCCTA") bus system.

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APPENDIX B

APPRAISAL

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Appraisal Report

California Statewide Communities Development Authority CFD No. 2007-1

North and south of Wilder Road, southeast of State Highway 24
Orinda, CA 94563

Date of Report: June 4, 2015

Prepared For:

Mr. Scott Carper
Program Manager
California Statewide Communities
Development Authority
2999 Oak Road, Suite 710
Walnut Creek, California 94597

Prepared By:

Kevin K. Ziegenmeyer, MAI
Eric A. Segal, Appraiser

Seevers Jordan Ziegenmeyer
Real Estate Appraisal & Consultation

Seevers Jordan Ziegenmeyer
Real Estate Appraisal & Consultation

June 4, 2015

Mr. Scott Carper
Program Manager
California Statewide Communities
Development Authority (CSCDA)
2999 Oak Road, Suite 710
Walnut Creek, California 94597

Re: **CSCDA Community Facilities District No. 2007-1 (portion)**
Orinda, CA 94563

Mr. Carper:

At your request and authorization, Seevers • Jordan • Ziegenmeyer has prepared an Appraisal Report for the purpose of estimating the market values (*fee simple estate*) of certain properties within California Statewide Communities Development Authority (CSCDA) Community Facilities District (CFD) No. 2007-1 ("the District"), under the assumptions and conditions contained in this report.

The Appraisal Report has been conducted in accordance with appraisal standards and guidelines found in the Uniform Standards of Professional Appraisal Practice (USPAP) and the Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (2004). This document is presented in an Appraisal Report format, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the 2014-2015 edition of USPAP.

The appraised properties comprise the undeveloped single-family residential lots within the boundaries of the District not assessed by the County of Contra Costa Assessor's Office with an improvement value. Specifically, the appraised properties comprise 235 residential lots as follows:

Assessor's Parcel Number	APNs	# of Lots	Condition	Ownership
273-270-007	1	34	Partially Improved	OG Property Owner LLC
273-270-005	1	60	Partially Improved	OG Property Owner LLC
273-300-001 thru -006, -008 thru -016, -020, 021 & -025	18	18	Improved	Various
273-310-001 thru -005, -007 thru -011 & -013	11	11	Improved	Various
273-320-001 thru -019	19	19	Improved	Various
273-330-001, -003 thru -015	14	14	Improved	OG Property Owner LLC
273-340-001 thru -035	35	35	Improved	Taylor Morrison of CA LLC
273-350-001 thru -026	26	26	Improved	Taylor Morrison of CA LLC
273-360-001 thru -018	18	18	Improved	OG Property Owner LLC
Total	**143**	**235**		

3825 Atherton Road, Suite 500 | Rocklin, CA 95765 | Phone: 916.435.3883 | Fax: 916.435.4774

The Orinda Wilder subdivision is located north and south of Wilder Road, southeast of State Highway 24, approximately ½-mile east of the Caldecott Tunnel, with the city of Orinda, Contra Costa County, California.

The financing provided by CSCDA CFD No. 2007-01 (Orinda Wilder Project) Special Tax Bonds, Series 2007 Bonds (the "Bonds") were used for local and regional infrastructure improvements, which included—but were not limited to—roadway, drainage, water and sewer systems, and payment of certain development impact fees. Payments of principal and interest on the Bonds is paid by a Special Tax levied against the developable residential property within the CFD.

The CFD contains approximately 1,572 gross acres, including public land use areas such as substantial open spaced, playfields, roadways and hiking trails. Public land use areas are not subject to the lien of the Special Taxes securing the Bonds; therefore, these areas were omitted from this analysis. The balance of the CFD is devoted to residential uses where the property owner—OG Property Owner LLC—has sold single-family residential lots to both merchant builders and individuals for custom home development.

The property within the CFD includes rolling to steep topography. Local hillsides and Highway 24 separate the CFD from other residential development within the city of Orinda, promoting community exclusivity. The Wilder subdivision consists of 245 lots approved for development. Lots sizes range from approximately 9,700 to 53,944 square feet, with an average of approximately 20,291 square feet. The lots are divided into four minimum lot size categories ranging from 9,000 to 19,500 square feet, with each lot size category accompanied by a maximum home size restriction. Within the smallest minimum lot size category (9,000 square feet), home sizes cannot exceed 2,500 square feet, and within the largest minimum lot size category (19,500 square feet), homes cannot exceed 5,000 square feet. As of the date of inspection (value), approximately 151 of the 245 residential lots comprising the District were in a finished condition, with streets, concrete curbs and gutters, and all utilities extended to each lot. An additional 94 lots (Subdivisions 9223 and 9224) have additional site development remaining prior to recordation of final map. According to the Developer, approximately $3,360,000 in infrastructure development remain, which will be accounted for herein. A more detailed description of the District and appraised properties is provided within the attached report.

The cumulative, or aggregate, value of the appraised properties is provided in the table of on the following page. The estimates of value, by Assessor's parcel, assume a transfer would reflect a cash transaction or terms considered to be equivalent to cash. The estimates are 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 estimates of value by Assessor's parcel account for the impact of the lien of the Special Tax securing the Bonds.

As a result of our analysis, it is our opinion the cumulative, or aggregate, value of the District in accordance with the extraordinary assumptions, hypothetical conditions, significant factors, general assumptions and limiting conditions on pages 7 through 9 of this report, as of May 1, 2015, is:

Component	Number of Lots	Difference
Non-Master Developer	**85 lots**	**$76,925,000**
Master Developer	**150 lots**	**$108,750,000**
Total Cumulative, or Aggregate, Value		***$185,675,000***

The cumulative, or aggregate, value of the appraised properties represents the sum of the value estimates concluded for each ownership interest, which is not equivalent to the market value of the District as a whole. Please see the ***Market Value by Assessor's Parcel*** table in the Appendix for a description and breakdown of the value above by ownership and parcel.

We hereby certify the properties have 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 properties.

The appraised properties do not have any significant natural, cultural, recreational or scientific value. The appraisers certify 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 93 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 Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (2004), as well as 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,

Kevin Ziegenmeyer, MAI
State Certification No.: AG013567
Expires: June 4, 2017

Eric A. Segal, Appraiser
State Certification No.: AG026558
Expires: February 18, 2017

/mlm

15-099

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Appendix
A – Market Value by Assessor's Parcel
B – Glossary of Terms
C – Qualifications of Appraiser(s)

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Property:	The appraised properties comprise the undeveloped single-family residential lots within the boundaries of the District not assessed by the County of Contra Costa Assessor's Office with an improvement value. Specifically, the appraised properties comprise 235 residential lots, on 143 Assessor's parcels. Of the 235 lots, 150 are still held by the master developer (OG Property Owner LLC), excluding the model home parcel, and 85 lots that have been sold to individuals or merchant builders. In total, the District contains 245 residential lots.
Location:	The CFD is located within the city of Orinda in Contra Costa County, California. Specifically, the CFD is located just south of Highway 24 at Wilder Road, east of the Caldecott Tunnel.
Census Tract Number:	3530.01 / 02
Assessor Parcel Number:	The appraised properties consist of 143 separate Assessor's parcels (141 are finished single-family residential lots and two are tentatively mapped and partially improved for 94 single-family residential lots), which are identified within the Appendix to this report (see *Market Value by Assessor's Parcel*). Individual Assessor parcel numbers will be assigned to the 94 partially improved lots by the Assessor subsequent to recordation of final map. The Assessor's parcels comprising the appraised properties within the District are as follows: 273-270-007 (Subdivision 9223 – 34 lots) 273-280-005 (Subdivision 9224 – 60 lots) 273-300-001 thru -006, -008 thru -016, -020, 021 & -025 273-310-001 thru -005, -007 thru -011 & -013 273-320-001 thru -019 273-330-001, -003 thru -015 273-340-001 thru -035 273-350-001 thru -026 273-360-001 thru -018 According to the master developer, a final map was recorded for Subdivision 9224 in December 2014, subdividing the master Assessor's parcel (273-280-005) into 60 individual parcels; however, new Assessor's parcels have yet to be assigned.

Owner(s) of Record: Please see the ***Market Value by Assessor's Parcel*** table in the Appendix for a description and breakdown of the ownership of the parcels within the District.

Zoning & Entitlements: According to the City of Orinda Planning Department, the subject property is currently zoned P1 – Planned Unit Development Zone. This zoning designation provides flexibility for a variety of product types, including single-family residential development. Proposed developments require City approval. The subject property received tentative subdivision map approval for 245 single-family residential lots on November 29, 2005, with final map recorded for all but 94 lots.

Flood Zoning: According to the flood insurance rate maps of the Federal Emergency Management Agency (FEMA), the subject property is identified as being in Flood Zone X, which is described as areas to be outside the 0.2% annual chance floodplain, per Flood Insurance Rate Map (F.I.R.M.) 06013C 0406F, dated June 16, 2009.

Earthquake Zone: According to the Seismic Safety Commission, the subject property 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 is assigned to areas of major faults. Zone 3 is assigned to areas with more moderate seismic activity. Zone 4 is common for the subject's area. Although located in Zone 4, the subject is not located within 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.

Lot Sizing: The CFD contains 245 lots and public use areas on approximately 1,572 gross acres. The residential component of the CFD, subject to the lien of the Special Tax securing the Bonds, contains approximately 119 gross acres, which equates to a density of approximately 2.06 units per acre. Approximately 775 acres within the CFD will be preserved as open space. The Final Development Plan divided the subject property into the following lot size categories:

Max. Lot Size	Max Floor Area	No. Of Lots
9,000 SF	2,500 SF	42
12,500 SF	3,800 SF	38
16,400 SF	4,500 SF	79
19,500 SF	5,000 SF	86
		245

	The lot size categories are checkered throughout the subdivision. Overall, lot sizes range from approximately 9,073 to 53,944 square feet, with an average of approximately 20,291 square feet.
Highest and Best Use:	Near-term single-family residential development
Date of Inspection:	April 8, 2015
Date of Value:	May 1, 2015
Date of Report:	June 4, 2015
Exposure Time:	12 months
Marketing Time:	12 months
Conclusion of Cumulative, or Aggregate, Value of the Appraised Properties:	**$185,675,000** The value noted above is subject to the extraordinary assumptions, hypothetical conditions, significant factors, general assumptions and limiting conditions on pages 7 through 9. The cumulative, or aggregate, value of the appraised properties represents the sum of the value estimates concluded for each ownership interest, which is not equivalent to the market value of the District as a whole. Please see the ***Market Value by Assessor's Parcel*** table in the Appendix for a description and breakdown of the value above by ownership and parcel.

CLIENT, INTENDED USER AND INTENDED USE

The client of the report is the California Statewide Communities Development Authority (CSCDA), and the intended users are CSCDA, legal counsel and underwriter for the Bonds. It is our understanding the report will be used for bond financing 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 2014-15 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 values of the subject properties by Assessor's parcel, as well as the cumulative, or aggregate, value of the appraised properties comprising a portion of CSCDA CFD No. 2007-01 (Orinda Wilder Project). 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]

Please refer to the *Glossary of Terms* in the Appendix to this report for the definition of *value as is.*

PROPERTY RIGHTS APPRAISED

The market value estimates derived herein are for the fee simple estate, defined on the following page:

[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).

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 April 8, 2015. The effective date of market value, commensurate with the date of analysis, is May 1, 2015. This Appraisal Report was completed and assembled on June 4, 2015.

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. Interviews were conducted with Messrs. Bruce Yamamoto and Nick Carbone, representing the master developer, who provided a description of the remaining development costs of the project and recent and pending sale transactions. The sales history was verified by consulting public records and confirmed with the Developer. Zoning and entitlement information was collected from the City of Orinda Planning Department. The subject's earthquake zones, flood zones and utilities were obtained from the respective agencies, and property tax information was obtained from the County of Contra Costa Assessor's Office on-line resources.

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

In this appraisal, 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).

The valuation analysis herein began with an estimate of market value of the subject lots using the sales comparison approach to value. In light of the scope of work required for this assignment, the

[2] The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute, 2010), 78.

market valuation of the appraised lots within the District will be based on the weighted average lot comprising the District. Based on the average lot value estimated, the market value of each Assessor's parcel comprising the lots held by individuals and merchant builders (non-master developer component) was assigned. With 150 lots still held by the master developer (OG Property Owner LLC), and additional site development to be completed, the subdivision development method, or discounted cash flow analysis, was utilized to derive the value of the Developer lots in bulk. Under the subdivision development method, the expected revenue, absorption period, expenses and discount rate associated with the development and sell-off of the residential lots were taken into account. A DCF analysis is a procedure in which a discount rate is applied to a projected revenue stream generated from the sale of individual components of a project. In this method of valuation, the appraiser specifies the quantity, variability, timing and duration of the revenue streams and discounts each to its present value at a specified yield rate. In the subdivision development method, a number of assumptions were made in the discounted cash flow analysis, not the least of which was the forecast of absorption, or disposition, of the lots comprising the majority of the master developer's holdings. The remaining site development costs obligated to be completed by the Developer were accounted for in the subdivision development method.

The cumulative, or aggregate, value of the appraised properties represents the sum of the value estimates concluded for each ownership interest, which is not equivalent to the market value of the District as a whole.

This appraisal report has been conducted in accordance with appraisal standards and guidelines found in the Uniform Standards of Professional Appraisal Practice (USPAP) and the Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (2004).

The individuals involved in the preparation of this appraisal include Kevin K. Ziegenmeyer, MAI, and Eric A. Segal, Appraiser. Mr. Segal 1) reviewed the subject property information provided by the owner/developer, 2) inspected the subject property, 3) collected and confirmed market data, 4) analyzed the market data and 5) prepared the draft report. Mr. Ziegenmeyer 1) inspected the subject property, 2) provided professional input and direction and 3) made any necessary revisions and/or amplifications to the draft 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

None

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 report for publication in the preliminary official statement and official statement for Bond financing purposes.

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 report for publication in the preliminary official statement and official statement for Bond financing purposes.

18. The appraiser is not qualified to determine the existence of mold, the cause of mold, the type of mold or whether mold might pose any risk to the property or its inhabitants. Additional inspection by a qualified professional is recommended.

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 A. Segal, 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 Addenda 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.

June 4, 2015

Kevin K. Ziegenmeyer, MAI — DATE

State Certification No.: AG013567 (Expires June 4, 2017)

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.
- 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 Standards and Ethics Education Requirement of the Appraisal Institute.

June 4, 2015

Eric A. Segal, Appraiser
State Certification No.: AG026558 (February 18, 2017)

DATE

PROPERTY DESCRIPTION AND HISTORY

Source: Google Maps

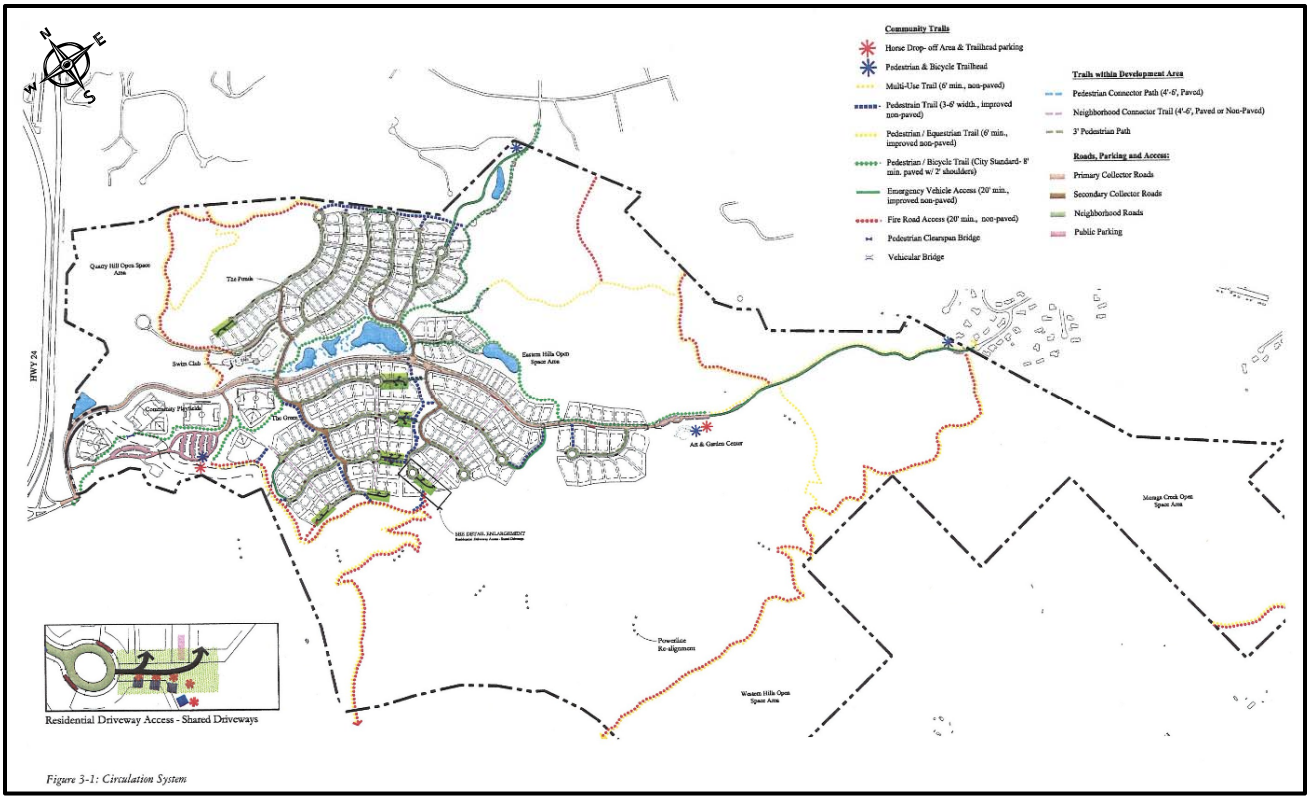
Property Description

The appraised properties comprise the undeveloped single-family residential lots within the boundaries of the District not assessed by the County of Contra Costa Assessor's Office with an improvement value. Specifically, the appraised properties comprise 235 residential lots, on 143 Assessor's parcels, of which 150 are still held by the master developer (OG Property Owner LLC), excluding the model home parcel, and 85 lots that have been sold to individuals or merchant builders. In total, the District contains 245 residential lots. The Orinda Wilder subdivision is located north and south of Wilder Road, southeast of State Highway 24, approximately ½-mile east of the Caldecott Tunnel, with the city of Orinda, Contra Costa County, California.

The Orinda Wilder development contains approximately 1,572 gross acres, including public land use areas such as playfields, roadways and hiking trails. Public land use areas are not subject to the lien of the Special Taxes securing the Bonds; therefore, these areas are omitted from this analysis. The balance of the CFD is devoted to residential uses where the property owner—OG Property Owner LLC—has sold single-family residential lots to both merchant builders and individuals for custom home development. Property within the CFD includes rolling to steep topography. Local hillsides and Highway 24 separate the CFD from other residential development within the city of Orinda, promoting community exclusivity. The Wilder subdivision consists of 245 lots approved for

development. Lots sizes range from approximately 9,700 to 53,944 square feet, with an average of approximately 20,291 square feet. The lots are divided into four minimum lot size categories ranging from 9,000 to 19,500 square feet, with each lot size category accompanied by a maximum home size restriction. Within the smallest minimum lot size category (9,000 square feet), home sizes cannot exceed 2,500 square feet, and within the largest minimum lot size category (19,500 square feet), homes cannot exceed 5,000 square feet. As of the date of inspection (value), the approximately 151 residential lots were in a finished condition, with streets, concrete curbs and gutters, and all utilities extended to each lot. An additional 94 lots (Subdivisions 9223 and 9224) have additional site development remaining prior to recordation of the final map. According to the Developer, approximately $3,360,000 in infrastructure development remain, which will be accounted for herein.

As will be discussed in further detail in the market analysis overviews in this report, Orinda is one of the elite market areas within the East Bay area and commands higher price points due to the area's demographics and desirability. Final subdivision maps have been recorded for all but 94 of the 245 lots comprising the development.



Source: City of Orinda Development Department

The subject has one entrance—Wilder Road—that intersects with State Highway 24 via an overpass. The Wilder subdivision has a Homeowner's Association for management and maintenance of common area and enforcement of Conditions, Covenants and Restricts (CC&Rs).

The subject property is surrounded primarily by single-family residential development and vacant land zoned for open space. Most of the residential development is mature single-family homes that are well-maintained and are in average-to-good condition. According to demographic reports prepared by ESRI Online, as of 2014 89.6% of housing units in Orinda are owner-occupied and 10.4% are rented. Of the occupied housing units, the sale report indicates about 47.8% of the housing units are worth $1,000,000 or more, while approximately 34.3% have values between $750,000 and $999,000 and 12.4% between $500,000 and $749,000.

There are several merchant builders actively marketing homes in Wilder, including Brooks Street Builders, Toll Brothers, Grupe Custom Homes, Taylor Morrison, and a new undisclosed builder. Homes are one and two-stories, plus walk-out basements, and feature 2 or 3-car (full or tandem) garages, and generally range in size from 2,500 to 5,000 square feet.

Sales History

According to public records, 94 parcels have transferred ownership to individual homeowners and/or merchant builders. On April 4, 2014, Taylor Morrison of CA LLC acquired 23 single-family residential lots for a purchase price north of $550,000 per lot (we were not provided the precise acquisition price due to confidentiality), plus the assumption of Bonds ($230,000±). This was the first of a two-phase takedown of 61 lots in bulk. The second takedown occurred on April 30, 2015 for the remaining 38 lots. The acquisition price was established at the time of negotiation, prior to April 2014, and no escalator was reportedly involved in the phasing. The conclusion of value presented herein of $905,000 per lot, inclusive of Bonds, is approximately 13.8% higher than the prior, total sale price; however, as indicated above, the actual sales price was reportedly higher than public records indicate, suggesting the prior sales price is reasonably indicative of market conditions at the time of sale in light of continued strengthening of the residential housing market throughout the Bay Area. This was an arm's length, market transaction with no known unusual contingencies. The buyer/developer is a prominent home builder from the Sacramento region. Additional lots within the subject property have been acquired during the past three years (please refer to the ***Market Value by Assessor's Parcel*** table in the Appendix for a description of the recent transfers within the subject development).

Public records indicate there have been no other transfers of the subject property within three years of the date of value. Further, to the best of our knowledge, the subject property is not being marketed for sale, in bulk, at this time; though, as will be noted later in this report, the Developer did note ongoing negotiations with other merchant builders for lots within the subject property. However, details of the transactions remain confidential at this time.

Strengths, Weaknesses, Opportunities and Threats Analysis (S.W.O.T.)

Strengths:

- Desirable market location
- Move-up home buyer neighborhood location
- Good condition of surrounding homes
- Limited lot supply market

Weaknesses:

- Limited buyer pool for lots and homes

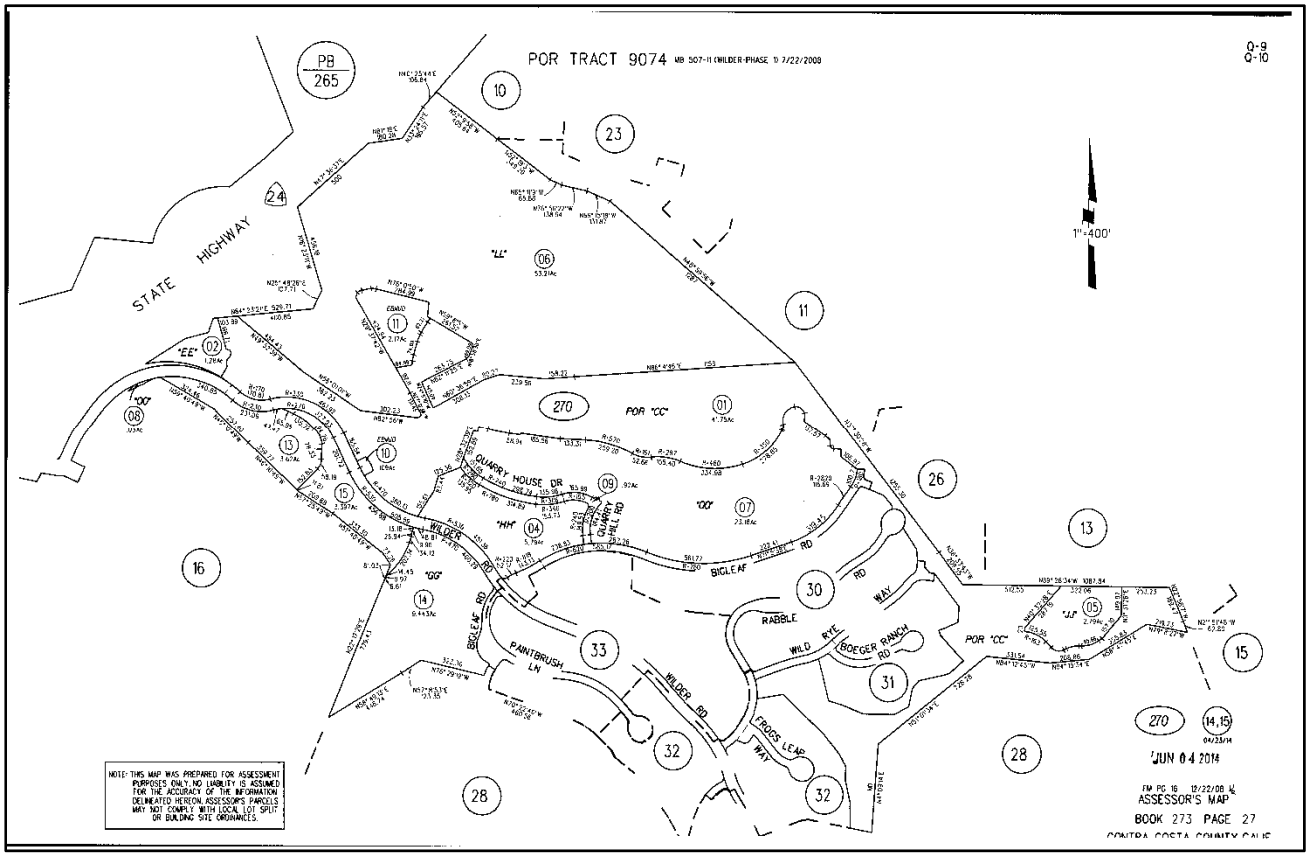
Opportunities:

- Expansionary period of residential market cycle
- Solid local economy and nearby employment base (proximate to San Francisco)

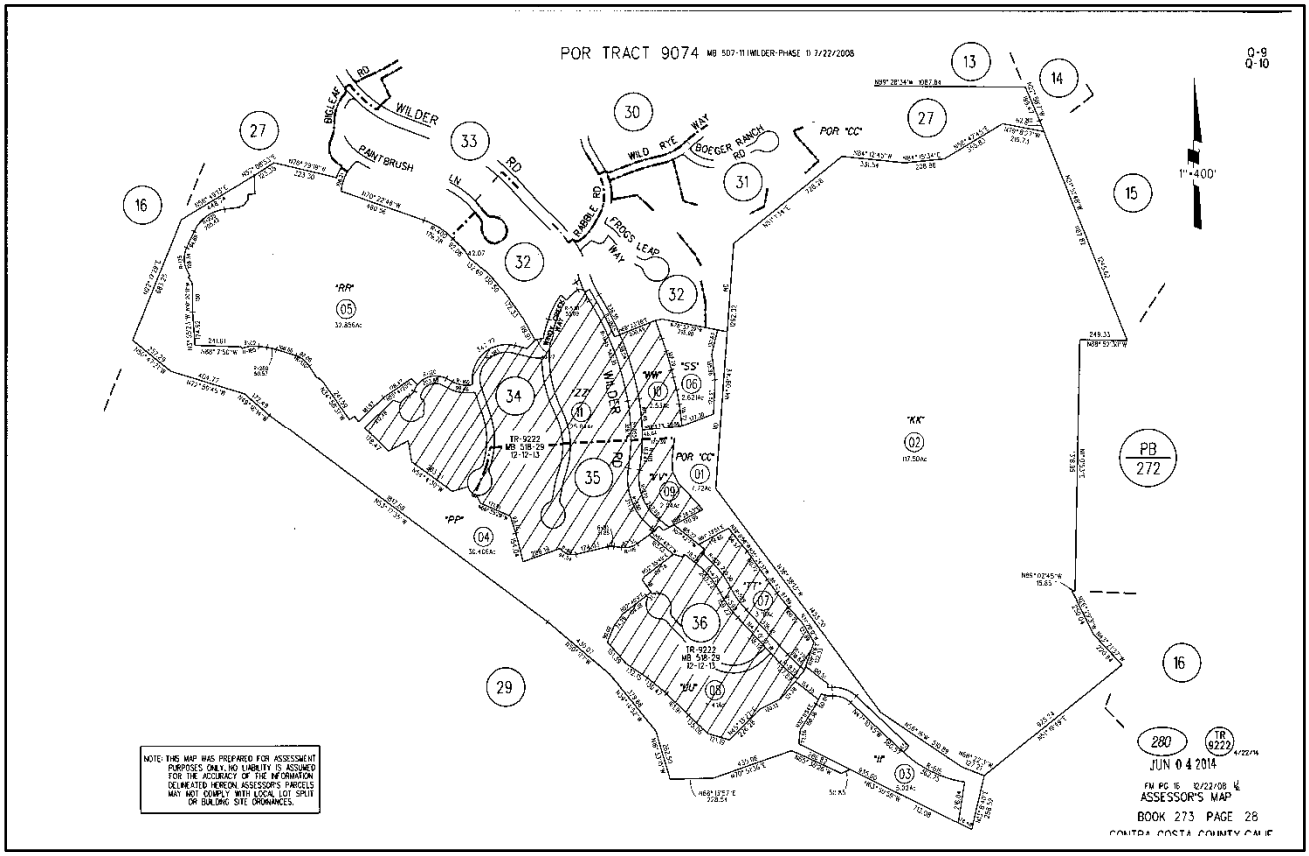
Threats:

- Macroeconomic factors

PROPERTY LEGAL DATA



APN: 273-270-007



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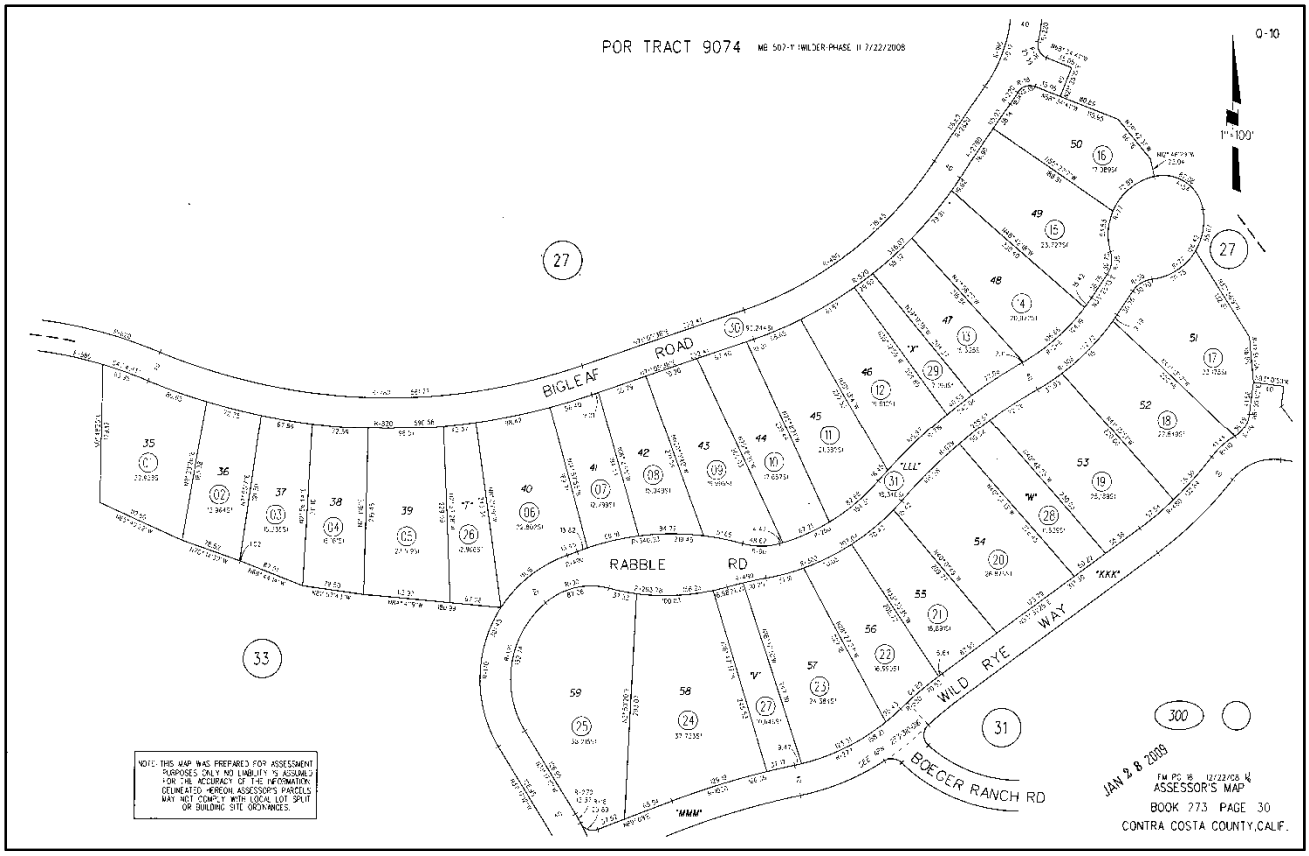
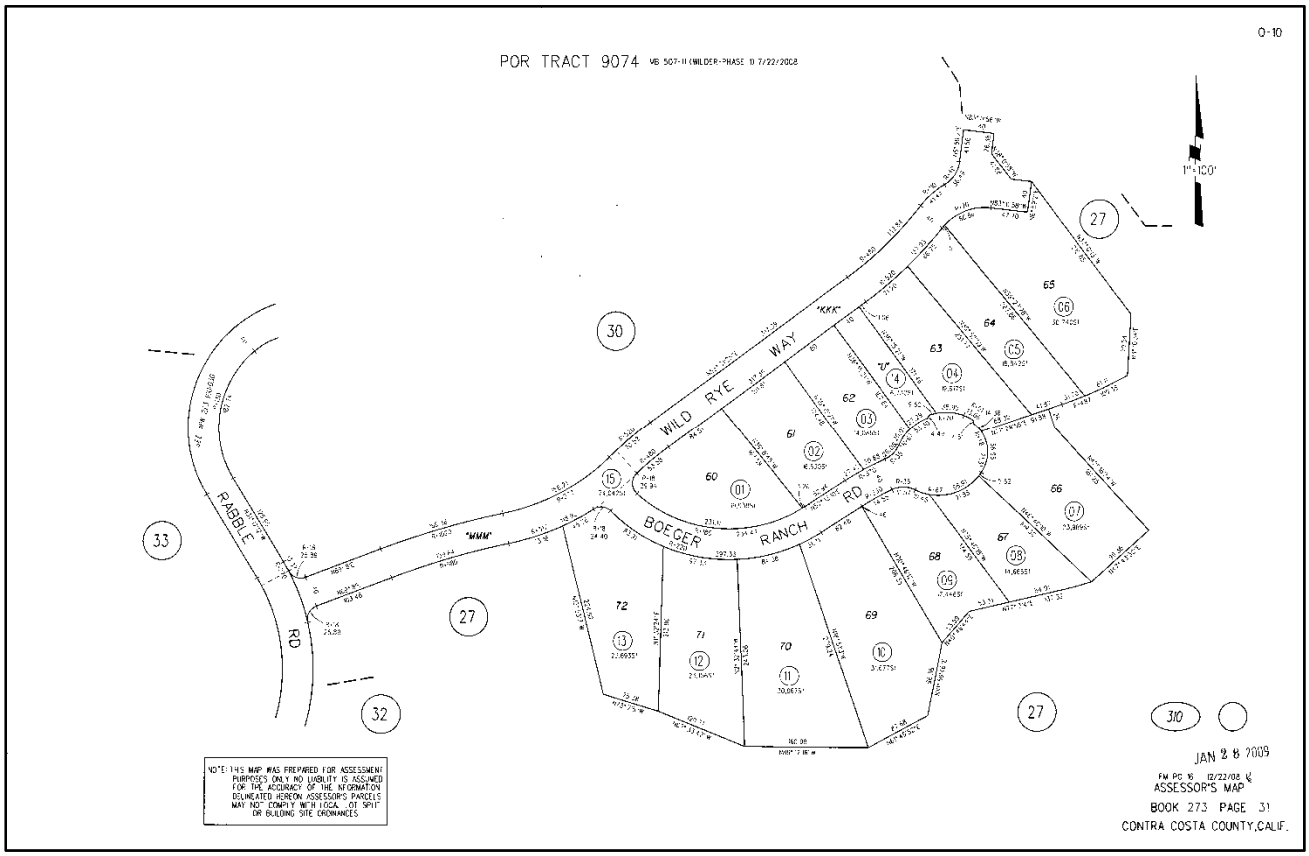
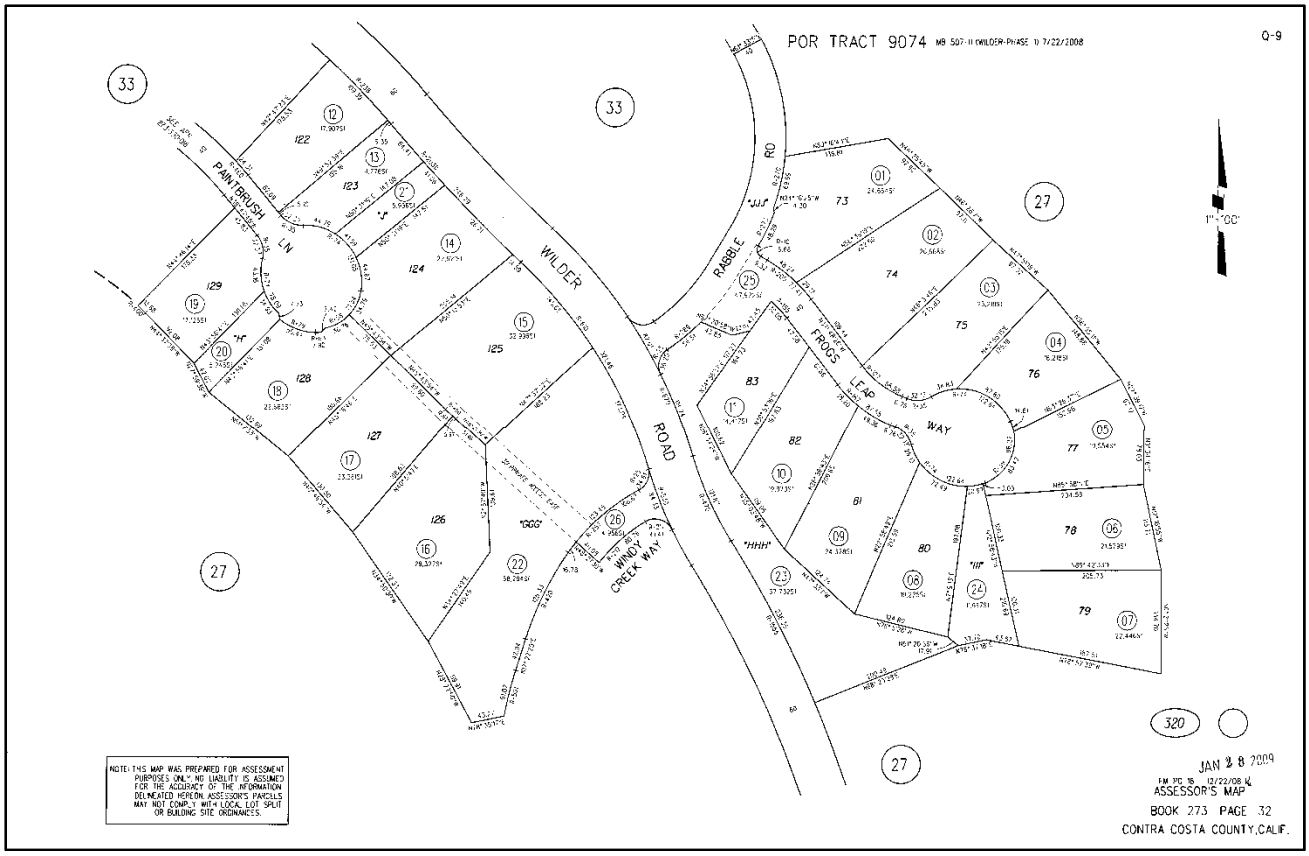


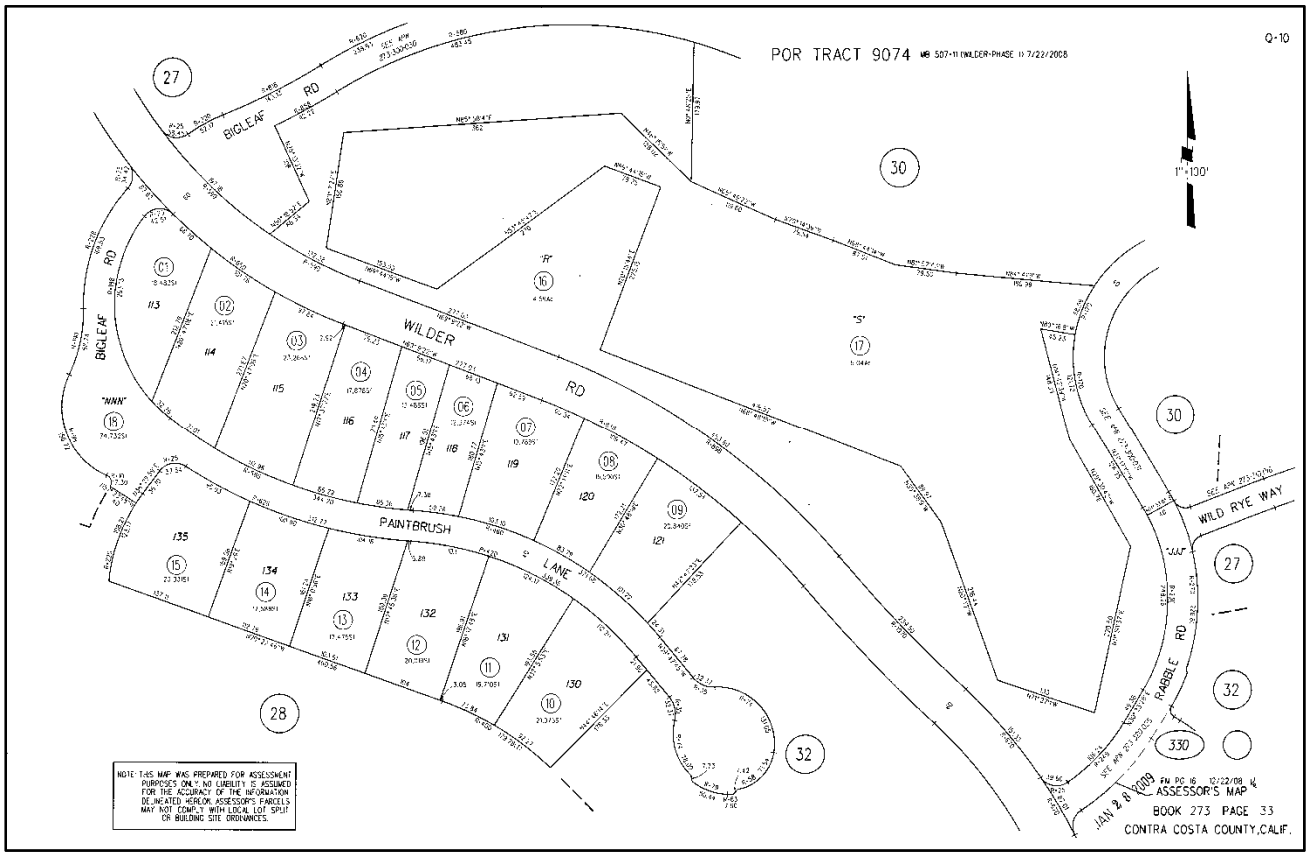
APNs: 273-300-001 thru -006, -008 thru -016, -020, 021 & -025



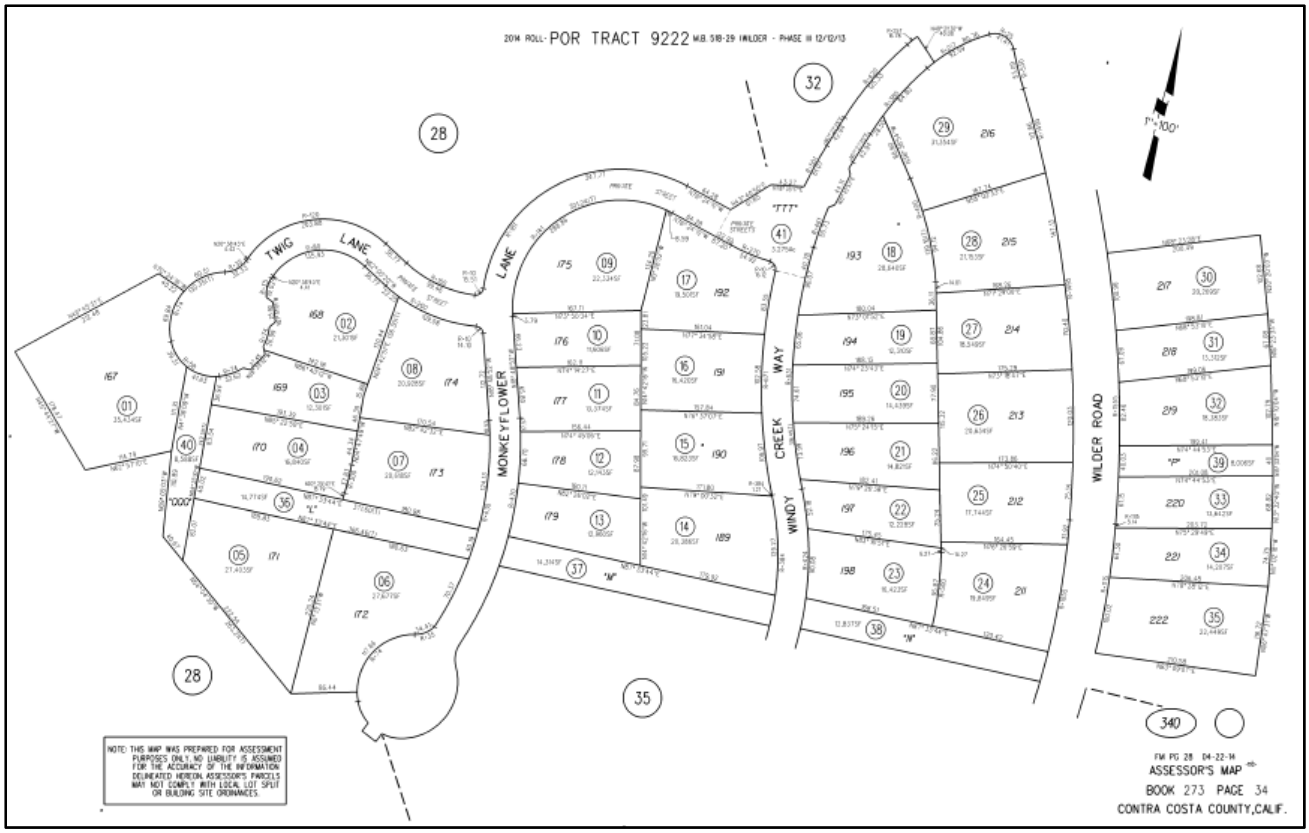
APNs: 273-310-001 thru -005, -007 thru -011 & -013



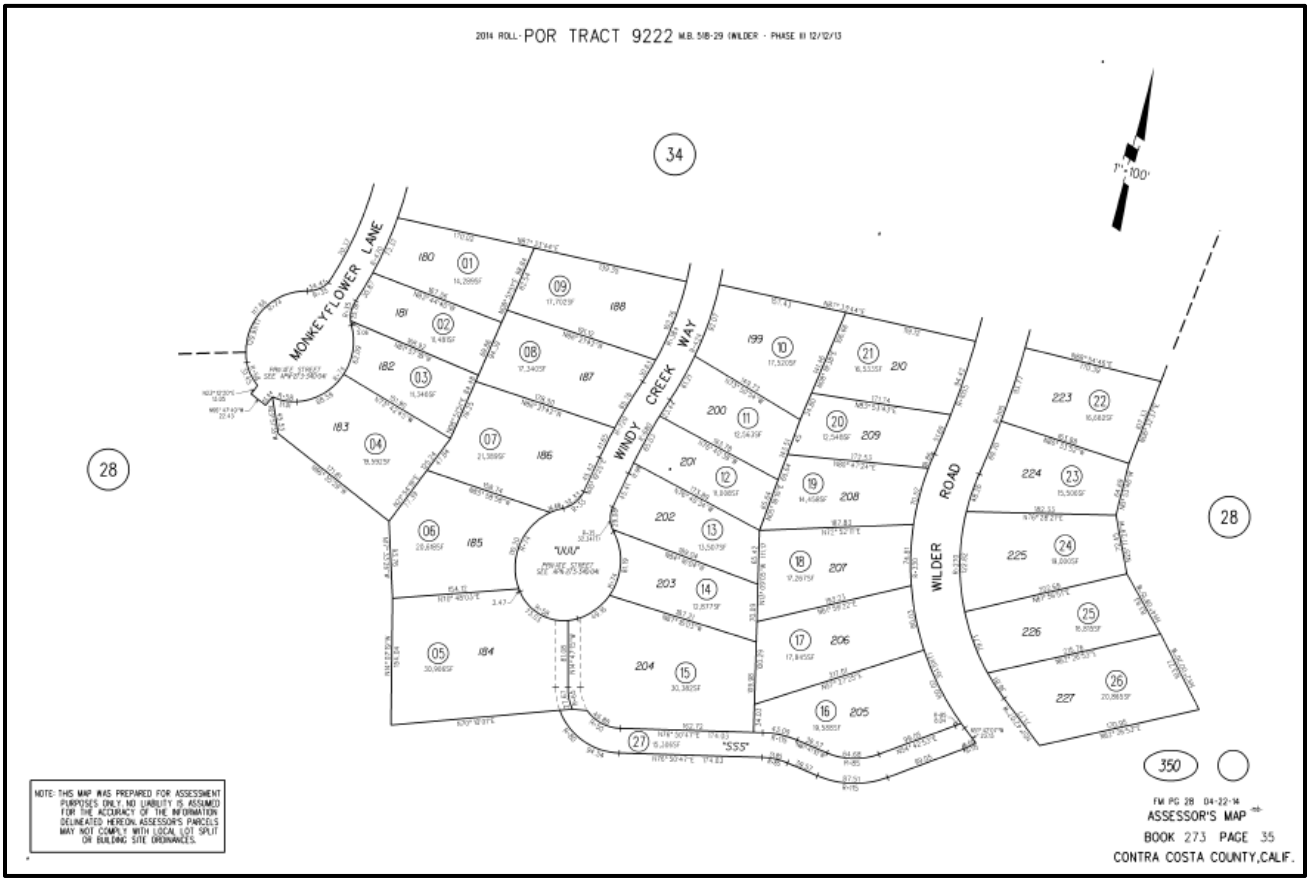
APNs: 273-320-001 thru -019



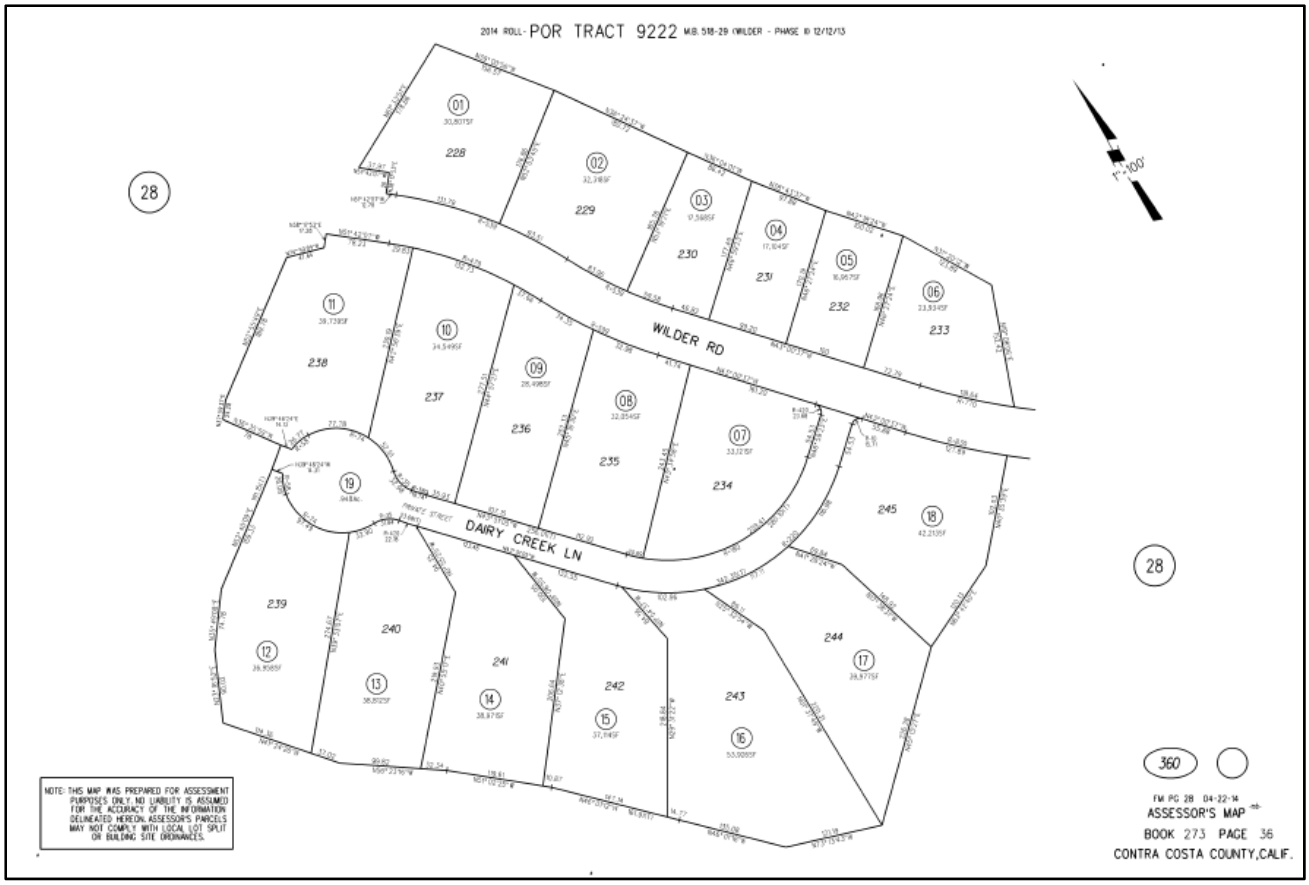
APNs: 273-330-001, -003 thru -015



APNs: 273-340-001 thru -035



APNs: 273-350-001 thru -025



APNs: 273-360-001 thru -018

Assessor's Parcel Number(s)

The appraised properties consist of 143 separate Assessor's parcels, delineated as follows:

Assessor's Parcel Number	APNs	# of Lots	Condition	Ownership
273-270-007	1	34	Partially Improved	OG Property Owner LLC
273-270-005	1	60	Partially Improved	OG Property Owner LLC
273-300-001 thru -006, -008 thru -016, -020, 021 & -025	18	18	Improved	Various
273-310-001 thru -005, -007 thru -011 & -013	11	11	Improved	Various
273-320-001 thru -019	19	19	Improved	Various
273-330-001, -003 thru -015	14	14	Improved	OG Property Owner LLC
273-340-001 thru -035	35	35	Improved	Taylor Morrison of CA LLC
273-350-001 thru -026	26	26	Improved	Taylor Morrison of CA LLC
273-360-001 thru -018	18	18	Improved	OG Property Owner LLC
Total	**143**	**235**		

According to the master developer, a final map was recorded for Subdivision 9224 in December 2014, subdividing the master Assessor's parcel (273-280-005) into 60 individual parcels; however, new Assessor's parcels have yet to be assigned.

Location

The CFD is located within the city of Orinda in Contra Costa County, California. Specifically, the CFD is located just south of Highway 24 at Wilder Road, just east of the Caldecott Tunnel.

Street Addresses

The 245 lots within the Wilder subdivision are, or will be, situated along the following streets: Wilder Road, Bigleaf Road, Fiddleneck Way, Quarry Hill Road, Quarry House Drive, Big Rock Road, Rabble Way, Wild Rye Way, Boeger Ranch Way, Frogs Leap Way, Paintbrush Lane, Coffee Berry Lane, Tom Cat Way, West Hill Way, Grassy Hill Way, Wild Lilac Way, Twig Lane, Monkeyflower Lane, Windy Creek Way and Dairy Creek Lane.

Owner(s) of Record

Please see the ***Market Value by Assessor's Parcel*** table in the Appendix for a description and breakdown of the ownership of the parcels within the District.

Legal Description

A complete legal description, which would be contained in a Grant Deed or Preliminary Title Report, was not provided for use in this analysis.

Conditions of Title

A preliminary title report was not provided for this appraisal. As a result, the appraiser assumes no negative title restrictions or easements affect the appraised properties. The client is advised to obtain a title report to determine any possible conditions of title affecting the properties appraised. The appraiser accepts no responsibility for matters pertaining to title, and the opinion(s) of value stated herein could be negatively impacted by title restrictions.

Property Taxes and Assessments

The property tax system in California was amended in 1978 by Article XIII to the State Constitution, commonly referred to as Proposition 13. It provides for a limitation on property taxes and for a

procedure to establish the current taxable value of real property by reference to a base year value, which is then modified annually to reflect inflation (if any). Annual increases cannot exceed 2% per year.

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

The appraised properties are located in Tax Rate Area 18-001, which has a tax rate of 1.1094%. The appraised properties are also encumbered by several direct charges, most of which are nominal, with the exception of the aforementioned California Statewide Communities Development Authority (CSCDA) Community Facilities District (CFD) No. 2007-1 ($14,891.52 per lot – current year). In additional to the annual Special Tax, buyers of residential lots will have to pay an on-going services tax tied to the California Statewide Communities Development Authority (CSCDA) Community Facilities District (CFD) No. 2007-1 Bonds that is in perpetuity and escalates at 2.0% per year. The current services tax is $2,067 per lot, which is accounted for in the total consideration for each lot (and home) within the Wilder subdivision.

Zoning

Source:	City of Orinda Planning Department
Zoning:	P1 – Planned Unit Development Zone
Description:	This zoning designation provides flexibility for a variety of product types, including single-family residential development. Proposed developments require City approval. The specific purposes of the planned development district are to:

A. Establish a procedure for the development of large parcels of land in both residential areas and downtown in order to reduce or eliminate the rigidity, delay and inequity that otherwise would result from application of zoning standards and procedures designed primarily for small parcels;

B. Ensure orderly and thorough planning and review procedures that will result in quality design and the creation, improvement and preservation of common open space;

C. Encourage design variety and avoid monotony in large developments by allowing greater freedom in selecting the means to provide access, light, open space and amenity;

D. Provide for flexibility, consistent with the general plan, in the application of certain land use and development regulations found in base districts, such as minimum lot size, lot width or depth, and building setbacks or heights, to take advantage of unique land use or site characteristics and to preserve unique or significant environmental features, including view sheds, undisturbed hillsides and ridgelines and wildlife habitat;

E. Encourage the preservation of serviceable existing structures of historic value or artistic merit by providing the opportunity to use them imaginatively for purposes other than that for which they were originally intended;

F. Provide for the protection of the public health, safety and welfare by allowing flexibility in site design and improvement to either avoid or remedy areas subject to hazard, including steep slopes, unstable soil conditions and lands subject to flooding;

G. Allow for the use of the planned development zone only where there is a clear, defined benefit to the citizens of Orinda when contrasted with development options of a different base zone for the subject property. The planned development zone shall not be used as a means to enhance development potential of lands which otherwise may not be able to be developed.

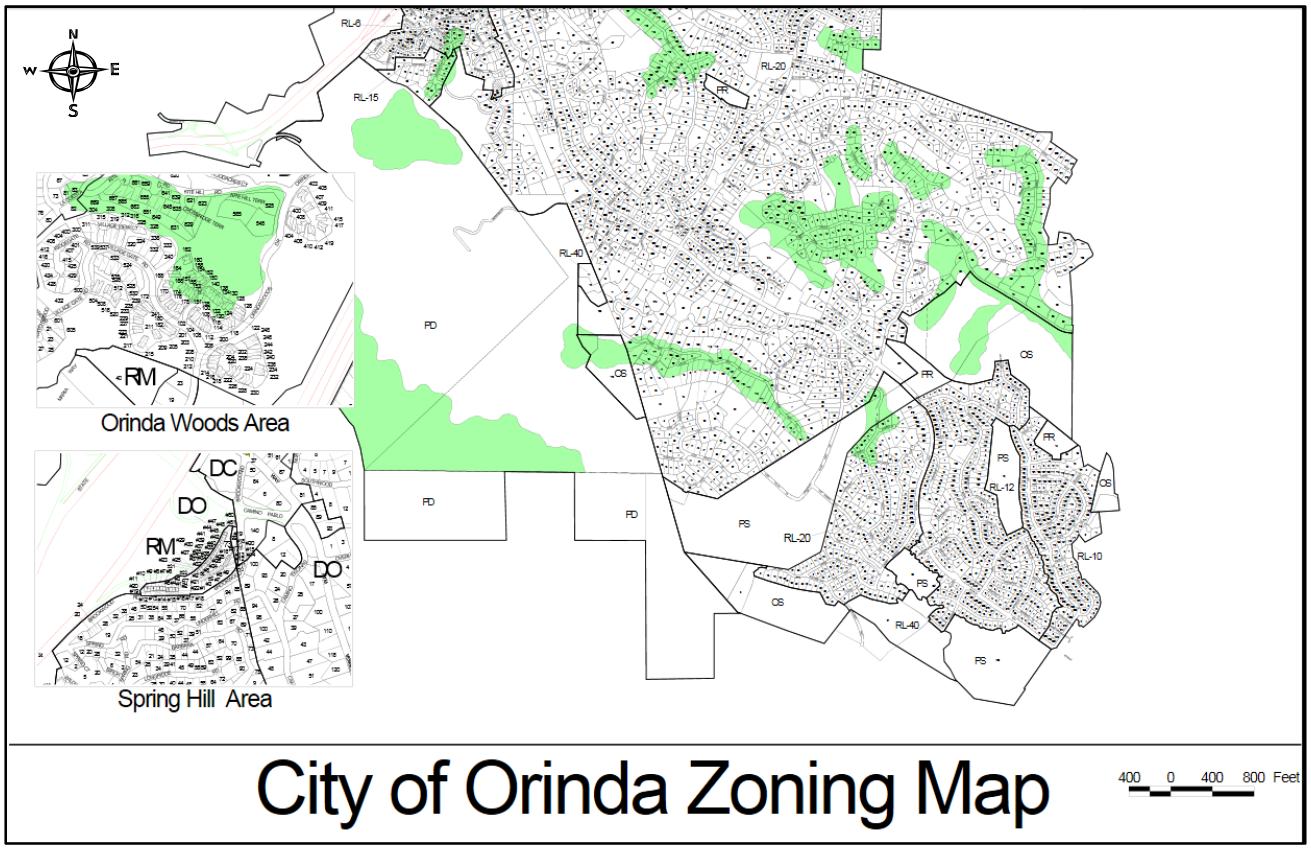
On March 15, 2005, the City of Orinda adopted the Development Agreement and Conditions of Tentative Map Approval. The City also certified the Supplemental Environmental Impact Report on this date. On November 29, 2005, the City approved the Vesting Tentative Map and Final Development Plan. As approved, the project includes:

- A maximum of 245 market-rate single-family residential units;
- Five playfields (including two illuminated fields and two artificial turf fields), a community park, a recreation and maintenance yard, and associated parking;
- A private swim club;
- A network of trails within the development and in the open space areas surrounding the development portion of the project;
- Re-routing of the existing 115kV Moraga-Claremont power

line from an east-west alignment across the valley to a north-south alignment around the valley; and

- Preservation of approximately 775 acres of open space.

A zoning map for the Wilder project and a portion of the city of Orinda is presented below:



Source: City of Orinda Development Department

Flood Zone

Source:	Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map (F.I.R.M.)
Flood Zone:	Zone X - Areas to be outside the 0.2% annual chance floodplain
Map Panel:	06013C 0406F
Panel Date:	June 16, 2009
Flood Insurance:	Not required

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

is assigned to areas near major faults. Zone 3 is assigned to areas with more moderate seismic activity. In addition, the subject is not located within a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone) as defined by Special Publication 42 of the California Department of Conservation, Division of Mines and Geology.

Easements

An inspection of the subject property revealed no apparent adverse easements, encroachments or other conditions currently impacting the subject. There are high-voltage power lines are located around the perimeter of the project; though, these high-voltage power lines are typical of the area and do not impact development of the lots. The exact locations of typical roadway and utility easements, or any additional easements, which would be referenced in a preliminary title report, were not provided to the appraiser. The appraiser is not a surveyor nor qualified to determine the exact location of easements. It is assumed any easements noted in a current preliminary title report do not have an impact on the opinion(s) of value as provided 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.

SITE DESCRIPTION

Source: Google Maps; aerial photograph is dated

Lot Sizing, Land Area, Number of Lots and Density:

The CFD contains 245 lots and public use areas on approximately 1,572 gross acres. The residential component of the CFD contains approximately 119 gross acres, which equates to a density of approximately 2.06 units per acre. Approximately 775 acres within the CFD will be preserved as open space. The Final Development Plan divided the subject property into the following lot size categories:

Max. Lot Size	Max Floor Area	No. Of Lots
9,000 SF	2,500 SF	42
12,500 SF	3,800 SF	38
16,400 SF	4,500 SF	79
19,500 SF	5,000 SF	86
		245

The lot size categories are checkered throughout the subdivision. Overall, lot sizes range from approximately 9,073 to 53,944 square feet, with an average of approximately 20,291 square feet. There are 18 lots at the southern end of Wilder (Subdivision 9222) referred to as estate lots, which command the best views and lot orientations – these lots are projected to achieve lot premiums above the typical lot.

Shape:	Irregular, yet not so irregular as to materially impact development.
Topography:	The topography of the subject property is rolling to steep.
Vegetation:	Annual native grasses and trees (open space areas)
Adjacent Uses:	
North	State Highway 24
East	Single-family residential development
South	Western Hills and Moraga Creek Open Space Areas
West	Robert Sibley Regional Preserve/Caldecott Tunnel
Access, Frontage, Visibility:	The Wilder subdivision has frontage along the south line of Highway 24. Access from Highway 24 is provided by the Wilder Road interchange (overpass). Overall, the accessibility and visibility of the property are good.
Utilities:	Electricity, telephone, and public water and sewer have been extended throughout the subject property. The CFD's water supply and wastewater treatment will be provided by the East Bay Municipal Utilities District (EBMUD) and the Central Sanitary District, respectively. The subject property was required to construct a water storage tank on site, which is located at the western terminus of Quarry House Drive. Upon completion of remaining site development, utilities will be extended to each of the subject's 94 unimproved lots.
Offsite Improvements:	Streets only
Drainage:	It is assumed drainage will be adequate based upon the existing site development and completion of remaining site development for the Wilder project.
Soils:	A soils study was not provided for use in this analysis. However, as part of the entitlement process, significant studies were conducted regarding the stability of soils and grading slopes. The appraisers are not aware of any adverse soil conditions impacting the subject property. It is assumed the subject property has adequate load-bearing capacity for development based on existing homes within Wilder and within adjacent subdivisions.
Wetlands/Oak Tree Preservation:	Not applicable (reflected in the significant open space element)
Environmental Issues:	At the time of inspection, the appraiser did not observe the existence of hazardous material, which may or may not be

present on the properties. The appraiser has no knowledge of the existence of such materials on the properties. However, the appraiser is not qualified to detect such substances. The presence of potentially hazardous materials could affect the value of the properties. The value estimate 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 any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field if desired.

Site Development Costs: The Developer indicates approximately $3,360,000 in remaining development costs are required for Subdivisions 9222, 9223 and 9224, which will be accounted for in the valuation of the master developer component.

Time to Complete: Based on the Developer's projections, site development for the remaining lots within Wilder will be completed within 12 months of the date of inspection (April 8, 2015).

Conclusion: Overall, the subject property is functional in terms of its size, topography, shape and overall location within the market area. There appears to be no unusual or restrictive physical limitations of the property, besides the onerous open space requirements, which are already set aside and considered a positive feature of the project. The subject property is considered physically suitable for development.

SUBJECT PHOTOGRAPHS

Looking southeast along Rheem Boulevard

Looking northwest along Rheem Boulevard

Looking south from Boeger Ranch Way

Home under construction – Frogs Leap Way

Looking west from Frogs Leap Way

Looking south from Boeger Ranch Way

Westerly view from Paintbrush Lane

Easterly view from Paintbrush Lane

Southerly view across Wilder

Quarry House – Community Building and Pool

Northeasterly view of Wilder

Completed Single-Family Residences

Easterly view

Northerly view

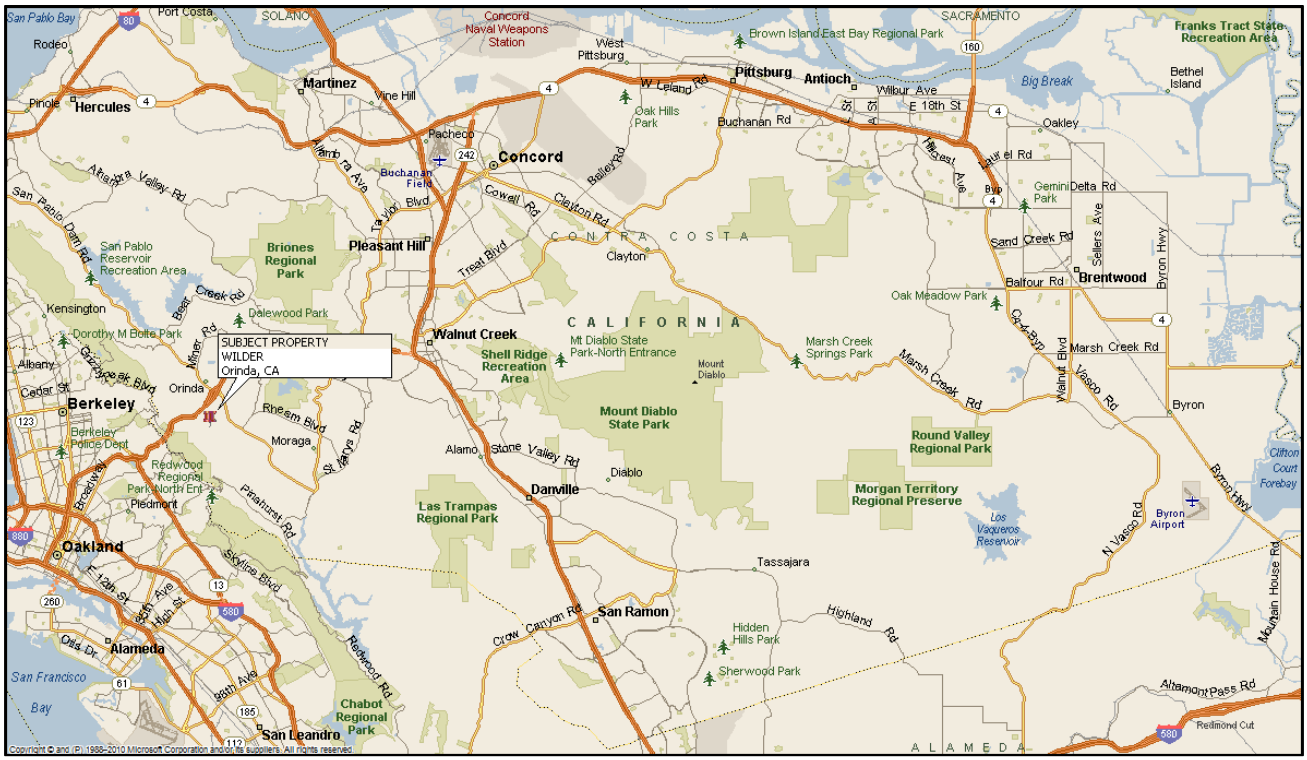
Westerly view across Subdivision 9224

Northerly view across Wilder

Southerly view from Dairy Creek Lane

Southerly view across Wilder

CONTRA COSTA COUNTY



Introduction

Contra Costa County spans nearly 800 square miles, extending from the northeastern shore of the San Francisco Bay approximately 50 miles inland. The county is situated between Suisun and San Pablo Bays to the north, San Joaquin County to the east, Alameda County to the south and the San Francisco Bay to the west. Located in what is referred to as the East Bay region, Contra Costa County is part of one of the nation's largest urban centers, the San Francisco Bay Area. Surrounding counties include Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma.

Areas of rapid economic growth and development mark the county, but it still has maintained large portions of land dedicated to rural, recreational and industrial uses. Most development is regionally clustered, with the western and northern shorelines being highly industrialized and the interior sections of the county exhibiting mostly residential and commercial development. Nearly 85% of the county's residents reside within incorporated cities. The largest of those urban areas are Concord, Richmond and Antioch. The city of Martinez, located near the Carquinez Straits to the north of Contra Costa County, houses the county's governmental offices. Growth is particularly strong in the eastern portion of the county.

Population

Contra Costa County has a population of over 1 million, and has shown moderate growth over the

past five years, with an average annual growth rate of 0.9%. The most populous cities are Concord, Richmond and Antioch. The cities experiencing the highest rates of growth in recent years are San Ramon, Oakley and Brentwood.

The following table illustrates population trends for areas within Contra Costa County over the past few years.

POPULATION TRENDS							
City	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**%/Yr**
Antioch	100,956	102,277	103,055	103,950	105,272	106,455	1.1%
Brentwood	50,997	51,453	52,030	52,634	53,356	54,741	1.5%
Clayton	10,813	10,899	10,942	11,008	11,109	11,200	0.7%
Concord	121,285	122,109	122,599	123,344	123,993	124,656	0.6%
Danville	41,712	42,067	42,217	42,498	42,783	43,146	0.7%
El Cerrito	23,350	23,552	23,649	23,801	23,945	24,087	0.6%
Hercules	23,938	24,079	24,153	24,299	24,438	24,572	0.5%
Lafayette	23,696	23,895	24,024	24,186	24,347	24,659	0.8%
Martinez	35,630	35,846	36,055	36,264	36,629	36,842	0.7%
Moraga	15,929	16,019	16,076	16,168	16,260	16,348	0.5%
Oakley	34,226	35,351	35,998	36,573	37,308	38,075	2.2%
Orinda	17,484	17,647	17,714	17,839	17,951	18,089	0.7%
Pinole	18,335	18,376	18,461	18,581	18,692	18,794	0.5%
Pittsburg	62,201	63,181	63,735	64,779	65,435	66,368	1.3%
Pleasant Hill	32,963	33,175	33,280	33,477	33,682	33,872	0.6%
Richmond	102,887	103,764	104,382	105,004	105,715	106,138	0.6%
San Pablo	29,232	29,245	28,931	29,137	29,309	29,465	0.2%
San Ramon	69,428	71,788	73,111	74,753	76,429	77,270	2.3%
Walnut Creek	63,786	64,240	64,710	65,306	65,780	66,183	0.8%
Unincorporated	159,542	158,985	161,184	162,996	163,996	166,048	0.8%
Total	**1,038,390**	**1,047,948**	**1,056,306**	**1,066,597**	**1,076,429**	**1,087,008**	**0.9%**

Source: California Department of Finance

The technology bubble of the late 1990s had a considerable impact on Contra Costa County. With a heavy push from surrounding, higher cost-of-living counties, Contra Costa saw a rapid influx of new single-family homes and residential communities. While the county's average home price is higher than California as a whole, within the Bay Area, Contra Costa County is considered a reasonably priced market.

Transportation

The East Bay is an integral part of California's transportation infrastructure. From the region, it is possible to ship freight by highway, air, rail and sea, providing direct access to many of the world's most lucrative markets. The economic developments that occur in Contra Costa County are aided by its highly integrated transportation system, which ranks among the best in the country. Highway

transportation is provided by State Highway 4, connecting the cities of Pittsburg, Brentwood, Oakley and Antioch to Interstates 680 and 80 to the west. Interstate 80 connects Richmond with Oakland to the south and Sacramento to the north. It also connects with the Bay Bridge, providing access to San Francisco. Interstate 680 connects with State Highway 4 near Concord, providing access to the cities of Concord, Pleasant Hill and Walnut Creek.

The state freeways and county highways are supplemented by the rapid-transit systems, BART (Bay Area Rapid Transit), and AC (Alameda/Contra Costa) Transit bus service. Amtrak trains provide service to Contra Costa County and run northward to Sacramento and the Pacific Northwest, southward to San Jose/Silicon Valley and Los Angeles, and eastward to the eastern United States. Freight transportation is aided by the Santa Fe and Union Pacific Railroads, whose main lines serve both the industrial coastal areas as well as the inland farm region. With the congestion that currently exists and the growth that is forecast, governmental entities including the cities of Pittsburg, Antioch, Oakley, Brentwood, Contra Costa County, Tri Delta Transit, Bay Area Rapid Transit District, and the Metropolitan Transportation Commission have formed a partnership to bring public transportation called eBART to East county. eBART is a system that consists of light weight, self-propelled rail cars known as Diesel Multiple Units (DMUs) running from the current Pittsburg-Bay Point BART station in the median of SR 4 and then moving onto the Mococo line of the Union Pacific Railroad. Six stations are currently proposed.

Several ports, including facilities in Richmond, Crockett and Martinez, lie along the county's major adjacent bodies of water: Suisun Bay, San Pablo Bay, and the channel that connects them, the Carquinez Straits. These waterways provide ocean transport service and terminals, which give local industry access to markets in the Far and Middle East as well as Central and Latin America. A County-owned public airport, Buchanan Field, is located in Concord and offers general aviation and cargo service. This service is further supplemented by international passenger capabilities of both the Oakland and San Francisco International airports.

Employment & Economy

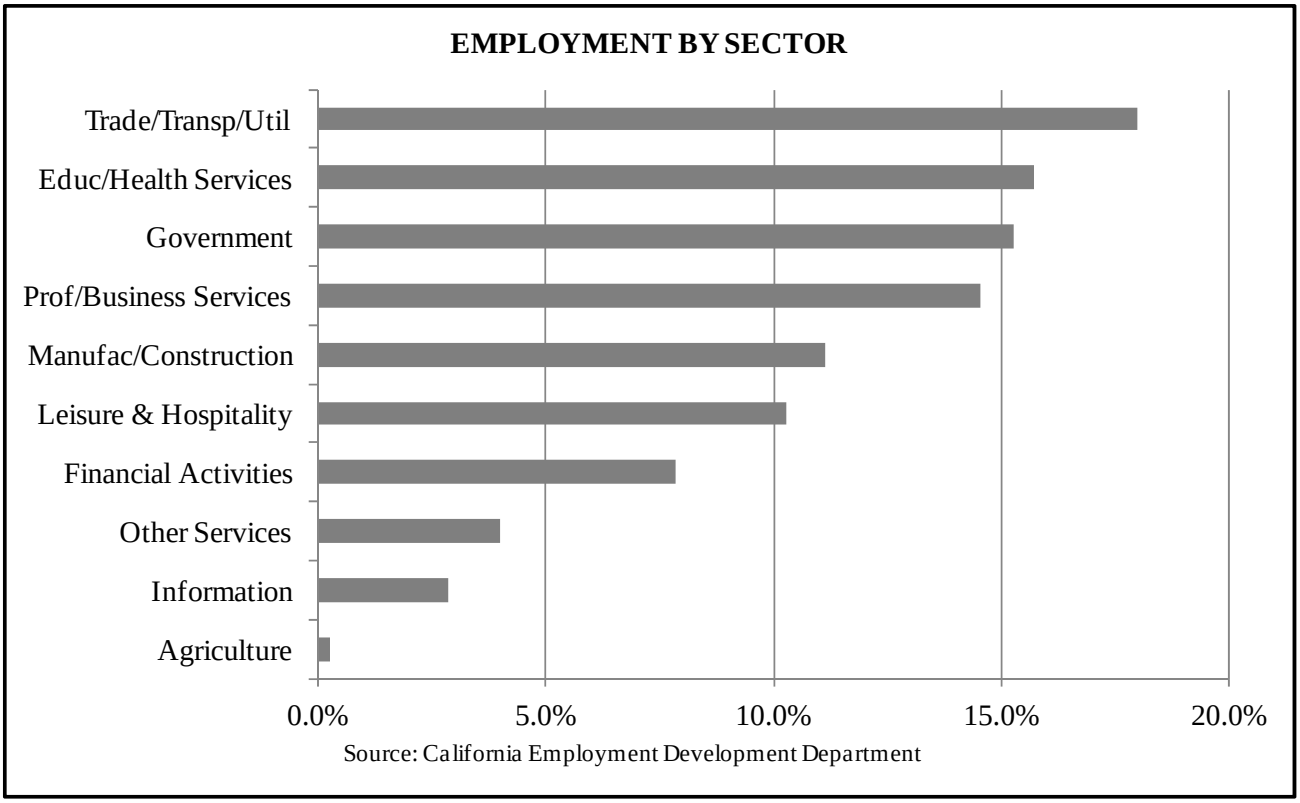
The California Employment Development Department has reported the following employment data for Contra Costa County over the past several years.

EMPLOYMENT TRENDS						
	2009	2010	2011	2012	2013	Dec. 2014
Labor Force	525,100	524,200	529,200	535,700	538,900	544,300
Employment	471,700	465,900	474,300	487,800	499,100	516,400
Job Growth	(20,500)	(5,800)	8,400	13,500	11,300	17,300
Unemployment Rate	10.2%	11.1%	10.4%	8.9%	7.4%	5.1%

Source: California Employment Development Department

The unemployment rate in Contra Costa County was 5.1% in December 2014, which compares to rates of 7.0% for California and 5.6% for the U.S. Most areas within the state and nation, including Contra Costa County, saw unemployment rates decline from 2004-2006, increase from 2007-2010, and decline during 2011-2014.

Contra Costa County has a diverse economy, with no one sector accounting for a majority of the employment in the region. The following chart indicates the percentage of total employment for each sector within the county.



As can be seen in the chart above, the area's largest employment sectors are Trade, Transportation and Utilities (which includes retail and wholesale trade); Educational and Health Services ; Government; and Professional and Business Services.

The following table lists the largest private employers in the county.

LARGEST PRIVATE EMPLOYERS

Employer	Employees	Industry
Chevron Corporation	1,500	Oil refiner
Doctors Medical Center	1,500	Healthcare
John Muir Health	1,223	Healthcare
Texaco Inc.	1,000	Oil refiner
CKS Employee Benefit Systems	984	Employee benefits
Contra Costa Newspapers, Inc.	960	Publisher
DMC Foundation	930	Healthcare
St. Mary's College of California	917	Education
Walmart Stores	759	Retailer

Source: Contra Costa County, Comprehensive Annual Financial Report, June 30, 2014

Other major employers in the region include Contra Costa County, various city governments and school districts, Diablo Valley College, Aetna Health Services, Bay Area Rapid Transit (BART), Berlex Biosciences, Concord Naval Weapons Station, Martinez Refining and Tesoro Refining.

Household Income

Median household income represents a broad statistical measure of well-being or standard of living in a community. The median income level divides households into two equal segments with one half of households earning less than the median and the other half earning more. The median income is considered to be a better indicator than the average household income as it is not dramatically affected by unusually high or low values. In the year 2013 (most recent data available from the U.S. Census Bureau), Contra Costa County's median household income was $78,909, which was significantly higher than the state of California's median income of $60,185. The county ranks fourth in the state in household income (after Marin, Santa Clara and San Mateo).

Recreation & Community Facilities

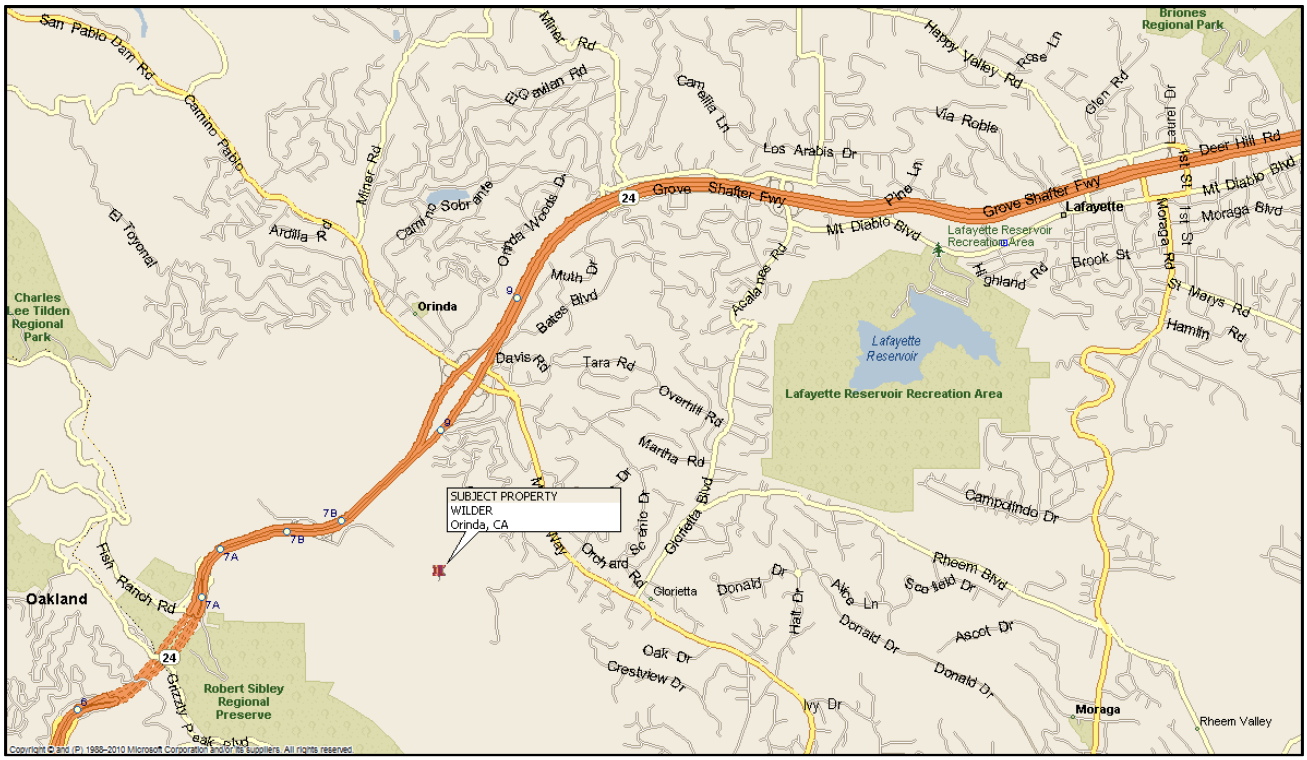
The county is home to several regional parks and three state parks. Franks Tract State Recreation Area is a water-accessible only area located north of the county and utilized by anglers and waterfowl hunters; the John Marsh State Park is located near Brentwood; and a pristine ecological treasure, Mount Diablo State Park is located in central Contra Costa County. Two national historic sites can also be found in the county, the home of Nobel Prize winner Eugene O'Neill in Danville and the former residence of famous naturalist John Muir in Martinez. As with virtually all major metropolitan areas, a multitude of public parks, health clubs and golf courses can be found throughout the county.

Contra Costa County provides higher education to its residents via three junior colleges, Contra Costa College, Diablo Valley College and Los Medanos College. The county is also host to a handful of private, four-year institutions, foremost of which is Saint Mary's College in Moraga, enrolling over 4,000 students annually. K-12 education is segmented into eight school districts throughout the county, offering services to nearly 200,000 youth.

Conclusion

Contra Costa County has experienced steady population growth, averaging 0.9% per year over the past five years. Most of this growth has been due to in-migration of businesses and residents from more expensive Bay Area counties. The county's economy continues to diversify and represents one of the more stable regional economies in California. Housing in the county remains more affordable compared with much of the rest of the Bay Area. After a period of contraction in the economy and real estate markets around 2008-2010, the region has seen improvement in employment and economic conditions over the past few years. The near-term outlook is for continued growth.

NEIGHBORHOOD



Introduction

This section of the report provides an analysis of the observable data that indicate patterns of growth, structure and/or change that may enhance or detract from property values. For the purpose of this analysis, a neighborhood is defined as "a group of complementary land uses; a congruous grouping of inhabitants, buildings or business enterprises."[3]

Neighborhood Boundaries

The boundaries of a neighborhood identify the physical area that influences the value of the subject property. These boundaries may coincide with observable changes in prevailing land use or occupant characteristics. Physical features such as the type of development, street patterns, terrain, vegetation and parcel size tend to identify neighborhoods. Roadways, waterways and changing elevations can also create neighborhood boundaries. The subject property is located in the city of Orinda, in the East Bay (western part of Contra Costa County). The neighborhood is generally defined by the city limits.

Demographics

According to demographic reports prepared by STDB Online, current demographics within the city of Orinda are summarized in the table on the following page.

[3] The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute, 2010), 133.

Population (2014)	16,322
Population (2019), % change	16,943 persons, +3.80%
Median Age	46.6
Number of Households	5,665
Average Household Size	2.59
% of Households Owner-Occupied	83.8%
% of Households Renter Occupied	16.2%
Median Household Income	$135,977

As reported by DataQuick Information Services, the median resale home price in Orinda as of March 2015 (latest available) was $1,225,000 (40 home sales), which marks an increase of 11.5% from the same period last year. Within Contra Costa County, Moraga has the fourth highest median resale home price, following Diablo ($2,300,000, with two home sales), Alamo ($1,401,000, with 20 home sales) and Lafayette ($1,375,000, with 30 home sales).

According to the California Employment Development Department, the city of Orinda has an unemployment rate of 2.5% as of March 2015 (latest available). This compares favorably to the Contra Costa County unemployment rate of 5.0%, the State's unemployment rate of 7.1% and the national unemployment rate of 5.5%.

Transportation

Orinda is situated immediately east of the Caldecott Tunnel on State Highway 24. The commute time to San Francisco averages about 30 minutes. Highway 24 is a heavily traveled east-west freeway that links the city of Walnut Creek, and the Interstate 680 corridor, with the city of Oakland, terminating at Interstate 580. Interstate 680, approximately 10 miles east of Orinda, is a north-south freeway that provides a link with Interstate 80, in the city of Fairfield, Solano County, with the south bay city of San Jose in Santa Clara County. Travelers on Highway 24 from the west pass through the Caldecott Tunnel to enter Orinda. Since it opened in 1937, the Caldecott Tunnel has connected Alameda and Contra Costa Counties.

Moraga Way is a major north-south roadway through the city of Orinda, and links Orinda with the community of Moraga to the south, where it terminates with Canyon Road/Moraga Road. To the north, Moraga Way provides direct access to State Highway 24. Interstate 580 provides access to San Leandro, Oakland, and Berkeley to the west, before joining Highway 101 in San Rafael. To the east, I-580 travels to Livermore before terminating south of Tracy at Interstate 5. Interstate 680 spans the length of the East Bay Area and provides access to Danville, Walnut Creek and Concord to the north before terminating at Interstate 80. To the south, Pleasanton, Fremont, and Milpitas can be reached via I-680 before terminating in San Jose.

Orinda is served by a Bay Area Rapid Transit District (BART) station, located on Camino Pablo at the Highway 24 overpass. Situated adjacent to Theater Square, the Orinda BART station is only a short walk from most of Orinda's downtown area. The BART carries riders to downtown San Francisco in less than half an hour, and to downtown Oakland in less than 15 minutes.

The County Connection (Central Contra Costa Transit Authority, or CCCTA) operates bus routes within central Contra Costa County. Major international airports within a one-hour drive are located in Oakland and San Francisco.

Land Uses

The city of Orinda contains mostly residential development, with a good balance of supporting commercial and community uses. Existing residential development in the area consists primarily of single-family homes constructed over the past several decades, with many representative of vintage single-family homes situated on larger lots, similar to the subject's lots. The homes are well-maintained and are in average-to-good condition. According to demographic reports prepared by ESRI Online, as of 2014 89.6% of housing units in Orinda are owner-occupied and 10.4% are rented. Of the occupied housing units, the sale report indicates about 47.8% of the housing units are worth $1,000,000 or more, while approximately 34.3% have values between $750,000 and $999,000 and 12.4% between $500,000 and $749,000.

Retail and office development in Orinda is primarily concentrated along Camino Pablo, Orinda Way, Brookwood Road and Moraga Way, near the center of town and at the intersection of State Highway 24 (as shown in the map on the next page). The primary grocery store serving the subject neighborhood is a Safeway, situated between Camino Pablo and Orinda Way, north of State Highway 24, within approximately two miles of the subject property. South of Highway 24 is a CVS Pharmacy and BevMo, along with a number of inline retail stores. Additional retail services are located in Lafayette, just east of Orinda.

Source: Google

Community Uses

There are several community uses in the neighborhood, such as schools, churches, parks, and recreational and cultural facilities. Some of the most predominate community uses in the town of Moraga are summarized below:

- Sierra Valley recreation Area;
- Orinda Oaks Park;
- Orinda Community Center;
- Given its natural terrain and its location among ridgelines, Orinda offers many hiking trails.
- Orinda Country Club consists of a an historic Spanish-style clubhouse with restaurant, swimming pool, fitness club, tennis facilities and an 18-hole championship golf course.

Finally, Orinda is well known for its schools, the Orinda Union School District, one of the highest performing districts in the state, which attract people from surrounding cities (Berkley, Oakland, San

Francisco, Walnut Creek, Martinez, etc.). The Orinda Union School District includes four elementary schools (kindergarten through fifth grades) and one intermediate school (sixth through eighth grades). The Acalanes Union High School District (serving 9th through 12th grades) includes three high schools that serve the Orinda, Lafayette and Moraga communities (the fourth high school is located in Walnut Creek). The Miramonte High School is located in Orinda, on Moraga Way. For higher education, Saint Mary's College of California is located southeast of Orinda, in the town of Moraga. This is a Catholic university that was founded in 1863, but moved its campus to Moraga in 1928, and has about 4,300 undergraduate and postgraduate students.

Conclusion

In conclusion, the city of Orinda is characterized by mature and newer residential development with supporting commercial development. Orinda's location in proximity to the Oakland Metropolitan Statistical Area and the San Francisco Metropolitan Statistical Area, with access provided by State Route 24 and the Caldecott Tunnel under the Berkeley Hills, has led to elevated property values and demand. Additionally, with immediate access to BART, residents can arrive in the city of San Francisco within, on average, 30 minutes. Overall, considering the lack of remaining developable land within the city of Orinda, the subject property is well positioned to benefit from the demand of market participants seeking attractive communities located in proximity to the employment centers of both the Bay Area and East Bay Area (Interstate 680 corridor).

RESIDENTIAL MARKET

The subject property is located in the city of Orinda in the East Bay Area of western Contra Costa County, approximately 13 miles east of Oakland and the Bay Bridge. The subject's area is separated from the Berkeley and Oakland areas by the Caldecott Tunnel. East of this tunnel are the cities of Orinda, Lafayette and Walnut Creek, which are all connected by Highway 24, and the town of Moraga. South of Walnut Creek are the cities of Alamo and Danville along Interstate 680. These communities are contiguous to one another and are very similar in terms of residential character to the city of Orinda. Of these communities, however, less residential construction has occurred in Moraga, Orinda, Lafayette and Walnut Creek in recent years due to the limited amount of developable land available. In general, price points are highest for those areas located closest to the Bay Area. Even though Walnut Creek is slightly further from the Bay Area than Moraga/Orinda/Lafayette, significant retail redevelopment in downtown Walnut Creek has attracted buyers seeking an urban lifestyle, which has led to increased property values.

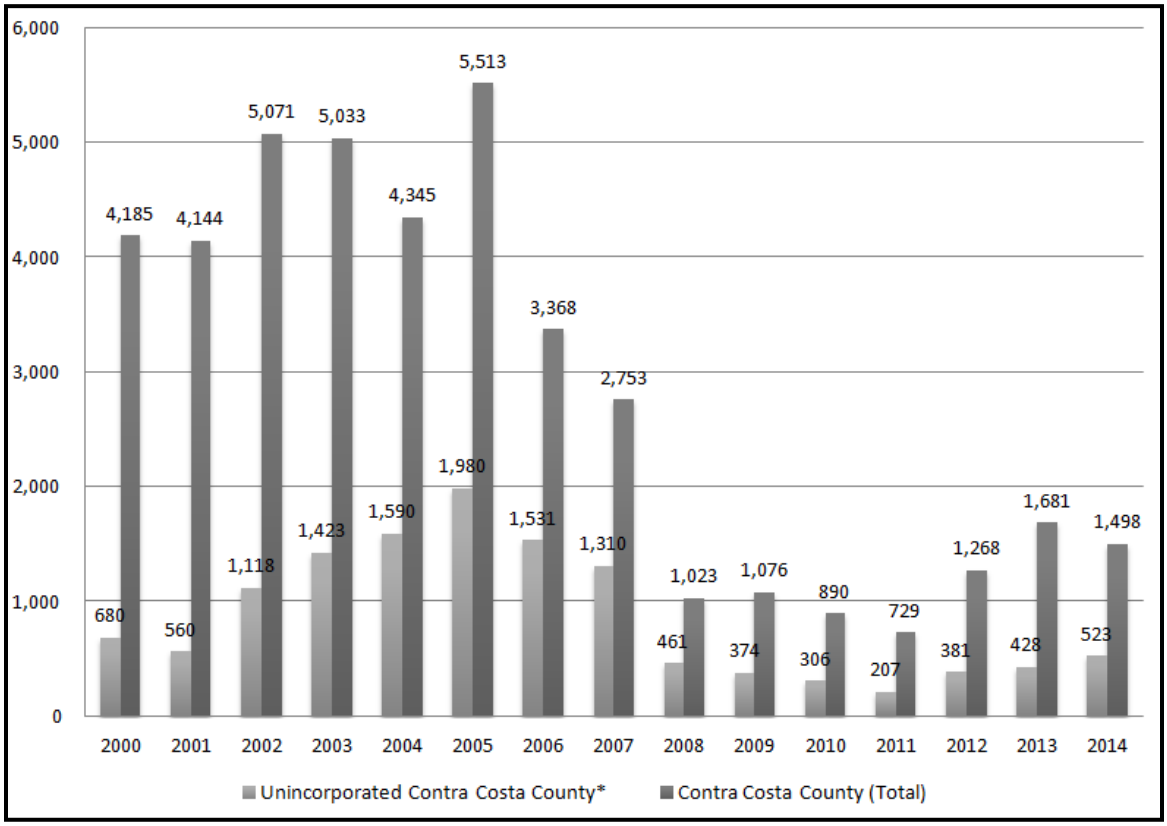
In these areas, there are very few active new home projects, with only one project currently available Orinda (subject – Wilder), and no active projects in Moraga or Lafayette. New homes in these communities tend to represent large custom estate homes on sites previously occupied by older residential construction. Even so, home price points at active projects will be described at available projects in an effort to characterize the current status of the residential sector in general. We will begin with a County-wide perspective on incentives and pricing at new homes projects; then we will shift to a localized perspective of the subject property and surrounding area.

As previously noted, price points are highest for those areas located closest to the Bay Area. This also holds true for Contra Costa County as a whole as well; price points are significantly higher along the 680 Corridor of the county (the East Bay) in comparison to those of the east of the 680 Corridor (i.e., Pittsburg, Antioch, Oakley, Brentwood, Discovery Bay, etc.). Thus, while this market overview begins with the analysis of Contra Costa County as a whole (macro overview), the market overview for subject’s location within the East Bay Area is best described when we hone in on this specific market area of Contra Costa County later in this section.

Single-Family Building Permits

Single-family building permits for Contra Costa County and unincorporated areas of Contra Costa county (includes the cities of Clayton, Lafayette, and Orinda, as well as the town of Moraga) are shown on the following page. As shown, permit levels in unincorporated Contra Costa County (which includes the cities of Clayton, Lafayette, and Orinda, as well as the town of Moraga) have been generally steady in recent years due to the limited supply of developable land; although, 2014 reported the largest number of permits pulled since 2008, but still well below those levels between 2002 and 2007.

SINGLE-FAMILY BUILDING PERMITS



* Covers the cities of Clayton, Lafayette, and Orinda, as well as the town of Moraga

Source: SOCDS

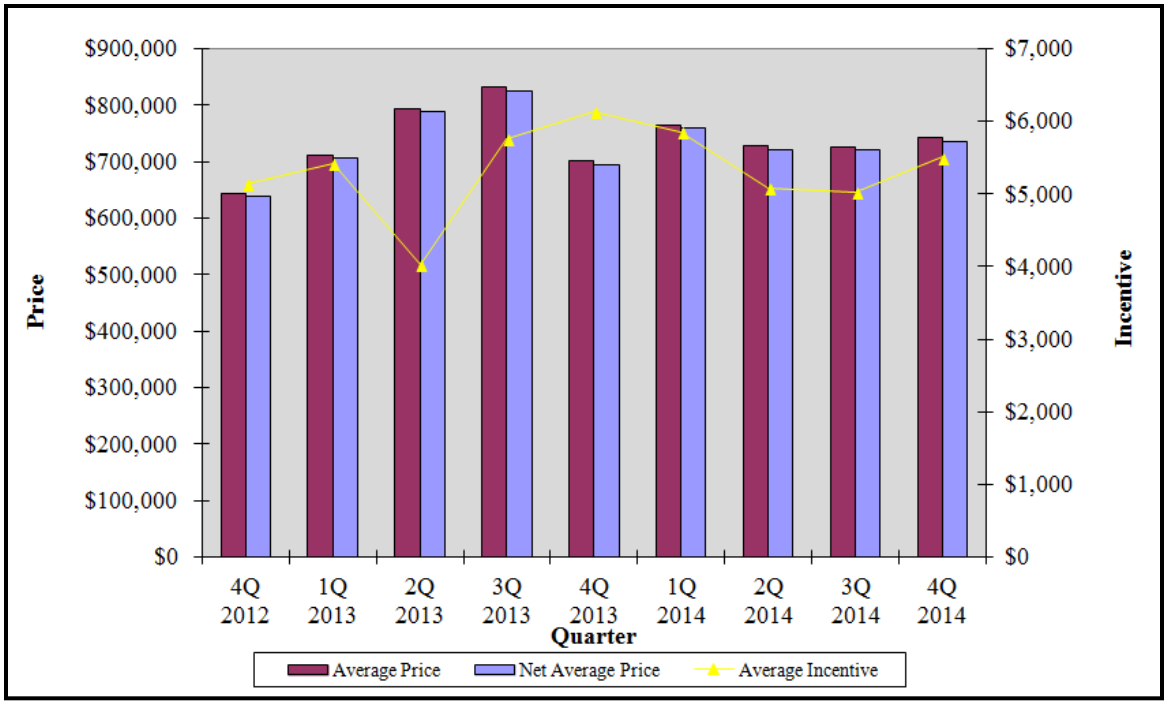
New Home Pricing

A table depicting the pricing behavior of active detached single-family residential projects in Contra Costa County since the Fourth Quarter of 2012 is provided below. The data indicated in the table—like much of the data presented in this section of report—was collected by The Gregory Group, a firm that publishes new homes prices and absorption statistics for much of California. This table is complemented on the following page by a pricing chart.

Quarter	4Q 2012	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014
Average Price	$642,465	$710,455	$792,164	$831,333	$701,056	$764,123	$726,792	$725,183	$741,695
Net Average Price	$637,324	$705,037	$788,138	$825,569	$694,920	$758,265	$721,716	$720,164	$736,191
Average Incentive	$5,141	$5,418	$4,026	$5,764	$6,136	$5,858	$5,076	$5,019	$5,504
Average Home Size	2,855	2,992	2,955	3,020	2,793	2,857	2,695	2,667	2,719
Number of Projects	22	20	17	16	31	32	33	33	28

Source: The Gregory Group

PRICING AND INCENTIVES – ACTIVE HOME PROJECTS
CONTRA COSTA COUNTRY



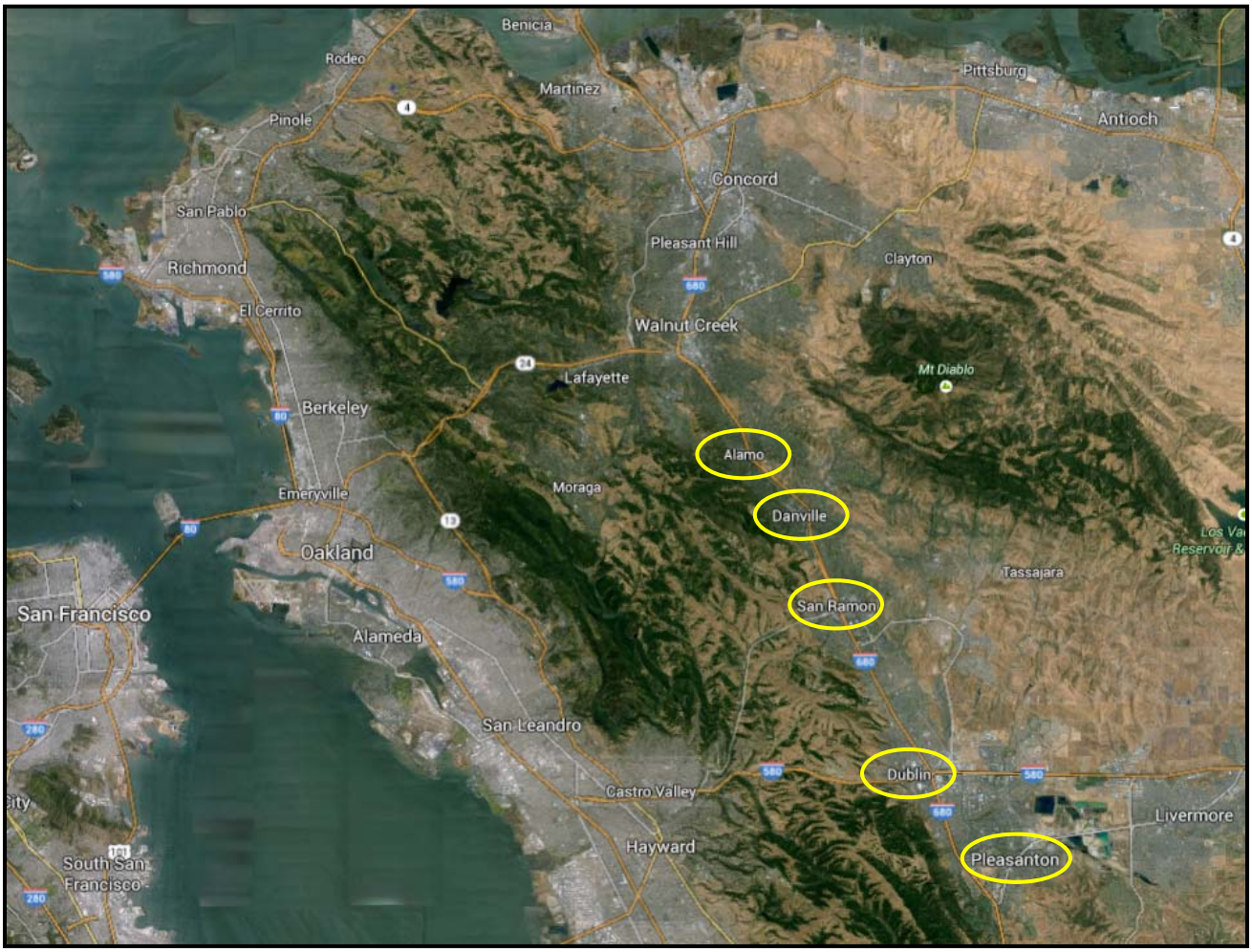
Source: The Gregory Group

As shown above, net bases prices increased rapidly from the Fourth Quarter of 2012 through the Third Quarter of 2013, and then decreased into the Fourth Quarter of 2013 as incentives reached their peak. In the last four periods net base prices and incentives have begun to stabilize.

As previously discussed, this data for Contra Costa County is not as indicative of the subject's local market area. Overall, price points are highest for those areas located closest to the Bay Area. The submarkets found along the 680 Corridor/East Bay are significantly different (generally superior) to those submarkets furthest from the Bay Area (i.e., Pittsburg, Antioch, Oakley, Brentwood, Discovery Bay, etc.). Therefore, to accurately capture the demographics of the subject's market area we will shift from the Contra Costa County regional perspective to areas more proximate to the subject property as price points for homes tend to be greater at those areas located closest to the immediate East Bay Area. A summary table of Fourth Quarter 2014 detached single-family pricing at each of these areas is provided on the following page, which is accompanied by a map.

Area	Number of Active Projects	Average Home Price	Average Home Price Per Square Foot	Average Home Size (SF)	Average Lot Size (SF)
Alamo	1	$2,888,750	$494	5,896	18,000
Pleasanton	2	$1,327,960	$422	3,105	10,580
San Ramon	4	$1,251,093	$373	3,357	6,474
Dublin	7	$1,079,681	$355	3,107	5,082
Danville	3	$895,358	$429	2,127	3,375

Source: The Gregory Group



New Home Absorption

On the following page is a table that summarizes cumulative and quarterly (Fourth Quarter) absorption statistics for the areas near the subject property (detached homes only). In summary, the average Fourth Quarter of 2014 monthly absorption rate ranged from 0.33 (Alamo) to 5.34 (Dublin). The overall average quarterly rate for all areas analyzed (Alamo, Pleasanton, San Ramon, Dublin and Danville) was 1.90 units per month.

Community	Project	Developer	Open Date	Lot Size	Home Size Range	Price Range	Offers	Planned	Sold	Cumulative Monthly Sales Rate	4Q14 Monthly Sales Rate
Alamo	Alamo Springs	Davidon Homes	9/15/2013	18,000	5,105 - 6,823	$2,696,500 - $3,161,500	10	10	10	0.64	0.33
Pleasanton	Camron Place	Ponderosa Homes	5/25/2013	17,000	3,231 - 3,725	$1,500,000 - $1,700,000	22	29	21	1.09	1.98
	Ivy Lane	Ponderosa Homes	12/15/2014	4,160	2,233 - 2,656	$894,900 - $944,900	3	12	3	6.45	0.99
							25	**41**	**24**	**3.77**	**1.49**
							(total)	(total)	(total)	(avg.)	(avg.)
San Ramon	Norris Canyon Estates	Toll Brothers	9/15/2000	14,520	3,955 - 5,722	$1,519,995 - $2,110,995	304	307	286	1.65	0.00
	Iriana	Toll Brothers	3/23/2013	3,600	1,729 - 2,547	$789,900 - $989,900	106	121	86	4.02	4.96
	Fiorella at Gale Ranch	Toll Brothers	7/1/2013	2,275	1,268 - 1,835	$695,900 - $854,900	111	111	109	6.01	1.32
	Renaissance	SummerHill Homes	1/23/2012	5,500	3,412 - 4,029	$1,225,000 - $1,335,000	35	41	35	0.98	0.00
							556	**580**	**516**	**3.17**	**1.57**
							(total)	(total)	(total)	(avg.)	(avg.)
Dublin	Chateau @ Fallon Crossing	Standard Pacific	5/1/2012	4,000	2,501 - 3,081	$1,010,680 - $1,159,000	98	106	90	2.78	3.97
	Lucca	Taylor Morrison	11/23/2013	3,150	1,998 - 2,461	$775,000 - $825,000	95	95	95	7.17	6.28
	Verona Estates	K. Hovanian Homes	6/21/2013	7,200	3,441 - 4,024	$1,209,990 - $1,282,990	30	30	30	1.63	0.33
	Fallen Ridge	KB Home	7/15/2013	3,600	2,089 - 2,692	$926,000 - $1,004,000	98	98	95	5.38	6.28
	The Heights	KB Home	12/21/2013	6,875	3,153 - 4,014	$1,094,000 - $1,343,000	81	84	79	6.41	7.94
	Veneto	D.R. Horton	5/15/2013	5,500	3,640 - 4,025	$1,174,990 - $1,239,990	131	134	130	6.58	4.96
	Windwood	Brookfield Homes	7/15/2014	5,250	2,251 - 2,744	$939,880 - $995,880	168	168	168	30.10	7.61
							701	**715**	**687**	**8.58**	**5.34**
							(total)	(total)	(total)	(avg.)	(avg.)
Danville	Sagewood @ Alamo Creek	Toll Brothers	1/1/2011	5,000	1,578 - 2,813	$849,900 - $1,064,900	123	123	121	2.50	0.00
	Quail Ridge	KB Home	7/13/2013	2,760	1,692 - 2,110	$750,000 - $841,000	59	84	49	2.77	1.65
	Tassajara Lane	Ryder Homes	6/15/2014	2,365	1,837 - 2,342	$879,900 - $899,900	7	7	4	0.61	0.66
							189	**214**	**174**	**1.96**	**0.77**
							(total)	(total)	(total)	(avg.)	(avg.)

Source: The Gregory Group

It is noted the Matadera project in Danville (Davidon Homes) opened in June 2012 and sold out within 21 months. With 28 units, this project suggests an absorption rate of 1.3 units per month.

For a long-term overview of how absorption rates have changed in these areas in recent quarters, the following table represents a general summary of sales per project for the areas of Alamo, Danville, Lafayette, Moraga, Orinda, San Ramon and Walnut Creek , which have home sizes, lots sizes and prices most similar to the subject property.

Quarter	4Q 2012	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014
Quarter Sold	30	52	104	57	44	89	70	54	27
Number of Projects	9	9	8	8	11	11	11	11	8
Sold Per Project Per Quarter	3.3	5.8	13.0	7.1	4.0	8.1	6.4	4.9	3.4
Sold Per Project Per Month	1.1	1.9	4.3	2.4	1.3	2.7	2.1	1.6	1.1
Units Planned	1,175	1,175	1,131	1,071	1,203	1,050	916	916	804
Units Offered	867	796	731	803	920	865	778	825	755
Units Sold	733	785	718	775	877	809	731	785	700
Total Inventory	442	390	413	269	326	241	185	131	104
Unoffered Inventory	308	379	400	268	283	185	138	91	49
Unsold Inventory	134	11	13	28	42	56	47	40	55
Unsold Inventory Per Project	14.9	1.2	1.6	3.5	3.8	5.1	4.3	3.6	6.9

Source: The Gregory Group

The table above shows that the sales per project per month have fluctuated since the Fourth Quarter of 2012, and in recent quarters has achieved between 1.5 to 2.0 units per month per project. In terms of unsold inventory per project (per quarter), levels increased significantly in the Fourth Quarter of 2014, nearly doubling the third quarter inventory per project. However, the most recent quarter level is nowhere near the Fourth Quarter 2012 level of 14.9 unsold units per project. Since the Fourth Quarter

of 2012, unsold inventory per project has fluctuated between 1.2 and 14.9 units, but have remained in the range of 3.5 to 6.9 units in the last six quarters (the highest of which were reported in the most recent quarter).

Similar Active Custom Projects

Based on the subject's typical lot size (20,291 square feet) and average home size (3,729), there are three projects within immediate East Bay Area that are deemed most similar to the subject. Summaries of these projects are provided in the following table and on the following pages.

Project No.	Project	Community	Developer	Lot Size/Type	Average SF	Average Price
1	Alamo Springs	Alamo	Davidon Homes	18,000 SF/ Traditional	5,896	$2,888,750
2	Camron Place	Pleasanton	Ponderosa Homes	17,000 SF/ Traditional	3,545	$1,600,000
3	Norris Canyon Estates	San Ramon	Toll Brothers	14,520 SF/ Traditional	5,077	$1,737,495

ALAMO SPRINGS BY DAVIDON HOMES

Source: Davidon Homes Website

Source: Google Maps

Alamo Springs by Davidon Homes is an exclusive community of custom estate homes in one of the most desirable locations within the East Bay. The project opened in September 2013 and was planned for 10 units, which as of the fourth quarter of 2014 this project sold its last unit and is now sold out. This project offered four floor plans, ranging from 5,105 to 6,823 square feet. These homes have an HOA of $240 per month.

CAMERON PLACE BY PONDEROSA HOMES

Source: Ponderosa Homes Website

Source: Google Maps

Cameron Place by Ponderosa Homes is an infill project in Pleasanton, south of Interstate 580 and east of Interstate 680. This project is planned for 29 units and opened in May 2013 with three floor plans. The floors plans range in size from 3,231 to 3,725 square feet and have a typical lot size of 17,000 square feet. The monthly HOA for this project is $144 per home, with a special tax of $68 per home per month. As of the fourth quarter of 2014, 21 units had sold, six of which sold in the fourth quarter of 2014. There is one unsold unit and seven unoffered units.

NORRIS CANYON ESTATES BY TOLL BROTHERS

Source: Toll Brothers Website

Source: Google Maps

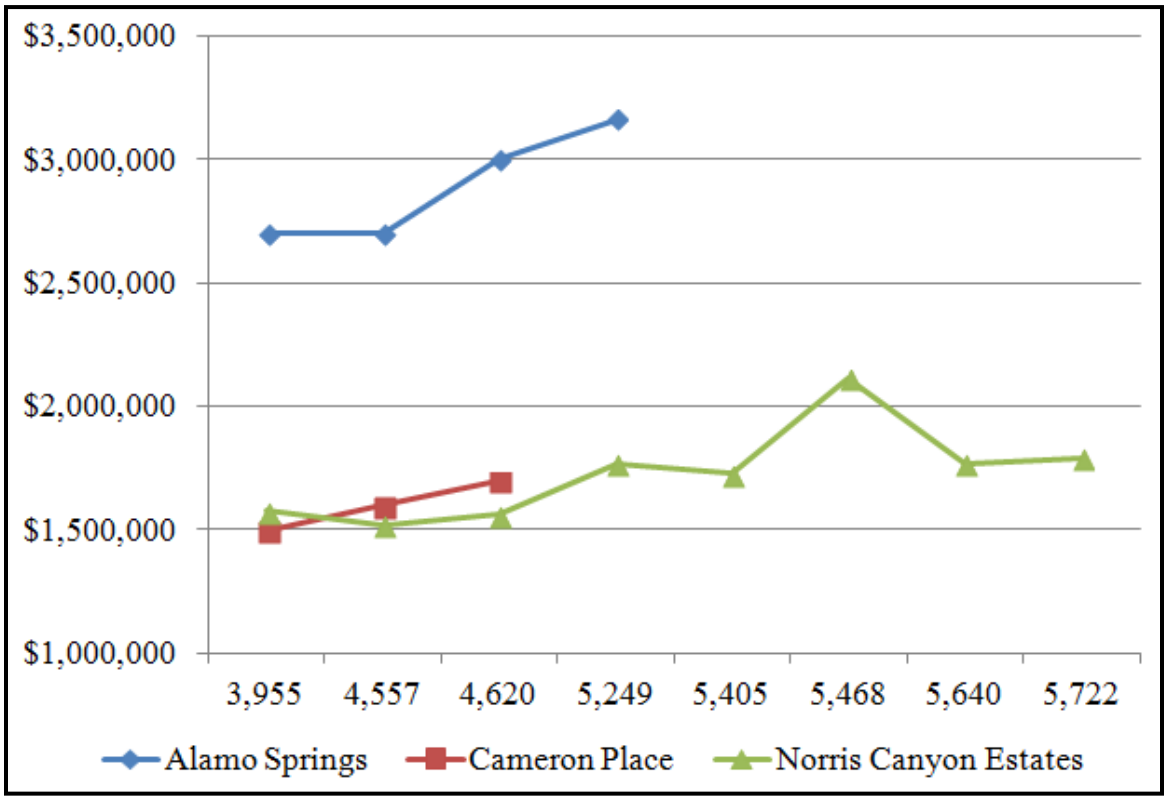
Norris Canyon Estates by Toll Brothers is located in foothills of San Ramon on the west side of Interstate 680 and Bishop Ranch. This project is the only new, single-family estate home community that is staff-gated in the Tri-Valley Area. This project opened in September 2000 and offers eight plans with 307 planned units upon build-out. The floors plans range in size from 3,955 to 5,722 square feet, with a typical lot size of 14,520 square feet. Several of the home sites accommodate a walk-out basement option. This project has a special tax of $200 per month and an HOA of $140 per month. As of the fourth quarter of 2014, 286 units had sold with 18 units unsold and 3 units

unoffered. Average absorption since this project opened is approximately 6.0 units per quarter (or 2.0 units per month). In the last two years, average absorption was approximately 2.6 units per quarter and in the last year average absorption was 3.0 units per quarter.

Pricing

Net base pricing at active competing projects in the vicinity of the subject are charted below.

Net Base Price vs. Living Area (SF)



As previously mentioned, Alamo Springs is located in one of the most desirable areas of the East Bay (Alamo); thus, custom homes within the market area command much higher price points than other market areas as is evident in the above graph. Conversely, San Ramon and Pleasanton are towards the south end of the East Bay and ultimately achieve slightly lower home prices when considering the subject's Orinda location, in proximity of the Caldecott Tunnel, which provides access to Oakland and the Bay Bridge.

Absorption

Absorption rates at competitive custom and semi-custom home projects over the last four quarters are summarized in the following table. As shown, over the last four quarters the average absorption

rate is 1.0 sales per month per project. The average absorption rate has ranged from 0.2 to 1.6 sales per project per month.

Project By Area	Builder	Avg. Home Price (4Q 14 Only)	Avg. Home Size (4Q 14 Only)	Lot Size or Type	4Q 2014	3Q 2014	2Q 2014	1Q 2014	12-Month Total	Average Per Quarter	Average Per Month
Alamo Springs	Davidon Homes	$2,888,750	2,895	18,000	1	3	0	2	6	1.5	**0.5**
Camron Place	Ponderosa Homes	$1,600,000	3,545	17,000	6	0	4	7	17	4.3	**1.4**
Norris Canyon Estates	Toll Brothers	$1,809,795	5,077	14,520	0	-1	8	5	12	3.0	**1.0**
				Total	7	2	12	14			
				No. of Active Projects	3	3	3	3			
				Quarterly Pro-Rata	2.3	0.7	4.0	4.7			
				Monthly Pro-Rata	**0.8**	**0.2**	**1.3**	**1.6**			
								1.0	**Average Monthly Pro-Rata**		

Source: The Gregory Group

Wilder at Orinda (Subject Development)

In addition to these three custom and semi-custom projects discussed, The Gregory Group does not track the subject's Wilder project in Orinda. The information herein is based on our discussion with the on-site sales manager, as well as information provided on the project's website and developer.

As discussed throughout this Report, upon completion, the Wilder subdivision will include 245 custom single-family homes on 1,600 acres, with the bulk of the land area dedicated to open space, with only 300 acres supporting the improvements. In addition to the open space, this community offers a Quarry House (clubhouse) with a swimming pool and fitness center, as well as indoor and outdoor lounge areas, and five playfields, which are owned and operated by the City of Orinda.

According to the on-site sales manager, there are currently five home builders in the project (Brooks Street Builders, Toll Brothers, Grupe Custom Homes, Taylor Morrison, and a new undisclosed builder). Lot sizes range from approximately 9,073 to 53,944 square feet, with an average of about 20,291 square feet. Depending on the lot size, this project has a maximum home size restriction, but in generally home sizes range from 2,500 to 5,000 square feet. Lots feature views of local hillsides, elevated views of local hillsides, or elevated views of Mt. Diablo, depending on their location within the subdivision. Home prices range from the one to three million dollars.

Median Prices – New and Resale Prices Combined

As reported by DataQuick Information Services, the median price (resale and new homes) within the city of Orinda as of March 2015 was $1,225,000, up 11.5% year-over-year (most recent available). Although the median prices reported each month varies, the general trend is upward.

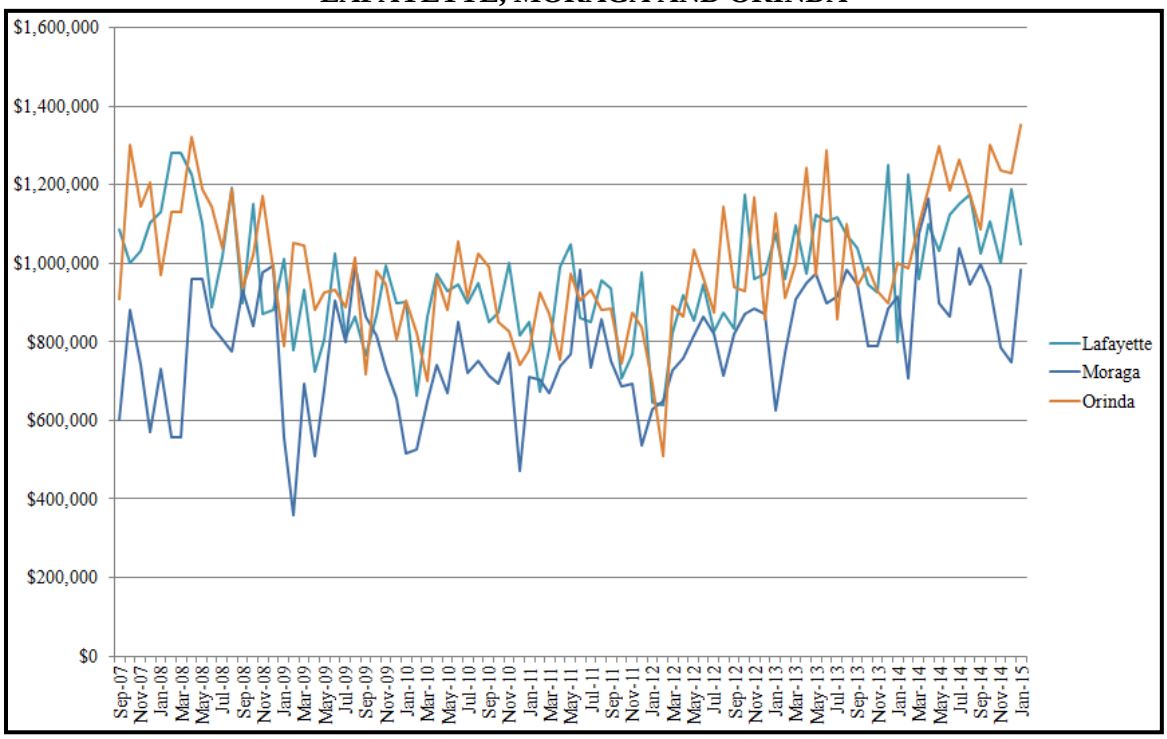
ORINDA – MEDIAN PRICES (NEW AND RESALE COMBINED)

Month	Apr. 2013 Thru Mar. 2014	Apr. 2014 Thru Mar. 2015	12 Month Percentage Change	(per month)
April	$1,243,500	$1,189,750	-4.3%	-0.4%
May	$970,000	$1,296,250	33.6%	2.8%
June	$1,286,250	$1,184,500	-7.9%	-0.7%
July	$857,500	$1,265,000	47.5%	4.0%
August	$1,100,000	$1,175,000	6.8%	0.6%
September	$941,750	$1,087,500	15.5%	1.3%
October	$990,000	$1,300,000	31.3%	2.6%
November	$930,000	$1,237,500	33.1%	2.8%
December	$900,000	$1,229,000	36.6%	3.0%
January	$1,002,000	$1,352,000	34.9%	2.9%
February	$987,500	$1,077,750	9.1%	0.8%
March	$1,099,000	$1,225,000	11.5%	1.0%
6-Month Percentage Change	16.7%	12.6%		
(per month)	2.8%	2.1%		

Source: DataQuick

Below we compare median prices in Lafayette, Moraga and Orinda.

MEDIAN PRICES (NEW AND RESALE COMBINED)
LAFAYETTE, MORAGA AND ORINDA



Source: DataQuick

As shown in the previous graph, median prices in Lafayette and Orinda have generally been higher than that of Moraga. Lafayette and Orinda have superior locations when compared to Moraga due to their closer proximity to State Route 24 and BART.

Proposed Projects

According to the City of Orinda's Planning Department, there are two single-family residential projects (not including the subject) at various stages of the entitlement/development process. Additionally, there are several projects in neighboring Moraga that merit acknowledgment. A brief summary of these projects is summarized below.

Lavenida Lane Subdivision (Orinda)

According to the City of Orinda's website, Lavenida Lane is an 8-lot subdivision on a 12.2-acre site. The applicant is Moraga general Properties. The project was approved in June 2012.

J & J Ranch Subdivision (Orinda)

J & J Ranch (Moraga Adobe) is an approximate 20-acre site proposed for 13 single-family homes proximate to Miramonte High School.

Rancho Laguna II (Moraga)

Rancho Laguna II is a 27-lot subdivision located in the town of Moraga. While in total the Rancho Laguna II project encompasses approximately 180 acres, due to the topography of the site and open space requirements, only 13.2± acres are developable. The property is being developed by SummerHill Housing Group, which intends to record the final map and complete site development in the near term, and begin home construction in early-2016, with its first home sales to begin in the fall of 2016. The developer plans to construct six floor plans that contain between 2,651 to 4,721 square feet in living area.

Camino Ricardo Subdivision (Moraga)

SummerHill Homes is also the developer on this project, which is located at the northern end of the Moraga Center Specific Plan, between Camino Ricardo and Moraga Road, in Moraga. It includes 14.3 acres and is planned for 26 lots with an average lot size if 12,600 square feet. The project will offer three floor plans with home sizes ranging from 2,700 to 3,700 square feet. The project will also include open space and a 2.5-acre park. The development plan was approved in the Fall of 2014 and anticipated opening of the project is early 2016.

Via Moraga (Moraga)

This project was reviewed by the Planning Commission in July 2014. It is located at 489 Moraga Road, the site of a former bowling alley. The site encompasses 1.95 acres of land area and is proposed for 18 single-family residential lots (a density of 9.2 dwelling units per acre). The minimum lot size would be 2,610 square feet and the maximum lot size would be 4,123 square feet, with home size varying between 2,066 and 2,568 square feet. Signature Homes is the developer.

Hetfield Estates (Moraga)

With only seven proposed lots, this project sits on a 58-acre site south of Sanders Drive at Hetfield Drive. Of the total site, only three acres will comprise the homes with the remaining 55 acres dedicated for open space. According the Town's Planning Department website, this project received approval of the general development plan and tentative map in March of 2014, but in May 2014 the Town Council was appealing the approval. An update on this appeal is not currently available. The applicant of this project is The Wyro Company of Orinda.

Bollinger Valley (Moraga)

The Bruzzone Family has proposed the Bollinger Valley Project which encompasses about 186 acres in the easternmost portion of the Town. Following the requested change in land use designation and zoning amendments, the entitlements would allow for up to 126 detached single-family homes with lot sizes ranging from 15,000 to 40,000 square feet with approximately 95 acres set aside for open space. According the Town's Planning Department website, the Final EIR was tentatively scheduled to be released in August 2014. An update on the status of this project was not available.

Los Encinos (Vista Encinos) (Moraga)

This project has been approved, and construction has commenced on these ten custom home sites along Baitx Drive. Most lots range in size from one quarter of an acre to three quarters of an acre, but one lot is just over two acres. Three lots are currently being marketed for sale with the smallest offered at $595,000 (11,783 square feet) and the two larger lots offered at $790,000 and $799,000 (25,451 and 25,110 square feet, respectively).

Palos Colorados (Moraga)

This is a 123-lot single-family residential development on 65 acres, but the total project encompasses 460 acres of land area. The project is located between Moraga Road and St. Mary's Road. It has been approved and the developer (Richfield Development) is preparing a grading plan for submittal.

Custom Lot Sales

Due to the limited amount of developable land available, there have been few custom lot sales in the 680 Corridor (with primary emphasis on Moraga, Orinda and Lafayette). The bulk of the recent custom lot sales in this market area have been within the subject's Wilder project in Orinda. Specifically, there were approximately ten lot sales within this project between April and October of 2014 (latest information available). The sales included lots between the sizes of 19,994 and 32,975 square feet (average of 24,938, which is slightly larger than the subject's typical lot size of 20,291 square feet) and sold at prices of $600,000 to $775,000, with an average of $706.400, plus the assumption of bonds totaling approximately $320,000. According to the on-site sales manager, typical lots within this project sell within this range indicated by the recent sales; however, premium lots have transacted at prices near $1,300,000, plus the assumption of bonds. The sales agent indicated they currently have two premium lots in contract at this price; the premium lots being larger lots on a cul-de-sac that back-up to open space with elevated valley views.

Conclusion

Projects that have superior proximity to the immediate eastern Bay Area tend to have price points higher than those areas located further away. At present, there are few active home projects in Moraga, Orinda and Lafayette, which, of the subject's area, are located closest to the immediate eastern Bay Area. The next closest areas with active projects are Alamo, San Ramon, Dublin and Pleasanton, all of which are located further east along the 680 Corridor. Average home prices for active projects in these markets range from $1,079,681 to $2,888,750, with Alamo reporting the highest average home prices due to its location in one of the most desirable areas of the East Bay. Thus, price points of homes within this range are considered reasonable for the subject property.

As illustrated, however, the supply of developable land in this area is extremely limited; consequently, population growth is negligible (as noted in the *Contra Costa County* overview). Of the sales that have occurred, many were properties where either no value was assigned to existing structures or the existing structures were scheduled for demolition.

In conclusion, demand for homes in proximity to the Bay Area and developable lots remains strong at this time, and it appears the subject property, consisting of 245 single-family residential lots, comprises the largest supply in the area. After a prolonged period of limited development, the Wilder subdivision appears to be being well received by the market in terms of both lot sales and homes sales, with several merchant builders acquiring lots within the project for new home construction. The subject property has a strong project identity, where all residential construction will be new homes with good accessibility to the Bay Area.

HIGHEST AND BEST USE

The term "highest and best use," as used in this report, is defined as follows:

> The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.[4]

Two analyses are typically required for highest and best use. The first analysis is highest and best use of the land as though vacant, and the second analysis is the highest and best use as improved (which is not applicable). Definitions of these terms are provided in the *Glossary of Terms* in the Appendix to this report.

Highest and Best Use – As Vacant

In accordance with the definition of highest and best use, it is appropriate to analyze the subject property as though vacant as it relates to legal permissibility, physical possibility, financial feasibility and maximum productivity.

Legal Permissibility

As discussed in the *Property Legal Data* section of this report, the subject property is approved as a 245-lot single-family residential subdivision, with a significant amount of open space. The subject's present entitlements are the result of significant planning and review, any rezone or land use different than currently approved (and substantially improved) is unlikely. Based on the subject's zoning and entitlements detailed in this report, the legally permissible use is limited to 245 single-family residential lots.

Physical Possibility

The physical characteristics of a property that affect its possible use(s) include, but are not limited to, location, street frontage (visibility), size, shape, street access, availability of utilities, easements, soil and subsoil conditions and topography.

The subject property possesses street frontage, access and visibility along Wilder Road, which provides direct access to State Highway 24, the main east/west arterial through western Contra Costa County, providing access to the San Francisco Bay area (Alameda and San Francisco Counties). The subject

[4] The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute, 2010), 93.

property has paved access, and public utilities have been extended to the subject property, with all but 94 lots having interior streets and utilities extended to each lot. Although the property is irregular in shape and has slopping topography, the development plan utilizes the topography to provide view premiums, maximizing utility.

Located outside of the 100-year flood plain, the subject's flood zoning is adequate for development. Regarding seismic hazards, it should also be noted that the subject property is located within Zone 4, which is considered to be the highest risk zone in California for earthquake zoning. Even so, this zone is common for the area and does not preclude development. Soil and subsoil conditions are typical of the area and are not considered to adversely affect the development potential of the property.

An inspection of the subject property revealed that high-voltage power lines exist on the perimeters of the subject property; however, these high-voltage power lines are located on the open space land area and do not impact the subject's planned residential development. An inspection of the property revealed no other apparent adverse easements, encroachment or other conditions that currently impact the subject. Please refer to a current preliminary title report for additional details. The exact locations of typical roadway and utility easements, or any additional easements, which would be referenced in a preliminary title report, were not provided to the appraiser. The appraiser is not a surveyor nor qualified to determine the exact location of easements. It is assumed the easements noted in any title document do not have an impact on the opinions 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 opinions of value.

At the time of inspection, the appraiser did not observe the existence of hazardous material, which are not likely present on the property. The appraiser has no knowledge of the existence of such materials on the property, but the appraiser is not qualified to detect such substances. The presence of potentially hazardous materials could affect the value of the property. The value estimates herein are predicated on the assumption that there is no material on or in the property that would cause a loss of value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field if desired.

Financial Feasibility

A determination of financial feasibility is dependent primarily upon demand. The subject property is located in an area that has experienced modest population growth in recent years, with the little population growth a direct result of the limited supply of developable land. As noted in the *Residential Market* overview section, the subject's proximity to Bay Area coupled with the limited supply of land in a scenic, green area with rolling hills, has led to significant increases in land value.

Also, households in the vicinity tend to be upper income, with 41.4% of the population earning incomes above $200,000, and 29.4% earning between $100,000 and $199,999.

As shown later in this report by the lot valuation analysis, the subject's land value is positive (in light of its nominal remaining development costs), which demonstrates that single-family residential development is financially feasible. Further, buyers are actively buying homes and builders are actively buying land, reflecting ample demand. Development of the subject property as a single-family residential subdivision is financially feasible.

Maximum Productivity

Legal, physical and market conditions have been analyzed to evaluate the highest and best use of the subject property. The analysis is presented to evaluate the type of use(s) that will generate the greatest level of future benefits possible to the property. Based on the factors previously discussed, the maximally productive use of the subject (as vacant) is for near term single-family residential development, specifically: 1) sale to a custom or semi-custom homebuilders, and (2) construction of custom or semi-custom single-family residential homes for homebuyers. The probable buyer of the subject property as vacant would be a home builder that would intend to begin development within 12 months.

APPROACHES TO VALUE

The valuation process is a systematic procedure used in the valuation of real property.[5] This process involves the investigation, organization and analysis of pertinent market data and other related factors that affect the market value of real estate. The market data is analyzed in terms of any one or all of the three traditional approaches to estimating real estate value. These are the cost, sales comparison and income capitalization approaches. One additional approach—discounted cash flow analysis—is also applicable. Each approach to value is briefly discussed and defined as follows:

Cost Approach

The cost approach is based on the premise that no prudent buyer would pay more for a particular property than the cost to acquire a similar site and construct improvements of equivalent desirability and utility. Thus, this approach to value relates directly to the economic principle of substitution, as well as supply and demand. The cost approach is most applicable when valuing properties where the improvements are new or suffer only a minor amount of accrued depreciation, and is especially persuasive when the site value is well supported. The cost approach is also highly relevant when valuing special-purpose or specialty properties and other properties that are not frequently exchanged in the market.

The definition of the cost approach is offered as follows:

> A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.[6]

Sales Comparison Approach

The sales comparison approach is based on the premise that the value of a property is directly related to the prices being generated for comparable, competitive properties in the marketplace. Similar to the cost approach, the economic principles of substitution, as well as supply and demand are basic to the sales comparison approach. This approach has broad applicability and is particularly persuasive when there has been an adequate volume of recent, reliable transactions of similar properties that indicate value patterns or trends in the market. When sufficient data are available, this approach is the most direct and systematic approach to value estimation. Typically, the sales comparison approach is most pertinent when valuing land, single-family homes and small, owner-occupied commercial and office properties.

[5] The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute, 2010), 205.
[6] The Dictionary of Real Estate Appraisal, 47.

The definition of the sales comparison approach is offered as follows:

> The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.[7]

Income Capitalization Approach

The income capitalization approach is based on the premise that income-producing real estate is typically purchased as an investment. From an investor's point of view, the potential earning power of a property is the critical element affecting value. The concepts of anticipation and change, as they relate to supply and demand issues and substitution, are fundamental to this valuation approach. These concepts are important because the value of income-producing real estate is created by the expectation of benefits (income) to be derived in the future, which is subject to changes in market conditions. Value may be defined as the present worth of the rights to these future benefits. The validity of the income capitalization approach hinges upon the accuracy of which the income expectancy of a property can be measured.

Within the income capitalization approach there are two basic techniques that can be utilized to estimate market value. These techniques of valuation are direct capitalization and yield capitalization.

> *Direct Capitalization*: A method used to convert an estimate of a single year's income expectancy into an indication of value in one direct step, either by dividing the net income estimate by an appropriate capitalization rate or by multiplying the income estimate by an appropriate factor. Direct capitalization employs capitalization rates and multipliers extracted or developed from market data. Only a single year's income is used. Yield and value changes are implied but not identified.[8]

> *Yield Capitalization*: A method used to convert future benefits into present value by 1) discounting each future benefit at an appropriate yield rate, or 2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate.[9]

The definition of the income capitalization approach is offered as follows:

> A set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.[10]

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[7] The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute, 2010), 175.
[8] The Dictionary of Real Estate Appraisal, 58.
[9] The Dictionary of Real Estate Appraisal, 211.
[10] The Dictionary of Real Estate Appraisal, 99.

Discounted Cash Flow Analysis

A discounted cash flow analysis (DCF) is a procedure in which a discount rate is applied to a projected revenue stream generated from the sale of individual components of a project. In this method of valuation, the appraiser/analyst specifies the quantity, variability, timing and duration of the revenue streams and discounts each to its present value at a specified yield rate. One DCF analysis, Subdivision Development Method, will be employed, which is defined below.

> *Subdivision Development Method*: A method of estimating land value when subdivision development is the highest and best use of the parcel of land being appraised. When all direct and indirect costs and entrepreneurial incentive are deducted from an estimate of the anticipated gross sales price of the finished lots (or residences), the resultant net sales proceeds are then discounted to present value at a market-derived rate over the development and absorption period to indicate the value of the land.[11]

As previously discussed in the *Scope of Work* section, the valuation analysis herein will begin with an estimate of market value of the subject lots using the sales comparison approach to value. In light of the scope of work required for this assignment, the market valuation of the appraised lots within the District will be based on the weighted average lot comprising the District. Based on the average lot value estimated, the market value of each Assessor's parcel comprising the lots held by individuals and merchant builders (non-master developer component) will be assigned. With 150 lots still held by the master developer (OG Property Owner LLC), and additional site development to be completed, the subdivision development method, or discounted cash flow analysis (DCF), will be utilized to derive the value of the Developer lots in bulk. Under the subdivision development method, the expected revenue, absorption period, expenses and discount rate associated with the development and sell-off of the residential lots will be taken into account. A DCF analysis is a procedure in which a discount rate is applied to a projected revenue stream generated from the sale of individual components of a project. In this method of valuation, the appraiser specifies the quantity, variability, timing and duration of the revenue streams and discounts each to its present value at a specified yield rate. With the subdivision development method, the revenue component of the DCF will be derived by valuing the 150 lots using the sales comparison approach to value (as part of the analysis above). In the subdivision development method, a number of assumptions were made in the discounted cash flow analysis, not the least of which is the forecast of absorption, or disposition, of the lots comprising the majority of the master developer's holdings. The remaining site development costs obligated to be completed by the Developer was accounted for in the subdivision development method.

The cumulative, or aggregate, value of the appraised properties represents the sum of the value estimates concluded for each ownership interest, which is not equivalent to the market value of the District as a whole.

[11] The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute, 2010), 188.

MARKET VALUATION – SINGLE-FAMILY RESIDENTIAL LOTS

Sales Comparison Approach

In this section of the report, we will utilize the sales comparison approach to estimate the market value of the subject average lots.

The sales comparison approach is based on the economic principle of substitution. According to The Appraisal of Real Estate, 14th Edition (Chicago: Appraisal Institute, 2013), *"The principle of substitution holds that the value of property tends to be set by the cost of acquiring a substitute or alternative property of similar utility and desirability within a reasonable amount of time."* The sales comparison approach is applicable when there are sufficient recent, reliable transactions to indicate value patterns or trends in the market.

The proper application of this approach requires obtaining recent sales data for comparison with the subject property. In order to assemble the comparable sales, we searched public records and other data sources for leads, then confirmed the raw data obtained with parties directly related to the transactions (primarily brokers, buyers and sellers).

Retail lot values within the subject property vary based on a number of factors, including lot positioning, sizing, view premium and maximum home size allowed. For this reason, the comparables will be compared to an average "base" lot within the subject property. For purposes of this analysis, a base lot will represent a 20,291 square foot interior lot, with a standard view. Also, the base lot will be approved for a maximum home size of 5,000 square feet. Since most homes in the area do not exceed 5,000 square feet, the maximum home size requirement of 5,000 square feet is considered a non-binding constraint on base lot value. Later in this report, quantitative adjustments will be applied to estimate discounts resulting from the encumbering maximum home size requirements.

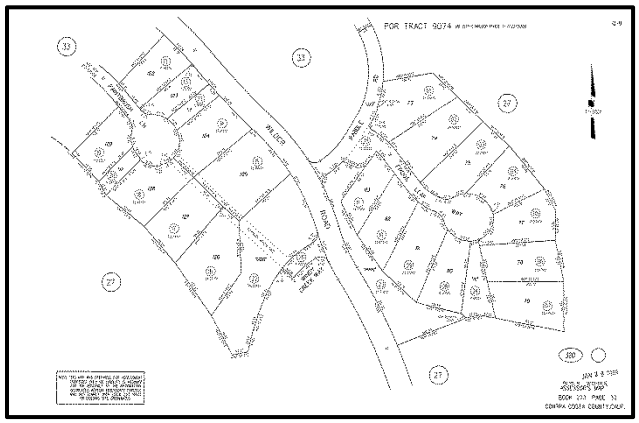
On the following page, we have arrayed comparable retail lot sales that have occurred in the region. The summary table is accompanied by a map and followed by details of each comparable. The basis of analysis is price per lot.

LOT COMPARABLE SUMMARY

No.	Street Address County APN	Project	Sale Date	Sale Price	Size (Acre/SF)	Remarks
1	10 Frogs Leap Way Orinda 273-320-010	Wilder	Oct-14	$600,000	0.46 19,973	Sloping Good project identity
2	58 Boeger Ranch Road Orinda 273-310-010	Wilder	Sep-14	$775,000	0.73 31,677	Sloping Elevated view Good project identity
3	30 Paintbrush Lane Orinda 273-320-016	Wilder	Aug-14	$750,000	0.67 29,327	Sloping Elevated view Good project identity
4	23 Frogs Leap Way Orinda 273-320-006	Wilder	Aug-14	$750,000	0.50 21,579	Sloping Elevated view Good project identity
5	1043 Camino Pablo Moraga 258-250-085-2	None	Aug-14	$625,000	0.31 13,373	None
6	357 Red Maple Drive Danville 203-530-078-5	Blackhawk	Jan-14	$510,000	0.39 17,000	Good project identity

LOT COMPARABLE MAP

COMPARABLE 1



Property Identification

Project Name	Wilder
Location	10 Frogs Leap Way
APN	273-320-010
City	Orinda
County	Contra Costa County

Sale Data

Grantor	OG Property Owner, LLC
Grantee	Sunder & Rupa Joshi
Contract Date	09/22/2014
Closing Date	10/01/2014
Deed Book Page	167838
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	$600,000
Confirmation	Public record
Bond Encumbrance per Lot	$230,000

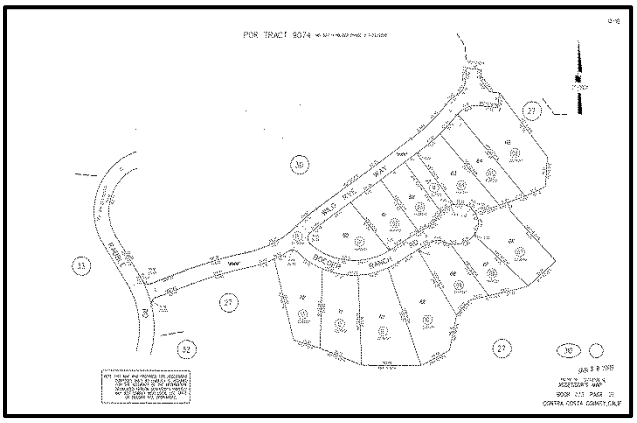
Land Data

Zoning	Single-family
Topography	Sloping
Utilities	All available
Lot Size (SF)	19,973

Remarks

This comparable is located in the subject (Wilder) project in Orinda, a 245 lot single-family home subdivision on 1,600 acres. In addition to the open space, this community offers a Quarry House (clubhouse) with a swimming pool and fitness center, as well as indoor and outdoor lounge areas, and five playfields which are owned and operated by the City of Orinda.

COMPARABLE 2



Property Identification

Project Name	Wilder
Location	58 Boeger Ranch Road
APN	273-310-010
City	Orinda
County	Contra Costa County

Sale Data

Grantor	OG Property Owner, LLC
Grantee	Scott Dunlap/Judi Wellens
Contract Date	09/21/2014
Closing Date	09/25/2014
Deed Book Page	163536
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	$775,000
Confirmation	Public record
Bond Encumbrance per Lot	$230,000

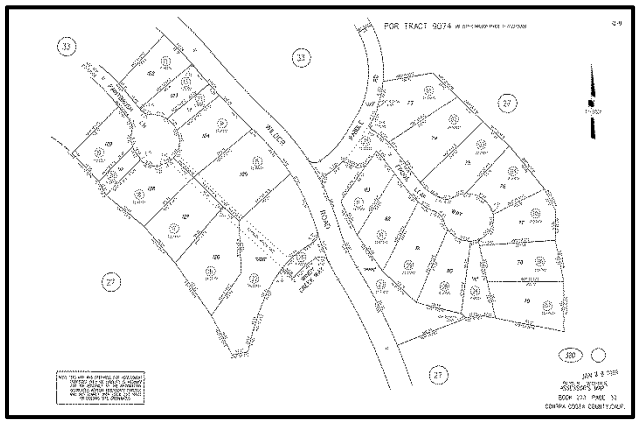
Land Data

Zoning	Single-family
Topography	Sloping
Utilities	All available
Lot Size (SF)	31,677

Remarks

This comparable is also located in the subject development and represents a September 2014 sale of a 31,677 square foot lot.

COMPARABLE 3



Property Identification

Project Name	Wilder
Location	30 Paintbrush Lane
APN	273-320-016
City	Orinda
County	Contra Costa County

Sale Data

Grantor	OG Property Owner, LLC
Grantee	Robert & Kathleen Finch
Contract Date	07/21/2014
Closing Date	08/01/2014
Deed Book Page	127587
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	$750,000
Confirmation	Public record
Bond Encumbrance per Lot	$230,000

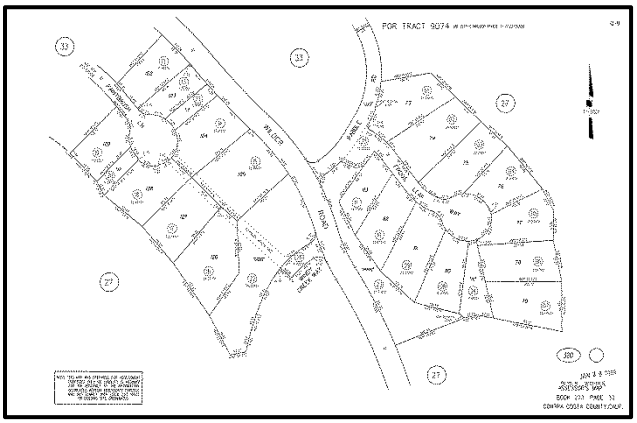
Land Data

Zoning	Single-family
Topography	Sloping
Utilities	All available
Lot Size (SF)	29,327

Remarks

This comparable is also located in the subject (Wilder) project in Orinda. This elevated lot offers views across the project's open space.

COMPARABLE 4



Property Identification

Project Name	Wilder
Location	23 Frogs Leap
APN	273-320-006
City	Orinda
County	Contra Costa County

Sale Data

Grantor	OG Property Owner, LLC
Grantee	Orinda DSSI One, LLC
Contract Date	07/31/2014
Closing Date	08/15/2014
Deed Book Page	137430
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	$750,000
Confirmation	Public record
Bond Encumbrance per Lot	$230,000

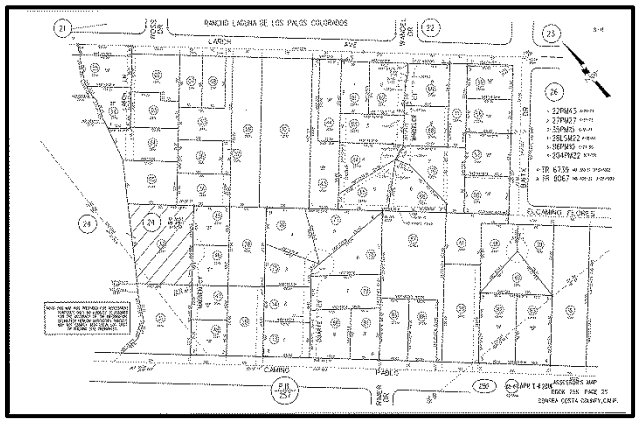
Land Data

Zoning	Single-family
Topography	Sloping
Utilities	All available
Lot Size (SF)	21,579

Remarks

This comparable is also located in the subject (Wilder) project in Orinda. The buyer has subsequently constructed a single-family home on the lot, which is nearing completion.

COMPARABLE 5



Property Identification

Project Name	None
Location	1043 Camino Pablo
APN	258-250-085-2
City	Moraga
County	Contra Costa County

Sale Data

Grantor	Timothy & Sara Cecchin
Grantee	Benjamin & Kristine Borst
Contract Date	08/26/2014
Closing Date	08/28/2014
Deed Book Page	145577
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	$625,000
Confirmation	Public record
Bond Encumbrance per Lot	$0

Land Data

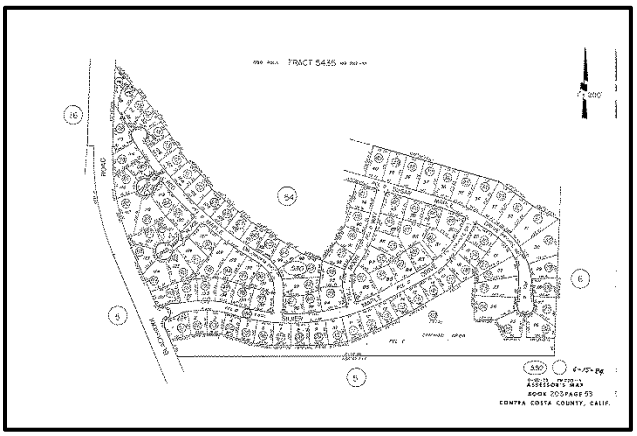
Zoning	Single-family
Topography	Generally level
Utilities	All available
Lot Size (SF)	13,373

Remarks

This lot is located near the southern end of town and sold with a home on the lot. As of the date of inspection, the home was still standing. Based on information gathered by the appraisers, this property sold for the land value with no contributory value assigned to the existing improvements. We have accounted for the cost of demolishing the existing structure in the analysis herein.

COMPARABLE 6

Restricted Access – Photo Not Available



Property Identification

Project Name	Blackhawk
Location	357 Red Maple Drive
APN	203-530-078-5
City	Danville
County	Contra Costa County

Sale Data

Grantor	Young Family Trust
Grantee	KT Builders
Contract Date	10/29/2013
Closing Date	01/23/2014
Deed Book Page	11590
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	$510,000
Confirmation	Public record
Bond Encumbrance per Lot	$0

Land Data

Zoning	Single-family
Topography	Generally level
Utilities	All available
Lot Size (SF)	17,000

Remarks

This comparable represents a single lot sale within an existing residential subdivision in the Blackhawk community. The lot is located behind a guard gated entrance, adjacent to the golf course and backs up to Blackhawk Road. The lot is triangular in shape, which constrains the development potential. KT Builders has also constructed homes within the subject (Wilder) subdivision.

Analysis and Conclusion

The comparable sales collected for this analysis are considered sufficient for purposes of estimating market value for the subject's lots. Based on the data analyzed herein, and the correlation of sale price to the primary value influencing characteristics, e.g., lot area, location and community appeal, the unit of comparison used for this analysis is the sale price per lot. In order to value the subject's lots, the comparable transactions were adjusted based on the profile of the subject's typical lot, which is described as an elevated lot with a local view, with regard to categories that affect market value. If a comparable has an attribute that is considered superior to that of the subject, it is adjusted downward to negate the effect the item has on the price of the comparable. The opposite is true of categories that are considered inferior to the subject and are adjusted upward.

In order to isolate and quantify the adjustments on the comparable sales data, percentage or dollar adjustments are considered appropriate. At a minimum, the appraiser considers the need to make adjustments for the following items:

- Present Value of Bonds
- Property Rights Conveyed
- Financing Terms
- Conditions of Sale (motivation)
- Expenditures After Sale
- Market Conditions (time)
- Location
- Physical Features

A paired sales analysis is performed in a meaningful way when the quantity and quality of data are available. However, as a result of the limited data present in the market, many of the adjustments require the appraiser's experience and knowledge of the market and information obtained from those knowledgeable and active in the marketplace.

When comparing comparables sales with the subject property, adjustments are typically made on either a quantitative or qualitative basis. Quantitative adjustments are often developed as dollar or percentage amounts, most applicable (relevant) when the quality and quantity of data allows paired sales or statistical analysis; whereas, qualitative adjustments are generally expressed through relative comparison (superior versus inferior). Given the imperfect nature of the real estate market, participants most often rely on qualitative comparisons. The combined benefits of both qualitative and quantitative analysis results in a blended adjustment technique, which is accomplished through assigning quantitative adjustments for relative comparison.

Thus, for purposes of our analysis, the following quantitative adjustments will be considered in lieu of qualitative, or relative, comparison:

Relative Comparison	Quantitative Adjustment
Slight Adjustment	5%
Moderate Adjustment	10%
Fair Adjustment	15%
Significant Adjustment	20%
Large Adjustment	25%+

A detailed analysis involving each of aforementioned factors and the value conclusion for the subject is presented below.

Present Value of Bonds

In an effort to account for the total consideration of each lot sale, the present value amount for the bond encumbrance is considered. Comparables 1 through 4 are sales within the subject (Wilder) subdivision and are located within the aforementioned California Statewide Communities Development Authority Community Facilities District No. 2007-01, which was formed to assist with the financing of significant infrastructure improvements. According to Rate and Method of Apportionment, and Manner of Collection of Special Tax for this CFD prepared by Economic Planning Systems, the maximum annual Special Tax is comprised of both an annual services tax, which is currently approximately $14,891 per lot, as well as an on-going services tax tied to the California Statewide Communities Development Authority (CSCDA) Community Facilities District (CFD) No. 2007-1 Bonds that is in perpetuity and escalates at 2.0% per year. The current services tax is $2,067 per lot. Based on a 5.0% interest rate, and a remaining term of the CFD No. 2007-1 Bonds of 22 years, the present value of the annual special taxes for Comparables 1 through 4 is estimated at approximately $230,000, which will be considered in this analysis.

Property Rights Conveyed

In transactions of real property, the rights being conveyed vary widely and have a significant impact on the sales price. As previously noted, the opinion of value in this report is based on a fee simple estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat; as well as non-detrimental easements, and conditions, covenants and restrictions (CC&Rs). The subject and all the comparables represent fee simple estate transactions. Therefore, adjustments for this factor are not necessary.

Financing Terms

In analyzing the comparables, it is necessary to adjust for financing terms that differ from market terms. Typically, if the buyer retained third party financing (other than the seller) for the purpose of

purchasing the property, a cash price is presumed and no adjustment is required. However, in instances whereby the seller provides financing as a debt instrument, a premium may have been paid by the buyer for below market financing terms or a discount may have been demanded by the buyer if the financing terms were above market. The premium or discounted price must then be adjusted to a cash equivalent basis. The comparable sales are understood to be cash to the seller transactions and, therefore, do not require adjustments.

Conditions of Sale (motivation)

Adverse conditions of sale can account for a significant discrepancy from the sales price actually paid compared to that of the market. This discrepancy in price is generally attributed to the motivations of the buyer and the seller. Certain conditions of sale are considered to be non-market and may include the following:

- A seller acting under duress,
- A lack of exposure to the open market,
- An inter-family or inter-business transaction for the sake of family or business interest,
- An unusual tax consideration,
- A premium paid for site assemblage,
- A sale at legal auction, or
- An eminent domain proceeding.

All of the comparable transactions were arms-length and do not require a conditions of sale adjustment.

Expenditures After Sale

Most of the comparables sales reported no expenditures after sale beyond typical holding costs during home construction; however, Comparable 5 sold with an existing improvement on the property that warranted demolition. Thus, an upward adjustment is applied to this sale.

Market Conditions

Market conditions vary over time, but the date of this appraisal is for a specific point in time. In a dynamic economy – one that is undergoing changes in the value of the dollar, interest rates and economic growth or decline – extra attention needs to be paid to assess changing market conditions. Significant monthly changes in price levels can occur in several areas of a neighborhood, while prices in other areas remain relatively stable. Although the adjustment for market conditions is often referred to as a time adjustment, time is not the cause of the adjustment.

With home and land pricing having increased over the last 12 to 18 months, upward adjustments are considered in this analysis. All of the sales occurred between January and October 2014 and warrant upward adjustments for improvements in market conditions since that time.

Physical Characteristics

The physical characteristics of a property can impact the selling price. Those that may impact value include the following:

Location

Location adjustments are applied in comparison to the subject. Comparable 6 is located in the city of Danville, and further east from primary transportation routes in the East Bay; thus, an upward adjustment is warranted.

Community Appeal

Comparables 1 through 4 are located in the subject's Wilder master planned community in Orinda, which provides hiking trails, sports fields and a community pool/recreation center, all of which are considered good. Similarly, Comparable 6 is located in the Blackhawk master planned community in Danville, which includes golf courses and other recreational amenities, and is considered similar to the subject. Comparable 5, which is located in Moraga, is in an older area of the Town and does not share the same community appeal the subject offers, and an upward adjustment is applied.

Visibility/Accessibility

All of the comparables have similar visibility/accessibility as the subject property and do not required adjustments for this factor.

Lot Premiums

The subject's typical lot offers an elevated location with local views of the surrounding valley. Comparable Lot Sale 1, 5 and 6 are considered inferior to the subject's typical lot with respect to their lot positioning and receive upward adjustments. Lot Sale 1 is proximate to the high-voltage power line extending along the eastern property boundary, though this is partially offset by the lots positioning next to open spaces on two sides of the lot. Lot 4 is an elevated lot with an open space premium, which warrants a slight downward adjustment in comparison to the typical subject lot.

Lot Size

The subject has an approximate typical lot size of 20,291 square feet. Adjustments are applied based on the discrepancies in lot size for Comparables 2, 3, 5 and 6 when compared to the subject's typical lot.

Site Utility

Differences in contour, drainage, soil conditions, as well as project design, can affect the utility and, therefore, the market value of the property. The subject's typical lot is considered average with respect to site utility and development constraints, as are the majority of the comparables. Comparable 6, however, is triangular shaped and backs up to a major neighborhood thoroughfare. This comparables is considered significantly inferior to the subject with respect to site utility and is adjusted upward accordingly.

Adjustment Grid

The grid on the following page reflects the afore-discussed adjustments.

Site Characteristics:	Subject	Comp #1	Comp #2	Comp #3	Comp #4	Comp #5	Comp #6
Price per Lot		**$600,000**	**$775,000**	**$750,000**	**$750,000**	**$625,000**	**$510,000**
Present Value of Bonds		Yes	Yes	Yes	Yes	None	None
Adjustment		*$230,000*	*$230,000*	*$230,000*	*$230,000*	*$0*	*$0*
Adjusted Price		**$830,000**	**$1,005,000**	**$980,000**	**$980,000**	**$625,000**	**$510,000**
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment							
Adjusted Price		**$830,000**	**$1,005,000**	**$980,000**	**$980,000**	**$625,000**	**$510,000**
Financing Terms	Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.
Adjustment							
Adjusted Price		**$830,000**	**$1,005,000**	**$980,000**	**$980,000**	**$625,000**	**$510,000**
Conditions of Sale	Market	Market	Market	Market	Market	Market	Market
Adjustment							
Adjusted Price		**$830,000**	**$1,005,000**	**$980,000**	**$980,000**	**$625,000**	**$510,000**
Expenditures After Sale	None	Similar	Similar	Similar	Similar	Demo	Similar
Adjustment						10%	
Adjusted Price		**$830,000**	**$1,005,000**	**$980,000**	**$980,000**	**$687,500**	**$510,000**
Market Conditions	Apr-15	Oct-14	Sep-14	Aug-14	Aug-14	Aug-14	Jan-14
Adjustment		5%	5%	5%	5%	5%	10%
Adjusted Price		**$871,500**	**$1,055,250**	**$1,029,000**	**$1,029,000**	**$718,750**	**$561,000**
Physical Characteristics:							
Location	Orinda Wilder	Orinda	Orinda	Orinda	Orinda	Moraga	Danville
Adjustment							10%
Community Appeal	Good	Similar	Similar	Similar	Similar	Sl. Inferior	Similar
Adjustment						5%	
Visibilty/Accessibility	Average	Similar	Similar	Similar	Similar	Similar	Similar
Adjustment							
Lot Premium	Elevated, local	Inferior	Similar	Similar	Superior	Sig. Inferior	Sig. Inferior
Adjustment	view	5%			-5%	20%	20%
Lot Size (SF)	20,291	19,973	31,677	29,327	21,579	13,373	17,000
Adjustment			-10%	-10%		10%	5%
Site Utility	Average	Similar	Similar	Similar	Similar	Similar	Sig. Inferior
Adjustment							25%
Number of Adjustments		**2**	**2**	**2**	**1**	**4**	**6**
Gross Adjustments		**10%**	**15%**	**15%**	**10%**	**40%**	**70%**
Net Adjustments for Physical Characteristics		**5%**	**-10%**	**-10%**	**-5%**	**35%**	**60%**
Degree of Similarity to Base Lot		**Good**	**Good**	**Good**	**Good**	**Average**	**Below Average**
Adjusted Finished Lot Value		**$915,075**	**$949,725**	**$926,100**	**$977,550**	**$970,313**	**$897,600**
Concluded Base Lot Value	**$950,000**						

Conclusion of Average "Base" Retail Lot Value

During our investigation, we identified several retail lot sales located in the market area that proved helpful in estimating the retail lot value for the subject's base lot (typical, elevated view, interior lot, average lot size of 20,291 square feet, approved for maximum home size of 5,000 square feet). Prior to adjusting for differences between the comparables and the subject property, the comparables had an unadjusted range of $510,000 to $1,005,000, after accounting for bond encumbrances. After adjustments, the range narrowed to $897,600 to $977,550 per lot. Comparables 1, 2, 3 and 4 are considered the best indicators of value as they received the fewest adjsutments and are located in the subject development (Wilder). With primary reliance on these sales, the adjusted range narrows to

$915,075 to $977,550. Therefore, we estimate a typical lot value of $950,000 for the subject on a retail lot basis.

Assignment of Lot Value According to Maximum Home Sizing

As noted, home sizes within the subject property will be restricted; some lots have a maximum home size of 5,000 SF (base lot), while others will have a maximum home sizes of 4,500 SF, 3,800 SF and 2,500 SF. In the area, demand is greatest for lots that allow larger sized homes to be constructed. Further, lot value tends to represent a certain percentage of home value, and given smaller homes sell for lower amounts than larger homes, the corresponding lot values of the lots designated for smaller homes would be less than those designated for larger homes.

The home size restrictions within the subject property are directly related to the floor area ratio requirements of the City of Orinda and impact the subject property because some of the subject lots are smaller than typical for the area. As reflected previously, the comparable custom lot sales tended to have larger lot sizes or were located in other municipalities where home sizes were not restricted.

In an effort to segment the retail lot value by maximum home size category, we have applied the extraction technique where construction and other costs are deducted from home price, resulting in a residual lot value. The purpose of this process is not to estimate lot value; rather, the intent is to depict the lot value difference between the home size categories.

<u>Extraction Technique</u>

The extraction technique is a residual analysis that takes into account home prices, construction costs, accrued depreciation and developer's incentive in order to arrive at an estimate of land value. The elements of the extraction technique are discussed below.

Typical Home Prices

Home prices were detailed in *Residential Market Overview* section of this report. A review of recent home sales within the Wilder subdivision support a range between $500 and $600 per square foot. For the 2,500 to 5,000 SF home size categories, home prices between $1,500,000 ($600/SF) and $2,500,000 ($500/SF) are considered reasonable, with the largest home sizes selling for the lower price per square foot due to economies of scale. In addition to the sales price, the homeowner assumes the previously discussed bond indebtedness associated with the California Statewide Communities Development Authority Community Facilities District No. 2007-01, with a maximum annual Special Tax of approximately $14,891 per lot, and accompanying services tax. Based on a 5.0% interest rate, and a remaining term of 22 years, the present value of the annual special taxes for the subject lots is estimated at $230,000.

Construction Costs

The review of developer budgets for recent new home subdivisions in the region suggest direct construction costs of $130 to $250 per square foot are typical for home construction (good-to-excellent quality) and landscaping costs. This cost amount does not include indirect construction costs such as architectural fees, development fees and other fees due with building permits, and other soft costs such as financing and escrow costs.

As another indication of construction costs, we have referenced the Residential Cost Handbook by Marshall and Swift. After applying location multipliers, costs estimates by Marshall and Swift include indirect construction costs, but not other typical soft costs such as financing and escrow costs. According to the Residential Cost Handbook, construction costs for excellent quality 2,500 to 5,000 SF homes range from $186.90 to $219.44 per square foot.

In light of the discussion above, a construction cost estimate ranging from $200/SF for the smallest (2,500 sf) floor plan to $185/SF to the largest (5,000 sf) floor plan is considered reasonable for the subject property and will be applied in the extraction technique.

In addition an allocation for indirect costs (escrow and financing and other miscellaneous soft costs) is reasonable. Indirect items are the carrying costs and fees incurred in developing the project and during the construction cycle.

The following list itemizes some of the typical components that generally comprise indirect costs:

- Architectural and engineering fees for plans, plan checks, surveys and environmental studies
- Appraisal, consulting, accounting and legal fees
- The cost of carrying the investment in land and contract payments during construction. If the property is financed, the points, fees or service charges and interest on construction loans are considered
- All-risk insurance
- The cost of carrying the investment in the property after construction is complete, but before sell-out is achieved
- Developer fee earned by the project coordinator

Market participants indicate that indirect costs generally range from 5% to 15% of direct construction costs. Therefore, an allocation for indirect costs of 12% will be applied.

General and Administrative

General and administrative expenses consist of management fees, liability and fire insurance, inspection fees, appraisal fees, legal and accounting fees and copying or publication costs. This

expense category typically ranges from 2.0% to 4.0% of retail sales, depending on the length of the project and if all categories are included in a developer's budget. Based on industry norms, we have applied 3.0% for general and administrative expenses.

Sales and Marketing

These expenses typically consist of advertising and promotion, closing costs, sales operations, signs and sales commissions. The expenses are expressed as a percentage of the gross sales revenue. The range of marketing and sales expenses typically found in projects within the subject's market area is 5.0% to 6.5%. Considering the specifics of the subject property, a figure of 6.0% for marketing and sales expenses, is used in this report.

Accrued Depreciation

Since the extraction technique is considering the value of new residential construction, no allocation for depreciation is necessary.

Developer's Incentive

A survey was conducted during the current real estate cycle to gauge the static profit expectations of production homebuilders in the region. The results of this survey are tabulated below.

Data Source	Profit Expectations
Lance Goulette - Mission Peak Co. (2015)	10% net profit is the target for any residential development, which typically is geared towards move-up homebuyers with a Bay Area concentration
Josh Roden - Meritage (2013)	8% to 10% net profit, regardless of product type, market area or lot condition
Jeb Elmore - Lewis Operating Corp (2013)	8% to 10%, with better located projects with less uncertainty regarding pricing and absorption at the lower end of the range and higher risk projects nearer the high end of the range.
Dustin Barker - Lennar (2011)	10% to 15%
Greg Ackerman - Pulte (2010)	9% profit, 18+% gross margin (5% for marketing/sales, 4% for G&A)
Steve Schnable - JMC Homes (2008)	15% line item profit expectation with two to three home sales per month at current home prices
Tulare Windmill Ventures, LLC (2007)	15% typical profit factor for single-family subdivisions
Mike Grant - Premier Homes (2007)	12% static profit
John Bacigalupi - Beazer Homes (2007)	Static profit expectation was 20% during the period of expansion (2000-2005), but it is now 10% to 15% given the recent moderation/stabilization in the residential market
David Jacobsen - Ridgecrest Homes (2007)	10% for typical single-family projects, up to a maximum of 35%
Mike Winn - Reynen & Bardis (2005)	12% to 25% profit pre-tax; typical development timeline of 5 to 8 years
Doug Eikenbary - William Lyon Homes (2005)	8% to 10% target profit for both single-family subdivisions and master-planned communities; typical development timeline of 1 to 2 years

Move-up production home projects typically achieve static profits higher than entry-level or more affordable projects. This is even more true for custom home projects. Although absorption rates at

move-up production and custom home projects can be slower, static profits of 8% to 20% are not uncommon. For purposes of this analysis, a static profit rate of 12% is applied to the smallest floor plan (2,500 SF) and 15% is applied to the three larger floor plan categories.

Conclusion – Extraction Technique

The extraction technique is represented below with the aforementioned assumptions.

EXTRACTION TECHNIQUE

		Home Size:	**2,500**	**3,800**	**4,500**	**5,000**
		Approx. Lot Size:	9,000	12,500	16,400	19,500
Home Price:			**$1,500,000**	**$1,995,000**	**$2,362,500**	**$2,500,000**
Bond Indebtedness			**$230,000**	**$230,000**	**$230,000**	**$230,000**
Total Consideration			**$1,730,000**	**$2,225,000**	**$2,592,500**	**$2,730,000**
Less:						
Direct Construction Costs:	**$/SF x Home Size**	Direct Cost $/SF	**$200.00**	**$195.00**	**$195.00**	**$195.00**
		Direct Total:	$500,000	$741,000	$877,500	$975,000
Indirect Construction Costs @	**12.0%**	of Direct Cost	$60,000	$88,920	$105,300	$117,000
		Total Construction:	$560,000	$829,920	$982,800	$1,092,000
Administrative Costs @	**3.0%**	of Unit Price	$45,000	$59,850	$70,875	$75,000
Marketing Costs @	**6.0%**	of Unit Price	$90,000	$119,700	$141,750	$150,000
Developer's Incentive:	**% x Home Price**	Static Profit %:	**10.00%**	**15.00%**	**15.00%**	**15.00%**
		Total:	$150,000	$299,250	$354,375	$375,000
Total Costs:			$845,000	$1,308,720	$1,549,800	$1,692,000
Improved Lot Value (total consideration)			$885,000	$916,280	$1,042,700	$1,038,000
		Rounded:	**$890,000**	**$920,000**	**$1,040,000**	**$1,040,000**
		Improved Lot Value/Home Price Ratio:	59.3%	46.1%	44.0%	41.6%

The result of the extraction analysis shows residual lot values ranging from $890,000 to $1,040,000. More importantly, the analysis indicates no difference in lot value between the 4,500 SF and 5,000 SF categories; a $120,000 difference between the 3,800 SF and 4,500 SF categories; and a $30,000 difference between the 2,500 and 3,800 SF lot categories. Using these adjustment factors, the retail lot values of the subject's four home size categories are segmented by deducting differences in lot value from the original estimate of $950,000, shown below.

Max. Home Size Category	Lot Value
5,000 SF	$950,000
4,500 SF	$950,000
3,800 SF	$830,000
2,500 SF	$800,000

Based on the initial lot plotting for the Wilder subdivision, the following table depicts the number of lots within each maximum home size category:

Max. Home Size Category	Number of Lots
5,000 SF	86
4,500 SF	79
3,800 SF	38
2,500 SF	42

Considering the nominal impact of maximum home size constraint between a 3,800 and 5,000 square foot home, coupled with the number of lots comprising the largest three home size lot categories (203 lots), the negative effect of the 42 lots limited to 2,500 square foot homes is considered negligible in the overall lot values. For purposes of this analysis, a weighted average improved lot value of $1,000,000 is considered reasonable, which is estimated as follows:

Max. Home Size Category	Number of Lots	Lot Value
5,000 SF	86	$950,000
4,500 SF	79	$950,000
3,800 SF	38	$830,000
2,500 SF	42	$800,000
Weighted Average	*245*	***$905,673***

Based on the analysis above, an average market value of **$905,000** will be applied to each of the subject lots. As previously mentioned, there are 18 estate lots still held by the master developer located at the southern end of Wilder (Subdivision 9222) that offer the best views and lot positioning within the development and are expected to achieve a premium. In fact, the Developer indicates one of the lots is in contract for $1,300,000, plus the assumption of Bonds. With 18 estates lots, a lot premium of 20% above the typical lot is considered reasonable, or $1,086,000 ($905,000 + 20%), and will be factored into the analysis.

MARKET VALUATION – NON-MASTER DEVELOPER COMPONENT

There are 85 lots within the appraised portion of the District that are held by individuals or merchant builders, with Taylor Morrison owning 61 lots. In light of the number of lots held by Taylor Morrison, which were acquired in a two phase takedown with no discounting, or the remaining individuals or merchant builders, no further discounting is warranted in the determination of market value per Assessor's parcel. Therefore, the table on the following page reflects the non-master developer held lots comprising the appraised properties.

APN	OWNER	ACRES	LOT SF	SITE ADDRESS	APPRAISED VALUE
273-300-001	FONG ROY & GRACE TRE	0.526	22,928	5 BIGLEAF RD	$905,000
273-300-002	TUMINELLI STACY M	0.320	13,964	7 BIGLEAF RD	$905,000
273-300-003	SAFAVI HOOMAN	0.352	15,335	9 BIGLEAF RD	$905,000
273-300-004	SAFAVI HOOMAN	0.371	16,161	11 BIGLEAF RD	$905,000
273-300-005	WANG YIXUAN	0.539	23,519	15 BIGLEAF RD	$905,000
273-300-006	VALLEY PROPERTY INVESTORS 3	0.293	12,799	17 BIGLEAF RD	$905,000
273-300-008	VALLEY PROPERTY INVESTORS 3	0.345	15,049	21 BIGLEAF RD	$905,000
273-300-009	GABRIEL DANTE P TRE	0.459	19,996	23 BIGLEAF RD	$905,000
273-300-025	SHAPELL HOMES INC	0.877	38,215	2 RABBLE RD	$905,000
273-310-007	THOMSON JEFFREY S	0.550	23,989	66 BOEGER RANCH RD	$905,000
273-310-010	DUNLAP SCOTT	0.727	31,677	58 BOEGER RANCH RD	$905,000
273-310-011	LOPERA SUSAN LEE	0.710	30,967	56 BOEGER RANCH RD	$905,000
273-320-001	MALIK KUNAL & POOJA	0.565	24,654	9 FROGS LEAP WAY	$905,000
273-320-004	KT BUILDERS	0.418	18,218	17 FROGS LEAP WAY	$905,000
273-320-005	SYMONDS J SCOTT & MONICA S	0.448	19,554	19 FROGS LEAP WAY	$905,000
273-320-006	ORINDA DSSI ONE LLC	0.495	21,579	23 FROGS LEAP WAY	$905,000
273-320-007	ORINDA DSSI ONE LLC	0.515	22,446	25 FROGS LEAP WAY	$905,000
273-320-008	VANDIGGELEN ANTHONY & KARLYNN	0.441	19,225	18 FROGS LEAP WAY	$905,000
273-320-009	LI DEPIN	0.559	24,378	12 FROGS LEAP WAY	$905,000
273-320-010	JOSHI SUNDER & RUPA	0.458	19,973	10 FROGS LEAP WAY	$905,000
273-320-011	KT BUILDERS INC	0.330	14,417	8 FROGS LEAP WAY	$905,000
273-320-014	SHREYAS LLC	0.526	22,921	31 PAINTBRUSH LN	$905,000
273-320-015	SHREYAS LLC	0.757	32,996	33 PAINTBRUSH LN	$905,000
273-320-016	FINCH ROBERT & KATHLEEN M	0.673	29,327	30 PAINTBRUSH LN	$905,000
273-340-001	TAYLOR MORRISON OF CA LLC	0	0	TWIG LN	$905,000
273-340-002	TAYLOR MORRISON OF CA LLC	0	0	TWIG LN	$905,000
273-340-003	TAYLOR MORRISON OF CA LLC	0	0	TWIG LN	$905,000
273-340-004	TAYLOR MORRISON OF CA LLC	0	0	TWIG LN	$905,000
273-340-005	TAYLOR MORRISON OF CA LLC	0	0	TWIG LN	$905,000
273-340-006	TAYLOR MORRISON OF CA LLC	0	0	MONKEYFLOWER LN	$905,000
273-340-007	TAYLOR MORRISON OF CA LLC	0	0	MONKEYFLOWER LN	$905,000
273-340-008	TAYLOR MORRISON OF CA LLC	0	0	MONKEYFLOWER LN	$905,000
273-340-009	TAYLOR MORRISON OF CA LLC	0	0	MONKEYFLOWER LN	$905,000
273-340-010	TAYLOR MORRISON OF CA LLC	0	0	MONKEYFLOWER LN	$905,000
273-340-011	TAYLOR MORRISON OF CA LLC	0	0	MONKEYFLOWER LN	$905,000
273-340-012	TAYLOR MORRISON OF CA LLC	0	0	MONKEYFLOWER LN	$905,000
273-340-013	TAYLOR MORRISON OF CA LLC	0	0	MONKEYFLOWER LN	$905,000
273-340-014	TAYLOR MORRISON OF CA LLC	0	0	WINDY CREEK WAY	$905,000
273-340-015	TAYLOR MORRISON OF CA LLC	0	0	WINDY CREEK WAY	$905,000
273-340-016	TAYLOR MORRISON OF CA LLC	0	0	WINDY CREEK WAY	$905,000
273-340-017	TAYLOR MORRISON OF CA LLC	0	0	WINDY CREEK WAY	$905,000
273-340-018	TAYLOR MORRISON OF CA LLC	0	0	WINDY CREEK WAY	$905,000
273-340-019	TAYLOR MORRISON OF CA LLC	0	0	WINDY CREEK WAY	$905,000
273-340-020	TAYLOR MORRISON OF CA LLC	0	0	WINDY CREEK WAY	$905,000
273-340-021	TAYLOR MORRISON OF CA LLC	0	0	WINDY CREEK WAY	$905,000
273-340-022	TAYLOR MORRISON OF CA LLC	0	0	WINDY CREEK WAY	$905,000
273-340-023	TAYLOR MORRISON OF CA LLC	0	0	WINDY CREEK WAY	$905,000
273-340-024	TAYLOR MORRISON OF CA LLC	0.455	19,849	WILDER RD	$905,000
273-340-025	TAYLOR MORRISON OF CA LLC	0.407	17,744	WILDER RD	$905,000
273-340-026	TAYLOR MORRISON OF CA LLC	0.473	20,634	WILDER RD	$905,000
273-340-027	TAYLOR MORRISON OF CA LLC	0.425	18,549	WILDER RD	$905,000
273-340-028	TAYLOR MORRISON OF CA LLC	0.485	21,153	WILDER RD	$905,000
273-340-029	TAYLOR MORRISON OF CA LLC	0.719	31,354	WILDER RD	$905,000
273-340-030	TAYLOR MORRISON OF CA LLC	0.465	20,269	WILDER RD	$905,000
273-340-031	TAYLOR MORRISON OF CA LLC	0.305	13,312	WILDER RD	$905,000
273-340-032	TAYLOR MORRISON OF CA LLC	0.422	18,383	WILDER RD	$905,000
273-340-033	TAYLOR MORRISON OF CA LLC	0.313	13,642	WILDER RD	$905,000
273-340-034	TAYLOR MORRISON OF CA LLC	0.326	14,207	WILDER RD	$905,000
273-340-035	TAYLOR MORRISON OF CA LLC	0.515	22,449	WILDER RD	$905,000
273-350-001	TAYLOR MORRISON OF CA LLC	0.000	0	MONKEYFLOWER LN	$905,000
273-350-002	TAYLOR MORRISON OF CA LLC	0.000	0	MONKEYFLOWER LN	$905,000
273-350-003	TAYLOR MORRISON OF CA LLC	0.000	0	MONKEYFLOWER LN	$905,000
273-350-004	TAYLOR MORRISON OF CA LLC	0.000	0	MONKEYFLOWER LN	$905,000
273-350-005	TAYLOR MORRISON OF CA LLC	0.000	0	WINDY CREEK WAY	$905,000
273-350-006	TAYLOR MORRISON OF CA LLC	0.000	0	WINDY CREEK WAY	$905,000
273-350-007	TAYLOR MORRISON OF CA LLC	0.000	0	WINDY CREEK WAY	$905,000
273-350-008	TAYLOR MORRISON OF CA LLC	0.000	0	WINDY CREEK WAY	$905,000
273-350-009	TAYLOR MORRISON OF CA LLC	0.000	0	WINDY CREEK WAY	$905,000
273-350-010	TAYLOR MORRISON OF CA LLC	0.000	0	WINDY CREEK WAY	$905,000
273-350-011	TAYLOR MORRISON OF CA LLC	0.000	0	WINDY CREEK WAY	$905,000
273-350-012	TAYLOR MORRISON OF CA LLC	0.000	0	WINDY CREEK WAY	$905,000
273-350-013	TAYLOR MORRISON OF CA LLC	0.000	0	WINDY CREEK WAY	$905,000
273-350-014	TAYLOR MORRISON OF CA LLC	0.000	0	WINDY CREEK WAY	$905,000
273-350-015	TAYLOR MORRISON OF CA LLC	0.000	0	WINDY CREEK WAY	$905,000
273-350-016	TAYLOR MORRISON OF CA LLC	0.449	19,588	WILDER RD	$905,000
273-350-017	TAYLOR MORRISON OF CA LLC	0.409	17,845	206 WILDER RD	$905,000
273-350-018	TAYLOR MORRISON OF CA LLC	0.396	17,267	WILDER RD	$905,000
273-350-019	TAYLOR MORRISON OF CA LLC	0.331	14,458	WILDER RD	$905,000
273-350-020	TAYLOR MORRISON OF CA LLC	0.288	12,548	WILDER RD	$905,000
273-350-021	TAYLOR MORRISON OF CA LLC	0.379	16,533	WILDER RD	$905,000
273-350-022	TAYLOR MORRISON OF CA LLC	0.382	16,682	WILDER RD	$905,000
273-350-023	TAYLOR MORRISON OF CA LLC	0.355	15,506	WILDER RD	$905,000
273-350-024	TAYLOR MORRISON OF CA LLC	0.436	19,000	WILDER RD	$905,000
273-350-025	TAYLOR MORRISON OF CA LLC	0.386	16,815	WILDER RD	$905,000
273-350-026	TAYLOR MORRISON OF CA LLC	0.478	20,865	WILDER RD	$905,000
Total					***$76,925,000***

BULK MARKET VALUE – MASTER DEVELOPER COMPONENT (OG PROPERTY OWNER LLC)

In this section, the market value of the OG Property Owner LLC-owned portion of the District, in bulk, subject to the Lien of the Special Tax securing the California Statewide Communities Development Authority Community Facilities District No. 2007-1 Bonds, will be estimated by employing the use of a discounted cash flow analysis under the subdivisions development method to value; whereby, the expected revenue, absorption period, expenses and discount rate associated with the development and sell-off of the land will be taken into account.

Under the subdivision development method, the expected revenue, absorption period, expenses and discount rate associated with the development and sell-off of the 150 developer-owned lots will be taken into account. A discounted cash flow analysis is a procedure in which a discount rate is applied to a projected revenue stream generated from the sale of individual components of a project. In this method of valuation, the appraiser/analyst specifies the quantity, variability, timing and duration of the revenue streams and discounts each to its present value at a specified yield rate. The four main items of the discounted cash flow analysis are summarized as follows:

- **Revenue** – the gross income is based on the individual component values.
- **Absorption Analysis** – the time frame required for sell off. Of primary importance in this analysis is the allocation of the revenue over the absorption period – including the estimation of an appreciation factor (if any).
- **Expenses** – the expenses associated with the sell-off are calculated in this section – including remaining in-tract and infrastructure costs, administration, marketing and commission costs, as well as taxes and special assessments.
- **Discount Rate** – an appropriate discount rate is derived employing a variety of data.

Discussions of these four concepts begin below, with the discounted cash flow analysis offered at the end of this section.

Revenue

With the subdivision development method, the revenue component of the DCF will be comprised of the individual lots valued in the previous section at $905,000, on average, per typical lot, and $1,086,000 for the 18 estate lots. The total aggregate value for the 150 lots held by the master developed is presented in the following table:

Component	Total Lots	Value per Lot	Aggregate Retail Value
Subdivision 9223	34	$905,000	$ 30,770,000
Subdivision 9224	60	$905,000	$ 54,300,000
Subdivision 9222 (Estate Lots)	18	$1,086,000	$ 19,548,000
Subdivision 9074	38	$905,000	$ 34,390,000
Total	150	$926,720	$ 139,008,000

Changes in Market Conditions (Price Increases or Decreases)

The East Bay market area is enjoying market appreciation in home prices. While, based on market surveys, most merchant builders do not appreciate or depreciate revenues and expenses in land residual analysis, preferring to account for the risk in the selected internal rate of return (IRR), it is expected that over the course of the development period home prices will experience continued appreciation. As noted in the *Residential Market Overview* section presented earlier, the median sale price in the Orinda increased 11.5% from March 2014 to March 2015. Considering the length of the total absorption period, the anticipated appreciations in prices during the sell-out of the residential lots will be trended at an average annual rate of 5.0%, or 2.5% per period (six months).

Absorption Analysis

In attempting to estimate the absorption period that would be required for the disposition of the 150 lots, both the historical exposure times and projected economic conditions have been considered. A number of assumptions are made in the discounted cash flow analysis, not the least of which is the forecast of absorption, or disposition, of the 150 lots comprising the master developer's holdings. It is common for surveys of market participants to reveal different estimations of anticipated absorption periods for the sell-off of multiple components comprising a master planned development, or large land holding, with some developers preferring to hasten the holding period in favor of mitigating exposures to fluctuations in market conditions; whereas, other developers prefer to manage the sell-off of the property over an extended period of time so as to minimize direct competition of product within the master planned project – most often associated with large residential developments.

Conversations with the sales agent actively marketing custom and semi-custom lots within the Wilder project in Orinda indicate the subject lots are being well received by the market. Interviews with the master developer indicate positive interest from merchant builders, with Taylor Morrison recently acquiring 38 additional lots in bulk, and still confidential negotiations with merchant builders interested in acquiring lots for high-end production home development, reportedly at a price point commensurate with retail lot pricing (no bulk discounting). With the improving market conditions and demand for lots available within the Wilder master planned community, which were discussed in the *Residential Market Overview* section presented earlier, it is estimated the subject

lots could sell in a combination of individual and small bulk transactions over an absorption period ranging from 2½ and 3½ years (30 months and 42 months). The discounted cash flows reflect the expectation of 36 lots transferring within the first period (six months), in light of the abovementioned negotiations, with between 21 and 36 lots selling per period thereafter. The expectation is continued merchant builder interest in the subject property in conjunction with retail sales to individuals. With 150 lots, the absorption, or disposition, period is estimated at between five and seven periods, based on a semi-annual basis.

Expenses

General and Administrative

The general and administrative expense category covers the various administrative costs associated with managing the overall development. This would include management, legal and accounting fees and other professional services common to a development project. For purposes of this analysis, we have estimated this expense at 3% of the total gross sale proceeds. This expense is spread evenly over the entire sellout period.

Marketing and Sales

The costs associated with marketing, commissions and closing costs relative to the disposition of the subject's components are estimated at 6% of the total gross sale proceeds. Although this rate is somewhat negotiable, it is consistent with current industry trends.

Property Taxes (Ad Valorem Taxes)

This appraisal is predicated on, and assumes, a sale of the appraised property. The total ad valorem taxes and direct levies for the subject property will be based on the annual tax rate of 1.1094%. This rate is applied to the estimated market value and divided by the total number of lots to yield an estimate of total property taxes/unit/year. The total tax expense is gradually reduced over the absorption period, as the lots are sold off. Property taxes are increased by 2% per year.

Special Taxes (CFD Taxes)

In addition to the ad valorem taxes, the subject is encumbered by the California Statewide Communities Development Authority Community Facilities District No. 2007-01, with a maximum annual Special Tax of approximately $14,891 per lot. However, the purpose of this appraisal is to aid in the refunding of the CSCDA CFD No. 2007-1 Bonds, which will necessarily lower the annual services tax. Based on preliminary information provided by the underwriter, the annual services Special Tax will decrease approximately $1,500, or $13,392 per lot per year, plus the

aforementioned services tax of $2,067 per lot per year, which escalates at 2.0% per year, all of which will be accounted for in this analysis.

Site Development Costs

According to the master developer, Subdivisions 9223 and 9224, which total 94 unimproved lots, and Subdivision 9222 have remaining site development costs totaling $3,360,000, which will be accounted for during the disposition period in Periods 2 and 3, generally commensurate with the Developer's time scheduled.

Discount Rate

The project yield rate is the rate of return on the total un-leveraged investment in a development, including both equity and debt. The leveraged yield rate is the rate of return to the "base" equity position when a portion of the development is financed. The "base" equity position represents the total equity contribution. The developer/builder may have funded all of the equity contribution, or a consortium of investors/builders as in a joint venture may fund it. Most surveys indicate that the threshold project yield requirement is about 20% to 30% for new home type projects. Instances in which project yields may be less than 20% often involve profit participation arrangements in master planned communities where the master developer limits the number of competing tracts.

According to a leading publication within the appraisal industry, the PwC Real Estate Investor Survey[12], discount rates for land development projects ranged from 10.00% to 25.00%, with an average of 16.75% during the Fourth Quarter 2014, which is down 140 basis points (18.15%) from the Second Quarter 2014 (land survey completed every six months). These rates are free-and-clear of financing, are inclusive of developer's profit, and assume entitlements are in place. Without entitlements in place, the PwC survey indicates certain investors increase the discount rate between 400 and 1,500 basis points (an average increase of 1,040 basis points).

According to the data presented in the survey prepared by PwC, the majority of those respondents who use the discounted cash flow (DCF) method do so free and clear of financing. Additionally, the participants reflect a preference in including the developer's profit in the discount rate, versus a separate line item for this factor. As such, the range of rates presented above is inclusive of the developer's profit projection.

The discount rates are based on a survey that includes residential, office, retail and industrial developments. Participants in the survey indicate the highest expected returns are on large-scale, unapproved developments. The low end of the range was extracted from projects where certain

[12] PwC Real Estate Investor Survey, PricewaterhouseCoopers, 4th Quarter 2014, Volume 27, Number 4.

development risks had been lessened or eliminated. Several respondents indicate they expect slightly lower returns when approvals/entitlements are already in place.

Excerpts from recent PwC surveys are copied below.

> Looking ahead over the next 12 months, surveyed investors unanimously forecast property values in the national development land market to increase. Expected appreciation ranges up to 15.0% and average 5.0%. (Fourth Quarter 2014)
>
> As both the U.S. economy and the commercial real estate (CRE) industry's fundamentals show continued signs of improvement, interest in CRE development has picked up across each main property sector – office, retail, industrial, apartments, and lodging. As a result, certain investors in the national development land market are looking to acquire new parcels, finish entitling owned tracts, and/or convert parcels into readied sites… For the first time in quite a while, our surveyed investors are unanimous in their expectations that values for development land will increase over the next 12 months… Appreciation ranges up to 10.0% and averages 3.6% – up quite a bit from six months ago when the average was 2.6%. (Second Quarter 2014)
> Survey results suggest that investors anticipate commercial real estate (CRE) fundamentals to continue to improve, opening up diverse development land opportunities across all property types… The outlook for development improved for the second straight year. In addition, and perhaps more importantly, the average outlook for development is considered "fair" – an improvement from two years ago when the average outlook was "modestly poor…" The improvement in the development outlook does not mean that the CRE industry will be flooded with new supply in the near future and that vast opportunities exist for development land investors. "Some markets still have a significant inventory of land with entitlements and some with partial infrastructure that will move forward with development first, so we still need to be patient," says an investor, who suggests looking for opportunities in metros where sustainable job growth exists. Another strategizes to "find the right land location and then wait for buyers to show up." (Fourth Quarter 2013)
>
> Improvements to the U.S. housing market and domestic economy have sparked increased interest in commercial real estate (CRE) development as many investors note that a growing number of developers are talking about and planning new projects. "The market is certainly improving in specific areas and specific submarkets," says an investor. Nevertheless, patience is a key word among many development land investors since the recovery in the CRE industry is occurring very slowly in many areas. "It's all about timing, and you need to be in the right market at the right time," shares another. (Second Quarter 2013)
>
> Although there are signs of improvements in this property sector, investors stress that it mostly relates to the amount of activity rather than improvements in pricing. "It is still a buyers' market," says a participant. For now, some development land investors advise owners to "hold onto their land and wait for markets to really come back…" A growing interest in new development caused both the average and high and low ranges of the discount rate to decline for the national land development market over the past six months. (Fourth Quarter 2012)

Information for a developing in-house database of project yield rates is presented in the table on the next page.

Data Source	Yield / IRR Expectations (Inclusive of Profit)
PwC Real Estate Investor Survey - Fourth Quarter 2014 (updated semi-annually)	Range of 10.0% to 25.0%, with an average of 16.75%, inclusive of profit and assuming entitlements in place, for land development (national average)
Josh Roden - Meritage (2013)	20% to 25% for entitled lots
Jeb Elmore - Lewis Operating Corp (2013)	18% to 25%. Longer term, higher risk projects on higher side of the range, shorter term, lower risk projects on the lower side of the range. Long term speculation properties (10 to 20 years out) often closer to 30%.
Greg Ackerman - Pulte (2010)	18% minimum, 20% target
Chris Downey - Hon Development	Minimum IRR of 20-25%; for an 8 to 10 year cash flow, mid to upper 20% range
Gary Gorian - Dale Poe Development	25% IRR for land development is typical (no entitlements); slightly higher for properties with significant infrastructure costs
David Pitts - Newhall Land and Farming	20% to 30% IRR for land development deals on an unleveraged basis
Mark Palkowitsh - MSP California, LLC	35% for large land deals from raw unentitled to tentative map stage, unleveraged or leveraged. 25% to 30% from tentative map to pad sales to merchant builders, unleveraged
Rick Nieman - GFC	18% to 22% for land with some entitlements, unleveraged. 30% for raw unentitled
Lin Stinson - Providence Realty Group	Low 20% range yield rate required to attract capital to longer-term land holdings
Dan Boyd - ESE Land Company	Merchant builder yield requirements in the 20% range for traditionally financed tract developments. Larger land holdings would require 25% to 30%. Environmentally challenged or politically risky development could well run in excess of 35%.
Tulare Windmill Ventures, LLC	10% discount rate excluding profit for single-family subdivisions
David Jacobsen - Ridgecrest Homes	10% to 40% for single-family residential subdivisions with 1-2 year development timelines
Mike Grant - Premier Homes	15% to 20% IRR
Lyle McCullogh - California Pacific Homes	No less than 20% IRR for land development, either entitled or unentitled
Roy Robertson - Ekotec	20% to 30% for an unentitled property; the lower end of the range would reflect those properties close to tentative maps
Gordon MacKenzie - Brookfield Development	No less than 30% when typical entitlement risk exists

It is noted the preceding survey related to production home developments at the land stage. Even so, the respondents reflect the expectations of market participants in the residential sector.

A developer survey of IRR expectations is presented above. As reflected by that survey, developers typically have IRR expectations of 10.0% to 25.0% for residential projects under stabilized market conditions. Based on the location of the subject development, which is a highly desirable market area, the condition of the lots, which are substantially improved, the risks associated with the disposition and sell off of the lots are substantially mitigated. Therefore, an IRR of **12%** is considered reasonable for the subject property under both disposition models (30-month and 42-month). This discount rate is inclusive of developer's incentive (profit). On a bifurcated model, using an 8% discount rate (costs of funds), the implied developer's incentive (profit) is estimated at 18.52% (30 months) and 18.56% (42 months). These profit indices are compared with an in-house database of developer surveys, which is presented in the table on the following page.

Data Source	Profit Expectations
Lance Goulette - Mission Peak Co. (2015)	10% net profit is the target for any residential development, which typically is geared towards move-up homebuyers with a Bay Area concentration
Josh Roden - Meritage (2013)	8% to 10% net profit, regardless of product type, market area or lot condition
Jeb Elmore - Lewis Operating Corp (2013)	8% to 10%, with better located projects with less uncertainty regarding pricing and absorption at the lower end of the range and higher risk projects nearer the high end of the range.
Dustin Barker - Lennar (2011)	10% to 15%
Greg Ackerman - Pulte (2010)	9% profit, 18+% gross margin (5% for marketing/sales, 4% for G&A)
Steve Schnable - JMC Homes (2008)	15% line item profit expectation with two to three home sales per month at current home prices
Tulare Windmill Ventures, LLC (2007)	15% typical profit factor for single-family subdivisions
Mike Grant - Premier Homes (2007)	12% static profit
John Bacigalupi - Beazer Homes (2007)	Static profit expectation was 20% during the period of expansion (2000-2005), but it is now 10% to 15% given the recent moderation/stabilization in the residential market
David Jacobsen - Ridgecrest Homes (2007)	10% for typical single-family projects, up to a maximum of 35%
Mike Winn - Reynen & Bardis (2005)	12% to 25% profit pre-tax; typical development timeline of 5 to 8 years
Doug Eikenbary - William Lyon Homes (2005)	8% to 10% target profit for both single-family subdivisions and master-planned communities; typical development timeline of 1 to 2 years

It's important to note the survey above reflects profit expectations on finished product (improved homes); whereas, the subject's profit estimate is on lot development and disposition. Given the number of lots involved, the average price point of the lots and the limited buyer pool, a higher profit expectation is considered appropriate and reasonable.

Conclusion

The tables on the following pages incorporate the preceding factors in estimating the market value of the OG Property Owner LLC-owned portion of the District, in bulk. The discounted cash flow analyses are calculated on a semi-annual basis. The property tax calculation and discount rate have been adjusted to a semi-annual basis as well.

30-MONTH DISCOUNTED CASH FLOW ANALYSIS

Assumptions:

REVENUE

Component	Total Lots	Value per Lot	Aggregate Retail Value
Subdivision 9223	34	$905,000	$ 30,770,000
Subdivision 9224	60	$905,000	$ 54,300,000
Subdivision 9222 (Estate Lots)	18	$1,086,000	$ 19,548,000
Subdivision 9074	38	$905,000	$ 34,390,000
Total	150	$926,720	$ 139,008,000

HOLDING COSTS AND GENERAL EXPENSES

General and Administrative (% sales):	3.0%
Marketing and Sales:	6.0%
First year Annual Special Taxes per Lot:	$13,392
First year Annual Services Tax per Lot:	$2,067
First year Annual Taxes per Lot:	$8,055
Remaining Development Costs:	$3,360,000

DISCOUNT RATE (IRR)

12%

Income and Expense Analysis:

Period (One Period = 6 Months)	1	2	3	4	5	Total
Sales (Residential Lots):	36	36	36	36	6	150
Inventory (Residential Lots):	*114*	*78*	*42*	*6*	*0*	
Total Sales Revenue	$ 33,361,920	$ 33,361,920	$ 33,361,920	$ 33,361,920	$ 5,560,320	$ 139,008,000
Appreciation Factor	2.50%	5.00%	7.50%	10.00%	12.50%	
Total Revenue	$ 34,195,968	$ 35,030,016	$ 35,864,064	$ 36,698,112	$ 6,255,360	$ 148,043,520
Expenses						
General and Administrative	$ (888,261)	$ (888,261)	$ (888,261)	$ (888,261)	$ (888,261)	$ (4,441,306)
Marketing and Sales	$ (2,051,758)	$ (2,101,801)	$ (2,151,844)	$ (2,201,887)	$ (375,322)	$ (8,882,611)
Special Taxes (CFD No. 2007-1)	$ (1,004,364)	$ (763,317)	$ (532,715)	$ (286,846)	$ (41,798)	$ (2,629,039)
Annual Services Tax	$ (155,025)	$ (117,819)	$ (82,225)	$ (44,275)	$ (6,452)	$ (405,796)
Ad Valorem Taxes	$ (604,124)	$ (459,134)	$ (320,427)	$ (172,538)	$ (25,141)	$ (1,581,364)
Remaining Site Development	$ -	$ (1,680,000)	$ (1,680,000)	$ -	$ -	$ (3,360,000)
Total Expenses	$ (4,703,532)	$ (6,010,332)	$ (5,655,472)	$ (3,593,807)	$ (1,336,973)	$ (21,300,116)
NET INCOME	$ 29,492,436	$ 29,019,684	$ 30,208,592	$ 33,104,305	$ 4,918,387	$ 126,743,404
Present Value Factor	0.9434	0.8900	0.8396	0.7921	0.7473	
Discounted Cash Flow	$ 27,823,053	$ 25,827,416	$ 25,363,716	$ 26,221,710	$ 3,675,305	$ 108,911,200
Net Present Value	$ 108,911,200					

CONCLUSION OF MARKET VALUE BY DISCOUNTED CASH FLOW ANALYSIS: Rd. **$108,910,000**

42-MONTH DISCOUNTED CASH FLOW ANALYSIS

Assumptions:

REVENUE

Component	Total Lots	Value per Lot	Aggregate Retail Value
Subdivision 9223	34	$905,000	$ 30,770,000
Subdivision 9224	60	$905,000	$ 54,300,000
Subdivision 9222 (Estate Lots)	18	$1,086,000	$ 19,548,000
Subdivision 9074	38	$905,000	$ 34,390,000
Total	150	$926,720	$ 139,008,000

HOLDING COSTS AND GENERAL EXPENSES

General and Administrative (% sales):	3.0%
Marketing and Sales:	6.0%
First year Annual Special Taxes per Lot:	$13,392
First year Annual Services Tax per Lot:	$2,067
First year Annual Taxes per Lot:	$7,939
Remaining Development Costs:	$3,360,000

DISCOUNT RATE (IRR)

12%

Income and Expense Analysis:

Period (One Period = 6 Months)	1	2	3	4	5	6	7	Total
Sales (Residential Lots):	36	21	21	21	21	21	9	150
Inventory (Residential Lots):	*114*	*93*	*72*	*51*	*30*	*9*	*0*	
Total Sales Revenue	$ 33,361,920	$ 19,461,120	$ 19,461,120	$ 19,461,120	$ 19,461,120	$ 19,461,120	$ 8,340,480	$ 139,008,000
Appreciation Factor	2.50%	5.00%	7.50%	10.00%	12.50%	15.00%	17.50%	
Total Revenue	$ 34,195,968	$ 20,434,176	$ 20,920,704	$ 21,407,232	$ 21,893,760	$ 22,380,288	$ 9,800,064	$ 151,032,192
Expenses								
General and Administrative	$ (647,281)	$ (647,281)	$ (647,281)	$ (647,281)	$ (647,281)	$ (647,281)	$ (647,281)	$ (4,530,966)
Marketing and Sales	$ (2,051,758)	$ (1,226,051)	$ (1,255,242)	$ (1,284,434)	$ (1,313,626)	$ (1,342,817)	$ (588,004)	$ (9,061,932)
Special Taxes (CFD No. 2007-1)	$ (1,004,364)	$ (763,317)	$ (635,160)	$ (491,737)	$ (355,280)	$ (208,988)	$ (62,696)	$ (3,521,541)
Annual Services Tax	$ (155,025)	$ (117,819)	$ (98,038)	$ (75,900)	$ (54,838)	$ (32,258)	$ (9,871)	$ (543,748)
Ad Valorem Taxes	$ (595,415)	$ (452,515)	$ (376,540)	$ (291,515)	$ (210,620)	$ (123,894)	$ (37,912)	$ (2,088,411)
Remaining Site Development	$ -	$ (3,969)	$ (3,969)	$ -	$ -	$ -	$ -	$ (7,939)
Total Expenses	$ (4,453,843)	$ (3,210,952)	$ (3,016,231)	$ (2,790,867)	$ (2,581,644)	$ (2,355,238)	$ (1,345,763)	$ (19,754,537)
NET INCOME	$ 29,742,125	$ 17,223,224	$ 17,904,473	$ 18,616,365	$ 19,312,116	$ 20,025,050	$ 8,454,301	$ 131,277,655
Present Value Factor	0.9434	0.8900	0.8396	0.7921	0.7473	0.7050	0.6651	
Discounted Cash Flow	$ 28,058,609	$ 15,328,608	$ 15,032,941	$ 14,745,905	$ 14,431,137	$ 14,116,870	$ 5,622,593	$ 107,336,663
Net Present Value	$ 107,336,663							

CONCLUSION OF MARKET VALUE BY DISCOUNTED CASH FLOW ANALYSIS: Rd. **$107,340,000**

Reconciliation

The values estimated by the two subdivision development methods are compared below as follows:

30 Month Disposition	42 Month Disposition	Difference
$108,910,000 *$726,067 per lot*	**$107,340,000** *$715,600 per lot*	**1.4%**

The percentage difference between the two estimates is reasonable (1.4%). Based on the two indicators above, and considering the appeal of the lots to merchant builders, as evidenced by the recent bulk lot transactions within the project, a conclusion of market value, in bulk, for the master developer components more in line with the 30-month disposition period is considered reasonable. Therefore, we estimate a market value of **$725,000 per lot** ($108,750,000), for the 150 lots still held by the master developer.

CONCLUSIONS OF VALUE

The purpose of this appraisal is to provide the market values, by ownership, of the appraised properties, subject to the Lien of the Special Tax securing the California Statewide Communities Development Authority (CSCDA) Community Facilities District (CFD) No. 2007-1 Bonds (*fee simple estate*), as of May 1, 2015. The appraised properties comprise the undeveloped single-family residential lots within the boundaries of the District not assessed by the County of Contra Costa Assessor's Office with an improvement value. The Orinda Wilder master planned community is located north and south of Wilder Road, southeast of State Highway 24, approximately ½-mile east of the Caldecott Tunnel, with the city of Orinda, Contra Costa County, California.

The cumulative, or aggregate, value of the appraised properties is estimated herein in accordance with the definitions, certifications, assumptions and conditions set forth in the attached document (please refer to pages 7 through 9). As a result of our analysis, it is our opinion the cumulative, or aggregate, value of the appraised properties (please see *Market Value by Assessor's Parcel* list in the Appendix to this report), as of May 1, 2015, is as follows:

Component	Number of Lots	Difference
Non-Master Developer	**85 lots**	**$76,925,000**
Master Developer	**150 lots**	**$108,750,000**
Total Cumulative, or Aggregate, Value		***$185,675,000***

The value estimates assume a transfer that reflects 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.

EXPOSURE TIME & MARKETING TIME

Exposure time and marketing time may or may not be similar depending on whether market activity in the immediate future continues in the same manner as in the immediate past. Indications of the exposure time associated with the market value estimate are provided by the marketing times of sale comparables, interviews with participants in the market and analysis of general economic conditions. Estimation of a future marketing time is more difficult, requiring forecasting and analysis of trends.

Exposure Time

Exposure time is the period a property interest would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. For a complete definition of exposure time, please reference the *Glossary of Terms* in the Addenda.

In attempting to estimate a reasonable exposure time for the subject property, we looked at both the historical exposure times of a number of sales, as well as current and past economic conditions. The housing market in the Bay Area has been in a growth stage for the past two years. A transfer of residential land in the region has typically occurred within 12 months of exposure. It is estimated the exposure time for the subject property, if appropriately priced, would be within 12 months.

Marketing Time

Marketing time is an estimate of the time to sell a property interest in real estate at the estimated market value during the period immediately after the effective date of value. A reasonable marketing time is estimated by comparing the recent exposure time of similar properties, and then taking into consideration current and future economic conditions and how they may impact marketing of the subject property.

The marketing time for the subject property is not anticipated to vary significantly from the exposure time. Thus, the marketing time is estimated at 12 months or less.

APPENDIX

A – MARKET VALUE BY ACCESSOR'S PARVEL MAP

APN	ACRES	LOT SF	BLDG. SF	OWNER	SITE ADDRESS	CITY, STATE, ZIP	IMP VALUE	LAND VALUE	TOTAL AV	STORIES	DEED DATE	SALE PRICE	SALE DATE	APPRAISED VALUE
273-270-007	23.180	1,009,721	0	OG PROPERTY OWNER LLC	QUARRY HILL RD	ORINDA CA 94563	$1,897,000	$18,700,000	$20,597,000		02/02/2007	$0	02/02/2007	$24,650,000
273-280-005	32.856	1,431,207	0	OG PROPERTY OWNER LLC	BIGLEAF RD	ORINDA CA 94563	$0	$33,000,000	$33,000,000		02/02/2007	$0	02/02/2007	$43,500,000
273-300-001	0.526	22,928	0	FONG ROY & GRACE TRE	5 BIGLEAF RD	ORINDA CA 94563-3729	$0	$649,000	$649,000		10/17/2013	$649,000	10/18/2013	$905,000
273-300-002	0.320	13,964	0	TUMINELLI STACY M	7 BIGLEAF RD	ORINDA CA 94563-3729	$0	$609,000	$609,000		10/16/2013	$609,000	10/16/2013	$905,000
273-300-003	0.352	15,335	0	SAFAVI HOOMAN	9 BIGLEAF RD	ORINDA CA 94563-3729	$0	$629,000	$629,000		10/16/2013	$629,000	10/16/2013	$905,000
273-300-004	0.371	16,161	0	SAFAVI HOOMAN	11 BIGLEAF RD	ORINDA CA 94563-3729	$0	$629,000	$629,000		10/16/2013	$635,000	10/16/2013	$905,000
273-300-005	0.539	23,519	0	WANG YIXUAN	15 BIGLEAF RD	ORINDA CA 94563-3729	$0	$709,000	$709,000		10/17/2013	$709,000	10/17/2013	$905,000
273-300-006	0.293	12,799	0	VALLEY PROPERTY INVESTORS 3	17 BIGLEAF RD	ORINDA CA 94563-3729	$0	$699,000	$699,000		11/22/2013	$699,000	11/22/2013	$905,000
273-300-007	0.345	15,049	0	VALLEY PROPERTY INVESTORS 3	19 BIGLEAF RD	ORINDA CA 94563-3729	$0	$595,000	$595,000		11/22/2013	$595,000	11/22/2013	
273-300-008	0.345	15,049	0	VALLEY PROPERTY INVESTORS 3	21 BIGLEAF RD	ORINDA CA 94563-3729	$0	$619,000	$619,000		11/22/2013	$619,000	11/22/2013	$905,000
273-300-009	0.459	19,996	0	GABRIEL DANTE P TRE	23 BIGLEAF RD	ORINDA CA 94563-3729	$0	$689,000	$689,000		11/21/2013	$689,000	04/22/2014	$905,000
273-300-010	0.405	17,667	0	OG PROPERTY OWNER LLC	25 BIGLEAF RD	ORINDA CA 94563-3729	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-300-011	0.490	21,385	0	OG PROPERTY OWNER LLC	27 BIGLEAF RD	ORINDA CA 94563-3729	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-300-012	0.454	19,810	0	OG PROPERTY OWNER LLC	29 BIGLEAF RD	ORINDA CA 94563-3729	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-300-013	0.352	15,335	0	OG PROPERTY OWNER LLC	31 BIGLEAF RD	ORINDA CA 94563-3729	$0	$622,465	$622,465		02/02/2007	$0	02/02/2007	$725,000
273-300-014	0.481	20,972	0	OG PROPERTY OWNER LLC	33 BIGLEAF RD	ORINDA CA 94563-3729	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-300-015	0.544	23,727	0	OG PROPERTY OWNER LLC	35 BIGLEAF RD	ORINDA CA 94563-3729	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-300-016	0.392	17,089	0	OG PROPERTY OWNER LLC	37 BIGLEAF RD	ORINDA CA 94563-3729	$0	$693,662	$693,662		02/02/2007	$0	02/02/2007	$725,000
273-300-017	0.532	23,178	2,427	ROBBOY REBECA M	22 RABBLE RD	ORINDA CA 94563-3718	$457,065	$773,495	$1,230,560		07/16/2012	$1,225,000	07/16/2012	
273-300-018	0.524	22,849	4,096	BRESNIK MARK S TRE	20 RABBLE RD	ORINDA CA 94563-3718	$418,000	$753,405	$1,171,405		05/29/2014	$2,245,000	05/29/2014	
273-300-019	0.578	25,189	0	BAGLEY PARKER & JULIE	18 RABBLE RD	ORINDA CA 94563-3718	$560,000	$753,405	$1,313,405		12/01/2014	$2,750,000	12/01/2014	
273-300-020	0.616	26,876	0	OG PROPERTY OWNER LLC	16 RABBLE RD	ORINDA CA 94563-3718	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-300-021	0.387	16,891	0	OG PROPERTY OWNER LLC	12 RABBLE RD	ORINDA CA 94563-3718	$0	$685,624	$685,624		02/02/2007	$0	02/02/2007	$725,000
273-300-022	0.390	16,995	4,131	ARMANDPOUR TIM & RACQUEL TRE	10 RABBLE RD	ORINDA CA 94563-3718	$939,000	$718,246	$1,657,246	2.0	02/07/2014	$2,009,000	02/07/2014	
273-300-023	0.559	24,384	4,601	VICENCIO MARK T & SHANNON TRE	8 RABBLE RD	ORINDA CA 94563-3718	$1,343,300	$875,000	$2,218,300	2.0	08/29/2013	$2,218,500	09/18/2014	
273-300-024	0.866	37,723	5,988	GRINBERG PAUL J TRE	6 RABBLE RD	ORINDA CA 94563-3718	$1,908,626	$843,813	$2,752,439		11/02/2012	$2,740,000	09/09/2013	
273-300-025	0.877	38,215	0	SHAPELL HOMES INC	2 RABBLE RD	ORINDA CA 94563-3718	$0	$750,000	$750,000		10/22/2013	$0	10/22/2013	$905,000
273-310-001	0.457	19,938	0	OG PROPERTY OWNER LLC	15 WILD RYE WAY	ORINDA CA 94563-3728	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-310-002	0.381	16,630	0	OG PROPERTY OWNER LLC	17 WILD RYE WAY	ORINDA CA 94563-3728	$0	$675,030	$675,030		02/02/2007	$0	02/02/2007	$725,000
273-310-003	0.323	14,086	0	OG PROPERTY OWNER LLC	19 WILD RYE WAY	ORINDA CA 94563-3728	$0	$571,766	$571,766		02/02/2007	$0	02/02/2007	$725,000
273-310-004	0.450	19,617	0	OG PROPERTY OWNER LLC	23 WILD RYE WAY	ORINDA CA 94563-3728	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-310-005	0.432	18,842	0	OG PROPERTY OWNER LLC	25 WILD RYE WAY	ORINDA CA 94563-3728	$0	$700,000	$700,000		02/02/2007	$0	02/02/2007	$725,000
273-310-006	0.705	30,740	3,222	ASHBY MARK A & MARY JO TRE	27 WILD RYE WAY	ORINDA CA 94563-3728	$635,000	$675,000	$1,310,000		02/11/2014	$1,614,500	10/29/2014	
273-310-007	0.550	23,989	0	THOMSON JEFFREY S	66 BOEGER RANCH RD	ORINDA CA 94563-3727	$0	$690,000	$690,000		09/16/2014	$705,000	09/16/2014	$905,000
273-310-008	0.336	14,665	0	OG PROPERTY OWNER LLC	62 BOEGER RANCH RD	ORINDA CA 94563-3727	$0	$595,269	$595,269		02/02/2007	$0	02/02/2007	$725,000
273-310-009	0.400	17,446	0	OG PROPERTY OWNER LLC	60 BOEGER RANCH RD	ORINDA CA 94563-3727	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-310-010	0.727	31,677	0	DUNLAP SCOTT	58 BOEGER RANCH RD	ORINDA CA 94563-3727	$0	$690,000	$690,000		09/25/2014	$775,000	09/25/2014	$905,000
273-310-011	0.710	30,967	0	LOPERA SUSAN LEE	56 BOEGER RANCH RD	ORINDA CA 94563-3727	$0	$750,000	$750,000		12/10/2013	$750,000	12/10/2013	$905,000
273-310-012	0.531	23,156	2,936	JUNG ADAM J & SONJA L	52 BOEGER RANCH RD	ORINDA CA 94563-3727	$418,000	$547,474	$965,474		06/19/2014	$2,075,000	06/19/2014	
273-310-013	0.543	23,693	0	OG PROPERTY OWNER LLC	50 BOEGER RANCH RD	ORINDA CA 94563-3727	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-320-001	0.565	24,654	0	MALIK KUNAL & POOJA	9 FROGS LEAP WAY	ORINDA CA 94563-3721	$0	$690,000	$690,000		08/05/2014	$690,000	08/05/2014	$905,000
273-320-002	0.612	26,668	0	OG PROPERTY OWNER LLC	11 FROGS LEAP WAY	ORINDA CA 94563-3721	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-320-003	0.533	23,218	0	OG PROPERTY OWNER LLC	15 FROGS LEAP WAY	ORINDA CA 94563-3721	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-320-004	0.418	18,218	0	KT BUILDERS	17 FROGS LEAP WAY	ORINDA CA 94563-3721	$0	$595,000	$595,000		07/31/2013	$595,000	07/31/2013	$905,000
273-320-005	0.448	19,554	0	SYMONDS J SCOTT & MONICA S	19 FROGS LEAP WAY	ORINDA CA 94563-3721	$0	$625,000	$625,000		10/28/2013	$625,000	10/28/2013	$905,000
273-320-006	0.495	21,579	0	ORINDA DSSI ONE LLC	23 FROGS LEAP WAY	ORINDA CA 94563-3721	$0	$690,000	$690,000		08/15/2014	$750,000	08/15/2014	$905,000
273-320-007	0.515	22,446	0	ORINDA DSSI ONE LLC	25 FROGS LEAP WAY	ORINDA CA 94563-3721	$0	$690,000	$690,000		08/15/2014	$750,000	08/15/2014	$905,000
273-320-008	0.441	19,225	0	VANDIGGELEN ANTHONY & KARLYNN	18 FROGS LEAP WAY	ORINDA CA 94563-3721	$0	$595,000	$595,000		07/16/2013	$595,000	07/16/2013	$905,000
273-320-009	0.559	24,378	0	LI DEPIN	12 FROGS LEAP WAY	ORINDA CA 94563-3721	$0	$585,000	$585,000		07/16/2013	$585,000	07/16/2013	$905,000
273-320-010	0.458	19,973	0	JOSHI SUNDER & RUPA	10 FROGS LEAP WAY	ORINDA CA 94563-3721	$0	$690,000	$690,000		10/01/2014	$600,000	10/01/2014	$905,000
273-320-011	0.330	14,417	0	KT BUILDERS INC	8 FROGS LEAP WAY	ORINDA CA 94563-3721	$0	$540,000	$540,000		11/15/2013	$540,000	11/15/2013	$905,000
273-320-012	0.411	17,907	0	OG PROPERTY OWNER LLC	25 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-320-013	0.270	11,776	0	OG PROPERTY OWNER LLC	27 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$478,001	$478,001		02/02/2007	$0	02/02/2007	$725,000
273-320-014	0.526	22,921	0	SHREYAS LLC	31 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		06/06/2014	$672,500	06/06/2014	$905,000
273-320-015	0.757	32,996	0	SHREYAS LLC	33 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		06/06/2014	$682,500	06/06/2014	$905,000
273-320-016	0.673	29,327	0	FINCH ROBERT & KATHLEEN M	30 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		08/01/2014	$750,000	08/01/2014	$905,000
273-320-017	0.533	23,261	0	OG PROPERTY OWNER LLC	28 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-320-018	0.520	22,662	0	OG PROPERTY OWNER LLC	26 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-320-019	0.393	17,125	0	OG PROPERTY OWNER LLC	22 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-330-001	0.424	18,483	0	OG PROPERTY OWNER LLC	3 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-330-002	0.491	21,415	5,269	OG PROPERTY OWNER LLC	5 PAINTBRUSH LN	ORINDA CA 94563-3730	$1,564,750	$782,250	$2,347,000		02/02/2007	$0	02/02/2007	
273-330-003	0.534	23,268	0	OG PROPERTY OWNER LLC	7 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-330-004	0.410	17,878	0	OG PROPERTY OWNER LLC	9 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-330-005	0.309	13,486	0	OG PROPERTY OWNER LLC	11 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$547,413	$547,413		02/02/2007	$0	02/02/2007	$725,000
273-330-006	0.284	12,374	0	OG PROPERTY OWNER LLC	15 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$502,274	$502,274		02/02/2007	$0	02/02/2007	$725,000
273-330-007	0.456	19,879	0	OG PROPERTY OWNER LLC	17 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-330-008	0.380	16,590	0	OG PROPERTY OWNER LLC	21 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$673,407	$673,407		02/02/2007	$0	02/02/2007	$725,000
273-330-009	0.478	20,840	0	OG PROPERTY OWNER LLC	23 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-330-010	0.483	21,075	0	OG PROPERTY OWNER LLC	20 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-330-011	0.452	19,710	0	OG PROPERTY OWNER LLC	18 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-330-012	0.459	20,019	0	OG PROPERTY OWNER LLC	16 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-330-013	0.401	17,475	0	OG PROPERTY OWNER LLC	12 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-330-014	0.403	17,588	0	OG PROPERTY OWNER LLC	10 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-330-015	0.528	23,031	0	OG PROPERTY OWNER LLC	8 PAINTBRUSH LN	ORINDA CA 94563-3730	$0	$690,000	$690,000		02/02/2007	$0	02/02/2007	$725,000
273-340-001	0.000	0	0	TAYLOR MORRISON OF CA LLC	TWIG LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-002	0.000	0	0	TAYLOR MORRISON OF CA LLC	TWIG LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-003	0.000	0	0	TAYLOR MORRISON OF CA LLC	TWIG LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-004	0.000	0	0	TAYLOR MORRISON OF CA LLC	TWIG LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-005	0.000	0	0	TAYLOR MORRISON OF CA LLC	TWIG LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-006	0.000	0	0	TAYLOR MORRISON OF CA LLC	MONKEYFLOWER LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-007	0.000	0	0	TAYLOR MORRISON OF CA LLC	MONKEYFLOWER LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-008	0.000	0	0	TAYLOR MORRISON OF CA LLC	MONKEYFLOWER LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-009	0.000	0	0	TAYLOR MORRISON OF CA LLC	MONKEYFLOWER LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-010	0.000	0	0	TAYLOR MORRISON OF CA LLC	MONKEYFLOWER LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-011	0.000	0	0	TAYLOR MORRISON OF CA LLC	MONKEYFLOWER LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-012	0.000	0	0	TAYLOR MORRISON OF CA LLC	MONKEYFLOWER LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-013	0.000	0	0	TAYLOR MORRISON OF CA LLC	MONKEYFLOWER LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-014	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-015	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-016	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-017	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-018	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-019	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-020	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-021	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-022	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-023	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-340-024	0.455	19,849	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-340-025	0.407	17,744	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-340-026	0.473	20,634	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-340-027	0.425	18,549	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-340-028	0.485	21,153	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-340-029	0.719	31,354	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-340-030	0.465	20,269	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-340-031	0.305	13,312	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-340-032	0.422	18,383	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-340-033	0.313	13,642	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-340-034	0.326	14,207	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-340-035	0.515	22,449	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-350-001	0.000	0	0	TAYLOR MORRISON OF CA LLC	MONKEYFLOWER LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-002	0.000	0	0	TAYLOR MORRISON OF CA LLC	MONKEYFLOWER LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-003	0.000	0	0	TAYLOR MORRISON OF CA LLC	MONKEYFLOWER LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-004	0.000	0	0	TAYLOR MORRISON OF CA LLC	MONKEYFLOWER LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-005	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-006	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-007	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-008	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-009	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-010	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-011	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-012	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-013	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-014	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-015	0.000	0	0	TAYLOR MORRISON OF CA LLC	WINDY CREEK WAY	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$905,000
273-350-016	0.449	19,588	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-350-017	0.409	17,845	0	TAYLOR MORRISON OF CA LLC	206 WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-350-018	0.396	17,267	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-350-019	0.331	14,458	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-350-020	0.288	12,548	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-350-021	0.379	16,533	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-350-022	0.382	16,682	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-350-023	0.355	15,506	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-350-024	0.436	19,000	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-350-025	0.386	16,815	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000
273-350-026	0.478	20,865	0	TAYLOR MORRISON OF CA LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		04/04/2014	$0	04/04/2014	$905,000

APN	ACRES	LOT SF	BLDG. SF	OWNER	SITE ADDRESS	CITY, STATE, ZIP	IMP VALUE	LAND VALUE	TOTAL AV	STORIES	DEED DATE	SALE PRICE	SALE DATE	APPRAISED VALUE
273-360-001	0.000	0	0	OG PROPERTY OWNER LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-002	0.000	0	0	OG PROPERTY OWNER LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-003	0.000	0	0	OG PROPERTY OWNER LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-004	0.000	0	0	OG PROPERTY OWNER LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-005	0.000	0	0	OG PROPERTY OWNER LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-006	0.000	0	0	OG PROPERTY OWNER LLC	WILDER RD	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-007	0.000	0	0	OG PROPERTY OWNER LLC	DAIRY CREEK LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-008	0.000	0	0	OG PROPERTY OWNER LLC	DAIRY CREEK LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-009	0.000	0	0	OG PROPERTY OWNER LLC	DAIRY CREEK LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-010	0.000	0	0	OG PROPERTY OWNER LLC	DAIRY CREEK LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-011	0.000	0	0	OG PROPERTY OWNER LLC	DAIRY CREEK LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-012	0.000	0	0	OG PROPERTY OWNER LLC	DAIRY CREEK LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-013	0.000	0	0	OG PROPERTY OWNER LLC	DAIRY CREEK LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-014	0.000	0	0	OG PROPERTY OWNER LLC	DAIRY CREEK LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-015	0.000	0	0	OG PROPERTY OWNER LLC	DAIRY CREEK LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-016	0.000	0	0	OG PROPERTY OWNER LLC	DAIRY CREEK LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-017	0.000	0	0	OG PROPERTY OWNER LLC	DAIRY CREEK LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
273-360-018	0.000	0	0	OG PROPERTY OWNER LLC	DAIRY CREEK LN	ORINDA CA 94563	$0	$550,000	$550,000		02/02/2007	$0	02/02/2007	$725,000
									$153,864,740					$185,675,000

B – GLOSSARY OF TERMS

GLOSSARY OF TERMS

Unless otherwise noted, the following definitions are from The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute, 2010).

Aggregate of Retail Values (ARV): The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent an opinion of value; it is simply the total of multiple market value conclusions.

As Is Market Value: The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.

Band of Investment: A technique in which the capitalization rates attributable to components of a capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment.

Bulk (Discounted) Value: The most probable price, in a sale of all parcels within a tract or development project, to a single purchaser or sales to multiple buyers, over a reasonable absorption period discounted to present value, as of a specified date, in cash, or in terms equivalent to cash, for which the property rights should sell after reasonable exposure, in a competitive market under all conditions requisite to a fair sale, with buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under stress. (Appraisal Standards For Land-Secured Financing, California Department Advisory Commission, 1994)

Comparative-Unit Method: A method used to derive a cost estimate in terms of dollars per unit of area or volume based on known costs of similar structures that are adjusted for time and physical differences; usually applied to total building area.

Cost Approach: A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.

Depreciation: In appraising, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date.

Direct Capitalization: A method used to convert an estimate of a single year's income expectancy into an indication of value in one direct step, either by dividing the net income estimate by an appropriate capitalization rate or by multiplying the income estimate by an appropriate factor. Direct capitalization employs capitalization rates and multipliers extracted or developed from market data. Only a single year's income is used. Yield and value changes are implied but not identified.

Discounted Cash Flow (DCF) Analysis: The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate.

Discount Rate: A yield rate used to convert future payments or receipts into present value; usually considered to be a synonym for *yield rate*.

Disposition Value: The most probable price that a specified interest in real property should bring under the following conditions: 1) consummation of a sale within a future exposure time specified by the client; 2) the property is subjected to market conditions prevailing as of the date of valuation; 3) both the buyer and seller are acting prudently and knowledgeably; 4) the seller is under compulsion to sell; 5) the buyer is typically motivated; 6) both parties are acting in what they consider to be their best interests; 7) an adequate marketing effort will be made during the exposure time specified by the client; 8) payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; 9) the price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Easement: The right to use another's land for a stated purpose.

Environmental Contamination: Adverse environmental conditions resulting from the release of hazardous substances into the air, surface water, groundwater or soil. Generally, the concentrations of these substances would exceed regulatory limits established by the appropriate federal, state, and/or local agencies. (USPAP 2014-2015 Edition)

Exposure Time: Estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. (USPAP 2014-2015 Edition)

External Obsolescence: An element of depreciation; a diminution in value caused by negative externalities and generally incurable on the part of the owner, landlord, or tenant.

Extraction: A method of estimating land value in which the depreciated cost of the improvements on the improved property is calculated and deducted from the total sale price to arrive at an estimated sale price for the land.

Extraordinary Assumption: An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. (USPAP 2014-2015 Edition)

Fair Market Value: The highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing, and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available. (California Code of Civil Procedure, Section 1263.320(a))

Fee Simple Estate: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Floor Area Ratio (FAR): The relationship between the above-ground floor area of a building, as described by the building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.

Functional Obsolescence (Incurable): An element of depreciation; a defect caused by a deficiency or superadequacy in the structure, materials, or design that cannot be practically or economically corrected.

Highest and Best Use: The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four

criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.

Highest and Best Use of Property as Improved: The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

Highest and Best Use of Land or a Site as though Vacant: Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

Hypothetical Condition: 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 analysis. (USPAP 2014-2015 Edition)

Income Capitalization Approach: A set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.

Leased Fee Interest: A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship.

Leasehold Interest: The tenant's possessory interest created by a lease. (Negative leasehold: A lease situation in which the market rent is less than the contract rent. Positive leasehold: A lease situation in which the market rent is greater than the contract rent.)

Liquidation Value: See *Disposition Value*.

Marketing Time: An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

Neighborhood: A group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises.

Obsolescence: One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external.

Prospective Opinion of Value: A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Quantity Survey Method: A cost-estimating method in which the quantity and quality of all materials used and all categories of labor required are estimated and unit cost figures are applied to arrive at a total cost estimate for labor and materials.

Replacement Cost: The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout.

Reproduction Cost: The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building.

Sales Comparison Approach: The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.

Site Coverage Ratio: The gross area of the building footprint divided by the site area.

Stabilized Occupancy: An expression of the expected occupancy of a property in its particular market considering current and forecasted supply and demand, assuming it is priced at market rent.

Subdivision Development Method: A method of estimating land value when subdivision development is the highest and best use of the parcel of land being appraised. When all direct and indirect costs and entrepreneurial incentive are deducted from an estimate of the anticipated gross sales price of the finished lots (or residences), the resultant net sales proceeds are then discounted to present value at a market-derived rate over the development and absorption period to indicate the value of the land.

Superadequacy: An excess in the capacity or quality of a structure or structural component; determined by market standards.

Unit-In-Place Method: A cost-estimating method in which total building cost is estimated by adding together the unit costs for the various building components as installed; also called the *segregated cost method.*

Yield Capitalization: A method used to convert future benefits into present value by 1) discounting each future benefit at an appropriate yield rate, or 2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate.

Yield Rate: A rate of return on capital, usually expressed as a compound annual percentage rate. A yield rate considers all expected property benefits, including the proceeds from sale at the termination of the investment.

C – QUALIFICATIONS OF APPRAISER(S)

Northern California/Nevada
3825 Atherton Road, Suite 500
Rocklin, California 95765
P: (916) 435-3883 F: (916) 435-4774

Eric A. Segal, Partner

Introduction

Mr. Segal is a Certified General real estate appraiser with Seevers Jordan Ziegenmeyer, a real estate appraisal firm that engages in a wide variety of real estate valuation and consultation assignments. In 1998, Mr. Segal began his career in real estate as a research analyst/appraiser trainee for SJZ. By 1999, he began writing narrative appraisal reports covering a variety of income properties. Today, Mr. Segal is a partner in the firm and is involved in appraisal assignments covering a wide variety of properties including office, retail, industrial, multifamily housing, master planned communities, Mello-Roos and Assessment Districts, and residential subdivisions. He has developed the experience and background necessary to deal with complex assignments covering an array of property types.

Professional Affiliations

Candidate for MAI Designation – Appraisal Institute
Certified General Real Estate Appraiser – State of California (No. AG026558)
Real Estate Appraiser - Certified General – State of Nevada (No. A.0207066-CG)

Education

Academic:

Bachelor of Science in Business Administration (Concentrations in Finance and Real Estate & Land Use Affairs), California State University, Sacramento

Appraisal and Real Estate Courses:

Uniform Standards of Professional Appraisal Practice
Appraisal Principles
Basic Income Capitalization
Highest & Best Use and Market Analysis
Advanced Income Capitalization
Report Writing and Valuation Analysis
Appraisal Litigation Practice and Courtroom Management
Computer Enhanced Cash Flow Modeling
Advanced Sales Comparison & Cost Approaches
Advanced Applications

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Sample of Appraisal Experience

Hunters Point Shipyard – Phase I San Francisco, San Francisco County, California	This appraisal was completed for use by the developer for determination of possible refinancing of the Redevelopment Agency of the City and County of San Francisco Community Facilities District (CFD) No. 7 (Hunters Point Shipyard) Bonds. The appraised property comprises Phase I of the Hunters Point Shipyard redevelopment area, which is commonly referred to as the Hilltop and Hillside subdivisions, and comprises approximately 75.32 gross acres of land, which includes 23.72± developable acres proposed for the construction of 1,142 residential units in a variety of attached single-family, townhouse and stacked residential units. Specifically, the Hilltop development contains 15.92± acres of land to be developed with 768 residential units, and the Hillside development contains 7.8± acres to be developed with 374 single-family residential units. In addition, Phase I will include 36.0± acres dedicated to parks and open space and 15.6± acres of streets and rights-of-way.
City of San Mateo Community Facilities District No. 2008-1 (Bay Meadows) San Mateo, San Mateo County, California	This appraisal was completed for use in a land-secured financing associated with the development of 52± developable acres proposed for the development of 724,225 square feet of office space, approximately 85,374 square feet of retail space and 1,121 residential housing units, with 832 residential housing units being developed on the residential land component and the balance (289 units) to be developed as part of the mixed-use component. The report was prepared for the City of San Mateo Department of Finance.
City of Redwood City Community Facilities District No. 2010-1 (One Marina) Redwood City, San Mateo County, California	This appraisal was completed for use in a land-secured financing associated with the development of 16.62± acres proposed for the construction of 231 townhome and flat-style residential units within 24 detached buildings. The report was prepared for the City of Redwood City Department of Finance.
County of San Joaquin Community Facilities District No. 2009-2 (Vernalis Interchange) Vernalis, San Joaquin County, California	This assignment involved the appraisal of approximately 3,457.41 gross acres of land comprising 40 separate Assessor's parcels devoted to (or intended for) aggregate mining operations by six independent mining operators, including Teichert, West Coast Aggregates, Granite, Knife River, DeSilva Gates and Cemex. The summary appraisal was completed for bond financing purposes, with the proceeds intended to finance the construction of a new interchange on State Route 132 at Bird Road, which is intended to enhance traffic operation safety at this intersection. This report was prepared for the County of San Joaquin.

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Sample of Appraisal Experience (continued)

HUD 223(f) Apartment Portfolio San Francisco, San Francisco County, California	This appraisal assignment involved the appraisal of nine multifamily properties in San Francisco containing between seven and 50 units, as well as mixed-use properties including ground floor retail tenants. The self-contained appraisals were completed in compliance with Federal regulatory requirements and guidelines that may apply as well as the requirements of the Federal Housing Administration (FHA) MAP Program for a 223(f) Refinance. This report was prepared for Column Guaranteed, LLC.
The Parkway & Quinto Ranch Santa Nella, Merced County, California	This appraisal involved the valuation of a 1,464-lot single-family residential master planned community that included residential, commercial and public use components, and a non-contingent 1,644-acre ranch subject to a conservation easement. This report was prepared for IndyMac Bank.
Reclamation District No. 17 – Mossdale Tract (portion) County of San Joaquin, California	The appraised properties represented a portion of Reclamation District No. 17 identified as vacant residential, vacant commercial and vacant industrial land, and excluded those properties within the boundaries of the District zoned as agricultural and public use, and those properties with an assessed improvement value on the most recent property tax roll. Reclamation District No. 17 (Mossdale Tract) is located in San Joaquin County and contains approximately 16,107.58 acres of land comprising approximately 13,335 assessor's parcels. This report was prepared for Reclamation District No. 17.
Bickford Ranch Community Facilities District No. 2003-1 Placer County, California	The hypothetical market valuation of a proposed master planned community that will include 847.2 acres of land designated for 1,783 residential lots and a 9.7-acre commercial component. The appraisal will be used for bond underwriting purposes and was prepared for the County of Placer.
El Dorado Hills Community Facilities District No. 1992-1 (portion) El Dorado County, California	This assignment involved the hypothetical cumulative, or aggregate, valuation of a sizeable portion of the existing Serrano master planned community. The appraisal included 1,597 single-family residential lots, 382 custom single-family residential lots, 33.05 acres of commercial land and 344 existing single-family residences. The appraisal will be used for bond underwriting purposes and was prepared for the County of El Dorado.

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Sample of Appraisal Experience (continued)

Diablo Grande Community Facilities District No. 1 (Series 2002) Stanislaus County, California	The appraisal involved the valuation of a partially improved resort and master planned community offering 1,410 residential lots, multifamily land, commercial land, a hotel site, vineyards and two 18-hole championship golf courses. The appraisal was used for bond underwriting purposes and was prepared for Western Hills Water District.
Plumas Lake Community Facilities District No. 2002-1 Yuba County, California	This appraisal included the valuation of a portion of the proposed, and partially improved, Plumas Lake Specific Plan area, and comprised 3,314 detached single-family residential lots. The appraisal was used for bond underwriting purposes and was prepared for the Olivehurst Public Utility District.
Patterson Gardens & Keystone Pacific Business Park Patterson, Stanislaus County, California	This appraisal involved the valuation of a 985-lot single-family residential master planned community that included residential, commercial and public use components, and a non-contingent 224-acre industrial park. This report was prepared for Bank of America.

Business, Consumer Services & Housing Agency

BUREAU OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

Eric A. Segal

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

"Certified General Real Estate Appraiser"

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AG 026558

Effective Date: February 19, 2015
Date Expires: February 18, 2017

Jim Martin, Bureau Chief, BREA

3017902

COPY

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "CHAIN LINK"

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Kevin K. Ziegenmeyer, MAI, Partner

Introduction

Mr. Ziegenmeyer is a partner with Seevers Jordan Ziegenmeyer, a real estate appraisal firm that engages in a wide variety of real estate valuation and consultation assignments. In 1989, Mr. Ziegenmeyer began his career in real estate as a controller for a commercial and residential real estate development corporation. In 1991 he began appraising and continued to be involved in appraisal assignments covering a wide variety of properties, including office, retail, industrial, residential income and subdivisions throughout the Central Valley area of California, Northern Nevada, and within the Sacramento Metropolitan Area. Over the past several years, Mr. Ziegenmeyer has handled many of the firm's master-planned property appraisals and has developed expertise in the valuation of Community Facilities Districts and Assessment Districts. In early 2015, Mr. Ziegenmeyer obtained the Appraisal Institute's MAI designation.

Professional Affiliations

Appraisal Institute – MAI Designation
Certified General Real Estate Appraiser - State of California (No. AG013567)

Education

Academic:
Bachelor of Science in Accounting, Azusa Pacific University, California

Appraisal and Real Estate Courses:

Standards of Professional Practice, Parts A, B & C
Basic Valuation Procedures
Real Estate Appraisal Principles
Capitalization Theory and Techniques, Part A
Advanced Income Capitalization
Report Writing and Valuation Analysis
Advanced Applications
IRS Valuation Summit I & II
2008, 2009, 2010 & 2011 Economic Forecast
Business Practices and Ethics
Contemporary Appraisal Issues with Small Business Administration Financing
General Demonstration Appraisal Report Writing Seminar
7-Hour National USPAP Update Course
Valuation of Easements and Other Partial Interests
2009 Summer Conference
Uniform Appraisal Standards for Federal Land Acquisitions
2008 Economic Update
Valuation of Conservation Easements
Subdivision Valuation
(continued on next page…..)

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(…..continued from previous page)
2005 Annual Fall Conference
General Comprehensive Exam Module I, II, III & IV
Advanced Income Capitalization
Advanced Sales Comparison & Cost Approaches
2004 Central CA Market Update
Computer-Enhanced Cash Flow Modeling
Forecast 2000, 2001, 2002, 2003 & 2004
Land Valuation Assignments
Land Valuation Adjustment Procedures
Highest & Best Use and Market Analysis
Entitlements, Land Subdivision & Valuation
Real Estate Value Cycles
El Dorado Hills Housing Symposium
Federal Land Exchanges
M & S Computer Cost-Estimating, Nonresidential

Appraisal Experience

General-purpose:
Offices
Retail
Industrial
Apartments
Subdivisions
Land

Special-purpose:
Athletic Clubs
Churches
Educational Facilities
Restaurants
Assisted-living Facilities
Auto Sales and Service
Lodging Facilities

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Sample of Appraisal Experience (continued)

Bickford Ranch Community Facilities District No. 2003-1 Placer County, California	The hypothetical market valuation of a proposed master planned community that will include 847.2 acres of land designated for 1,783 residential lots and a 9.7-acre commercial component. The appraisal will be used for bond underwriting purposes and was prepared for the County of Placer.
El Dorado Hills Community Facilities District No. 1992-1 (portion) El Dorado County, California	This assignment involved the hypothetical cumulative or aggregate, valuation of a sizeable portion of the existing Serrano master planned community. The appraisal included 1,597 single-family residential lots, 382 custom single-family residential lots, 33.05 acres of commercial land and 344 existing single-family residences. The appraisal will be used for bond underwriting purposes and was prepared for the County of El Dorado.
Community Facilities District No. 16 West Sacramento, California	This project involved the valuation of Bridgeway Lakes, a high-end 609-lot single-family residential community located in the Southport area of West Sacramento. Lot densities within the project varied from low and medium density to rural estate lots. This report was prepared for the City of West Sacramento.
Community Facilities District No. 17 West Sacramento, California	This assignment concerned the valuation of 252 single-family lots and 252 proposed multifamily units comprising the Parella residential community in the Southport area of West Sacramento. This report was prepared for the City of West Sacramento.
Diablo Grande Community Facilities District No. 1 (Series 2002) Stanislaus County, California	The appraisal involved the valuation of a partially improved resort and master planned community offering 1,410 residential lots, multifamily land, commercial land, a hotel site, vineyards and two 18-hole championship golf courses. The appraisal was used for bond underwriting purposes and was prepared for Western Hills Water District.
Plumas Lake Community Facilities District No. 2002-1 Yuba County, California	This appraisal included the valuation of a portion of the proposed, and partially improved, Plumas Lake Specific Plan area, and comprised 3,314 detached single-family residential lots. The appraisal was used for bond underwriting purposes and was prepared for the Olivehurst Public Utility District.

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Sample of Appraisal Experience (continued)

Brentwood Assessment District No. 2003-1 Brentwood, Contra Costa County, California	This assignment involved the valuation of an assessment district containing commercial and residential components comprising 5.66 acres of commercial land, 882 single-family residential lots and 15.8 acres of multifamily land. The appraisal was used for bond underwriting purposes and was prepared for the City of Brentwood.
Patterson Gardens & Keystone Pacific Business Park Patterson, Stanislaus County, California	This appraisal involved the valuation of a 985-lot single-family residential master planned community that included residential, commercial and public use components, and a non-contingent 224-acre industrial park. This report was prepared for Bank of America.
Syrah Condominiums Sacramento, Sacramento County, California	Syrah is a proposed 245-unit residential condominium development with dual phase valuations. This report was prepared for KeyBank.

Business, Consumer Services & Housing Agency

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REAL ESTATE APPRAISER LICENSE

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Kevin K. Ziegenmeyer

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

"Certified General Real Estate Appraiser"

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AG 013567

Effective Date: June 5, 2015
Date Expires: June 4, 2017

Jim Martin, Bureau Chief, BREA

3020787

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APPENDIX C

SECOND AMENDED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

California Statewide Communities Development Authority
Community Facilities District No. 2007-01
(Orinda Wilder Project)
County of Contra Costa, State of California

SECOND AMENDED
RATE, METHOD OF APPORTIONMENT, AND MANNER OF COLLECTION OF SPECIAL TAX

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1. Basis of Special Tax Levy

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 (the "Act") applicable to the land in California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project) County of Contra Costa, State of California (the "CFD"), located in the City of Orinda (City), shall be levied and collected according to the tax liability determined by the California Statewide Communities Development Authority (CSCDA) through the application of the appropriate amount or rate, as described below

2. Definitions

"**Act**" means the Mello-Roos Community Facilities Act of 1982, as amended, and consists of Sections 53311 and following of the California Government Code.

"**Administrative Expenses**" means the actual or reasonably estimated costs related to administration of the CFD, including these items:

- Costs of computing Special Taxes and preparing annual Special Tax collection schedules (whether by the CSCDA or any designee thereof or both);
- Costs of collecting the Special Taxes (whether by the County, the CSCDA, or otherwise);
- Costs of remitting the Special Taxes to the Trustee;
- Costs of the Trustee (including its legal counsel) in the discharge of duties required of it under the Bond Indenture;
- Costs to the CSCDA, the CFD, or any designee thereof of complying with arbitrage rebate requirements;

- Costs to the CSCDA, the CFD, or any designee thereof of complying with CSCDA, the CFD, or obligated persons' disclosure requirements;
- Costs associated with preparing Special Tax disclosure statements;
- Costs incurred in responding to public inquiries regarding the Special Taxes;
- Costs to the CSCDA, the CFD, or any designee thereof related to any appeal of the Special Tax;
- Costs associated with the release of funds from an escrow account, if any; and
- Amounts estimated to be advanced or advanced by the CSCDA for any other administrative purposes, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"**Administrator**" means the General Manager of CSCDA, or his or her designee.

"**Approved Tentative Map**" means a tentative map approved by the City for the Orinda Wilder Project designating all Residential Lots.

"**Authorized Facilities**" means those facilities authorized for Special Tax funding under the Act and pursuant to the Resolution of Formation for the CFD.

"**Authorized Services**" means those services authorized for Special Tax funding under the Act and pursuant to the Resolution of Formation for the CFD.

"**Base Year**" means the 2007-2008 Fiscal Year.

"**Benefit Share**" means the maximum Category A Special Tax for a Parcel divided by the Maximum Category A Special Tax Revenue for all Taxable Parcels.

"**Bond(s)**" means bond(s) issued or other indebtedness incurred by CSCDA through the CFD under the Act.

"Bond Indenture" means the indenture or other financing document pursuant to which bonds are issued.

"**Bond Share**" means the share of Series A Bonds assigned to a Parcel as specified in **Section 7** hereof.

"**Category A Special Tax**" means the Facilities Special Tax that is levied and collected to pay Facilities Annual Costs under **Section 6.A**.

"**Certificate of Occupancy**" means the permit or process by which the City provides certification that a residential unit within the CFD may be occupied by a homeowner.

"**CFD**" means the California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project).

"**City**" means the City of Orinda, California.

"**Commission**" means the governing board of the California Statewide Communities Development Authority.

"**Condominium**" means a single-family residential attached product, such as a townhouse or condominium.

"**County**" means the County of Contra Costa, California.

"**County Assessor's Parcel**" means a Parcel with an assigned Assessor's Parcel Number in the maps used by the County Assessor in the preparation of the tax roll.

"**CSCDA**" means the California Statewide Communities Development Authority.

"**Debt Service**" means the total amount of Bond principal, interest, and scheduled sinking fund payments for a given payment period for all Outstanding Bonds.

"**Developed Parcel**" means a Taxable Parcel in one of the following parcel categories that has received from the City the applicable development approval for that parcel Category As follows:

Parcel Category	Development Approval
Single-Family Residential Parcel	- Final Map
Other Land Uses	- Building Permit

"**Facilities Annual Costs**" means, for any Fiscal Year, the total of the following items:

i) Series A Bond Debt Service to be paid from Category A Special Taxes collected during such Fiscal Year (less earnings on funds that are available to pay Series A Bond Debt Service in accordance with the Bond Indenture);

ii) Administrative Expenses for such Fiscal Year;

iii) Any amounts needed to replenish any Reserve Fund for Series A Bonds to the level required under the Bond Indenture;

iv) An amount equal to the amount of delinquencies in payments of Category A Special Taxes levied in the previous Fiscal Year and/or anticipated for the current Fiscal Year; and

v) Pay-As-You-Go Expenditures.

"**Facilities Special Tax**" means the Facilities Special Tax levied for each Residential Lot pursuant to **Section 6.A**.

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

"**Final Subdivision Map**" means a recorded map designating individual Single-Family Residential Parcels or Condominiums.

"**Full Prepayment**" means a Prepayment of a Parcel's complete Category A Special Tax obligation, as determined by following the procedures in **Section 7**.

"**Large Lot Parcel**" means any Parcel delineated on a Large Lot Subdivision Map.

"**Large Lot Subdivision Map**" means a recorded subdivision map delineating Parcels that are not Single-Family Residential Parcels.

"**Maximum Annual Special Tax**" means the greatest amount of Special Tax that can be levied against a Taxable Parcel in any Fiscal Year as shown in **Attachment 1** or as calculated in **Section 5**. The Maximum Annual Special Tax for a Taxable Parcel is the sum of the Maximum Facilities Special Tax and Maximum Services Special Tax for a given Fiscal Year.

"**Maximum Category A Special Tax Revenue**" means the maximum amount of revenue that can be collected in a Fiscal Year by levying the Category A Special Tax.

"**Maximum Facilities Special Tax**" means the greatest amount of Special Tax for each Residential Lot at the formation of the CFD to support Facilities Annual Costs, as shown on **Attachment 1**.

"**Maximum Services Special Tax**" means the greatest amount of Services Special Tax for each Residential Lot at the formation of the CFD to support Services Annual Costs, as shown on **Attachment 1**.

"**Orinda Wilder Project**" means the development project inclusive of all Residential Lots within the CFD.

"**Other Land Use Parcel**" means a Developed Parcel with a land use other than single-family residential. Although the CFD is intended to include only single-family residential development, rezoning may allow other uses. Multifamily residential, retail, office, mixed use, and industrial property would be taxable as an Other Land Use Parcel.

"**Outstanding Bonds**" means the total principal amount of Series A Bonds that have been issued by the CFD but not retired or defeased.

"**Parcel**" means any parcel in the CFD that appears as a parcel on the equalized property tax roll of the County Assessor.

"**Partial Prepayment**" means a Prepayment for less than the full portion of the Category A Special Tax obligation for a Parcel.

"**Partial Prepayment Parcel**" means a Parcel that has had a portion of its Category A Special Tax obligation satisfied with a Prepayment under **Section 7** hereof. Such Parcels shall be liable

for a Special Tax levy based on an adjusted Category A Special Tax. If a Partial Prepayment is made on more than one Residential Lot before the Subdivision of a Parcel, each Residential Lot shall be classified as a Partial Prepayment Parcel when created by a Final Subdivision Map.

"**Pay-As-You-Go Expenditure**" means the use of annual Facilities Special Tax revenues that are not needed for Facilities Annual Costs that are included in, or required for the payment of costs in clauses (i) through (iv) of the definition of Facilities Annual Costs for Authorized Facilities to be constructed or acquired by the CFD.

"**Prepayment**" means a Full or Partial Prepayment of a Parcel's Category A Special Tax obligation, as determined by following the procedures in **Section 7**.

"**Prepayment Factor**" means a factor by which the Category A Special Tax for a Partial Prepayment Parcel is multiplied to calculate an adjusted Category A Special Tax. The Prepayment Factor for a Partial Prepayment Parcel shall be calculated according to the steps described under **Section 7** hereof.

"**Prepayment Parcel**" means any Residential Lot that has made a Full Prepayment of its Category A Special Tax obligation under **Section 7** hereof.

"**Public Parcel**" means any Parcel that is or is intended to be publicly owned and is normally exempt from the levy of general ad valorem property taxes under California law, including public streets; schools; parks; and public drainageways, public landscaping, wetlands, greenbelts, and public open space.

"**Remaining Facilities Costs**" means the amount of Series A Bonds Anticipated Construction Proceeds less construction proceeds from previous Series A Bond issuances and Pay-As-You-Go Expenditures funded from the levy of the Category A Special Tax.

"**Reserve Fund**" means the Debt Service reserve fund established pursuant to the Bond Indenture".

"**Reserve Fund Requirement**" means the amount required to be held in the Reserve Fund.

"**Reserve Fund Share**" means the amount on deposit in the Reserve Fund, but in any event not to exceed the Reserve Fund Requirement, multiplied by the Benefit Share for a given Parcel.

"**Residential Lot**" means a lot (whether designated on an Approved Tentative Map or Final Subdivision Map) designated for development of a single-family residential unit.

"**Series A Bonds Anticipated Construction Proceeds**" means that amount that is anticipated to be available from Series A Bonds for acquiring or constructing Authorized Facilities, as determined by the Administrator.

"**Series A Bonds**" are one or more series of Bonds to be repaid from the levy and collection of the Category A Special Tax.

"**Services Annual Costs**" means, for any Fiscal Year, the total of the following items:

i) The costs of Authorized Services to be incurred in the upcoming Fiscal Year;

ii) Administrative Expenses for such Fiscal Year; and

iii) An amount equal to the amount of delinquencies in payments of Services Special Taxes levied in the previous Fiscal Year and/or anticipated for the current Fiscal Year.

"**Services Special Tax**" means the amount of Special Tax levied for each Residential Lot pursuant to **Section 6.C**.

"**Single-Family Residential Parcel**" means a Taxable Parcel created by a Final Subdivision Map.

"**Special Tax(es)**" mean(s) any tax levy under the Act as authorized by the CFD.

"**Subdivision**" or "**Subdivided**" means a division of a Parcel into two or more Parcels.

"**Tax Collection Schedule**" means the document prepared by the Administrator for use in levying and collecting the Special Taxes each Fiscal Year.

"**Tax Escalation Factor**" means an increase in the Services Special Tax following the Base Year in an amount of 2% annually.

"**Taxable Parcel**" means any Parcel that is not a Tax-Exempt Parcel.

"**Tax-Exempt Parcel**" means a Parcel not subject to the Special Tax. Tax-Exempt Parcels are Public Parcels and Parcels that are or are intended to be owned by a homeowners' association, and that are not Residential Lots.

"**Total Facility Cost Share**" means the Benefit Share for a Parcel multiplied by the Series A Bonds Anticipated Construction Proceeds for the CFD.

"**Undeveloped Parcel**" means a Taxable Parcel that is not a Developed Parcel or Large Lot Parcel.

3. Determination of Parcels Subject to Special Tax

The Administrator shall prepare a list of the Parcels subject to the Special Tax using the records of the County Assessor and City records 30 days before the beginning of each Fiscal Year. The Administrator shall identify the Taxable Parcels from a list of all Parcels within the CFD boundary by excluding all Tax-Exempt Parcels.

4. Term of the Special Tax

The Maximum Facilities Special Tax will be levied and collected as long as required to pay Facilities Annual Costs. In any event, the Maximum Facilities Special Tax shall not be collected after Fiscal Year 2044–2045.

The Maximum Services Special Tax shall be collected in perpetuity.

If all Facilities Annual Costs have been paid, and the City chooses to no longer collect the Services Special Tax, the Administrator shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished. The Notice of Cessation of Special Tax shall additionally identify the book and page of the Book of Maps of Assessment and Community Facilities Districts where the map of the boundaries of the CFD is recorded.

5. Assignment of Special Taxes

The Administrator shall annually cause the following to occur:

A. Classification of Parcels. Using the Definitions above, the County Assessor's Secured Tax Roll and other City development approval records, the Administrator shall:

1. Classify each Parcel as a Taxable Parcel or Tax-Exempt Parcel;
2. Classify each Taxable Parcel as an Undeveloped Parcel, Large Lot Parcel, or Developed Parcel; and
3. Identify if a Residential Lot is a Partial or Full Prepayment Parcel.

B. Assignment of the Maximum Facilities Special Tax to Taxable Parcels that are not Prepayment Parcels. The Facilities Special Tax consists of the Category A Special Tax. The Maximum Facilities Special Taxes shall be assigned to Taxable Parcels that are not Prepayment Parcels as follows:

1. Assignment of the Maximum Facilities Special Tax to Undeveloped Parcels. The Maximum Facilities Special Tax per Residential Lot is shown on Attachment 1. The Administrator shall use the records of the City and the Approved Tentative Map to assign all Residential Lots to Undeveloped Parcels. The number of Residential Lots (as shown in Attachment 1) shall be assigned to all Taxable Parcels, including Undeveloped Parcels, with no overall loss of Residential Lots. The Maximum Facilities Special Tax is determined by summing the Maximum Facilities Special Tax per Residential Lot for all Residential Lots assigned to an Undeveloped Parcel.

2. Assignment of the Maximum Facilities Special Tax to Large Lot Parcels. The Maximum Facilities Special Tax per Residential Lot is shown on **Attachment 1**.

The Administrator shall use the records of the City, the Approved Tentative Map, and Large Lot Subdivision Maps to assign Residential Lots to Large Lot Parcels. The number of Residential Lots (as shown in **Attachment 1**) shall be assigned to all Taxable Parcels, including Large Lot Parcels with no overall loss of Residential Lots. The Maximum Facilities Special Tax is determined by summing the Maximum Facilities Special Tax per Residential Lot for all Residential Lots assigned to a Large Lot Parcel.

3. Assignment of the Maximum Facilities Special Tax to Developed Parcels. The Maximum Facilities Special Tax per Residential Lot is shown on **Attachment 1**. The Administrator shall use the records of the City, the Approved Tentative Map, and Final Subdivision Maps to assign Residential Lots to Developed Parcels. The number of Residential Lots (as shown in **Attachment 1**) shall be assigned to all Taxable Parcels, including Developed Parcels with no overall loss of Residential Lots. The Maximum Facilities Special Tax is determined by summing the Maximum Facilities Special Tax per Residential Lot for all Residential Lots assigned to a Developed Parcel. Depending on when a Final Subdivision Map is recorded, individual County Assessor's Parcel Numbers may not have been assigned for each Developed Parcel. In this case, the Administrator assigns Developed Parcels to the Undeveloped Parcel and/or Large Lot Parcels being Subdivided into Developed Parcels.

   If fewer Residential Lots are created by the Final Subdivision Map than were assigned to the Large Lot Parcel or Undeveloped Parcel that has been Subdivided into Developed Parcels, the Administrator may require the Full Prepayment of the Maximum Facilities Special Tax for the Residential Lots that were not created, if the Administrator determines that the loss of taxable Residential Lots jeopardizes the ability of CSCDA to make Debt Service payments. The Full Prepayment is calculated using the provisions of **Section 7**. Once the full number of Residential Lots shown in **Attachment 1** has been assigned to Developed Parcels the Maximum Facilities Special Tax shall not apply to Large Lot Parcels and Undeveloped Parcels.

   If two or more Residential Lots created by a Final Subdivision Map are subsequently merged to create a single Residential Lot or Parcel, the Parcel shall be subject to the total Maximum Facilities Special Tax that applied to the Residential Lots before the merger.

4. Assignment of the Maximum Facilities Special Tax to a Partial Prepayment Parcel. A Taxable Parcel that is a Partial Prepayment Parcel will first have the Maximum Facilities Special Tax assigned using the provisions in **Section 5.B.1** through **5.B.3** above. The Category A Special Tax portion thereof will then be adjusted downward by multiplying it by the Partial Prepayment Factor.

5. Assignment of the Maximum Facilities Special Tax to an Other Land Use Parcel. A Parcel that develops as an Other Land Use Parcel will have had the Maximum

Facilities Special Tax assigned previously under the provisions of **Sections 5.B.1** through **5.B.3**. Residential Lots would have been assigned under these provisions to the Other Use Parcel. The sum of the Maximum Facilities Special Tax for each assigned Residential Lot is the Maximum Facilities Special Tax for such Parcel

C. Assignment of the Maximum Services Special Tax to Taxable Parcels. The Maximum Services Special Tax in the Base Year is shown in Attachment 1. The Maximum Services Special Tax is increased by the Tax Escalation Factor in each Fiscal Year after the Base Year. The Maximum Services Special Tax shall be assigned to Taxable Parcels as follows:

1. Assignment of the Maximum Services Special Tax to Undeveloped Parcels. The Maximum Services Special Tax per Residential Lot is shown on Attachment 1. The Administrator shall use the records of the City and the Approved Tentative Map to assign Residential Lots to Undeveloped Parcels. The number of Residential Lots (as shown in Attachment 1) shall be assigned to all Taxable Parcels, including Undeveloped Parcels, with no overall loss of Residential Lots. The Maximum Services Special Tax is determined by summing the Maximum Services Special Tax per Residential Lot for all Residential Lots assigned to an Undeveloped Parcel.

2. Assignment of the Maximum Services Special Tax to Large Lot Parcels. The Maximum Services Special Tax per Residential Lot is shown on **Attachment 1**. The Administrator shall use the records of the City, the Approved Tentative Map, and Large Lot Subdivision Maps to assign Residential Lots to Large Lot Parcels. The number of Residential Lots (as shown in **Attachment 1**) shall be assigned to all Taxable Parcels, including Large Lot Parcels with no overall loss of Residential Lots. The Maximum Services Special Tax is determined by summing the Maximum Services Special Tax per Residential Lot for all Residential Lots assigned to a Large Lot Parcel.

3. Assignment of the Maximum Services Special Tax to Developed Parcels. The Maximum Services Special Tax per Residential Lot is shown on **Attachment 1**. Each Single-Family Residential Parcel created by the Final Subdivision Maps is assigned a Residential Lot. The Maximum Services Special Tax is the Maximum Services Special Tax per Residential Lot as shown in **Attachment 1**. Depending on when a Final Subdivision Map is recorded, individual County Assessor's Parcel Numbers may not have been assigned for each Developed Parcel. In this case, the Administrator assigns Developed Parcels to the Undeveloped Parcel and/or Large Lot Parcels being Subdivided into Developed Parcels.

   Once the full number of Residential Lots shown in **Attachment 1** has been assigned to Developed Parcels the Services Special Tax shall not apply to Large Lot Parcels and Undeveloped Parcels.

4. Assignment of the Maximum Services Special Tax to an Other Land Use Parcel. A Parcel that develops as an Other Land Use Parcel will have had the Maximum Services Special Tax assigned previously under the provisions of **Sections 5.C.1**

through **5.C.3**. Residential Lots would have been assigned under these provisions to the Other Use Parcel. The sum of the Maximum Services Special Tax for each assigned Residential Lot is the Maximum Services Special Tax for such Parcel.

D. Calculation of the Maximum Annual Special Tax. The Maximum Annual Special Tax for a Taxable Parcel is the sum of the Maximum Facilities Special Tax assigned in **Section 5.B** and the Maximum Services Special Tax assigned in **Section 5.C**.

E. Trading of Residential Lots by Tax Category between Taxable Parcels. Before the recordation of the Final Subdivision Maps, the Administrator may allow the trading of Residential Lots between Taxable Parcels so long as there is no net loss of Residential Lots, as shown in **Attachment 1**.

F. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Parcel designated as a Tax-Exempt Parcel is re-classified as a Taxable Parcel, it shall become subject to the Special Tax. The Maximum Annual Special Tax will be assigned to such Parcels using the Definitions in **Section 2**, and the provisions of **Section 5**.

G. Taxable Parcels Acquired by a Public Agency. Taxable Parcels that are acquired by a public agency after the CFD is formed will remain subject to the applicable Maximum Facilities Special Tax under Section 53317.3 of the Government Code unless the Maximum Facilities Special Tax obligation is satisfied pursuant to Section 53317.5 of the Government Code. An exception to this may be made if the public use planned for a Public Parcel within the CFD is relocated to a Taxable Parcel and the previously Tax-Exempt Parcel of comparable acreage becomes a Taxable Parcel. This trading of Parcels will be permitted to the extent that there is no net loss in Maximum Facilities Special Tax Revenue.

6. Setting the Annual Special Tax Levy

Each Fiscal Year the Administrator shall calculate the Special Tax levy for each Taxable Parcel as follows:

A. Compute the Facilities Annual Costs using the definitions in **Section 2**. In implementing the following steps, Prepayment Parcels are excluded.

Step A.1 Calculate the Maximum Category A Special Tax Revenue for all Developed Parcels.

Step A.2 If the amount from Step A.1 is greater than Facilities Annual Costs, proportionally decrease the Category A Special Tax for each Developed Parcel until the Category A Special Tax revenues just equal Facilities Annual Costs.

Step A.3 If the Facilities Annual Costs are greater than the amount from Step A.1, levy the Category A Special Tax proportionally on each Large Lot Parcel to an amount that, together with the Maximum Category A Special Tax on Developed Parcels, will just equal the amount of Facilities Annual Costs or

until 100 percent of the Category A Special Tax is reached for such Large Lot Parcels.

Step A.4: If the Facilities Annual Costs are greater than the Maximum Category A Special Tax Revenue from Developed Parcels and Large Lot Parcels, levy the Category A Special Tax proportionately on each Undeveloped Parcel to an amount that, together with the Maximum Category A Special Tax on Developed Parcels and Large Lot Parcels, will just equal the amount of Facilities Annual Costs or until 100 percent of the Category A Special Tax is reached for such Undeveloped Parcels.

B. Compute the Services Annual Costs using the definitions in **Section 2**.

Step B.1: Calculate the revenue that would be generated by levying the Maximum Services Special Tax on all Developed Parcels.

Step B.2: If the amount from Step B.1 exceeds the Services Annual Costs, decrease proportionately the Services Special Tax levy for each Developed Parcel until the Services Special Tax revenues just equal the Annual Costs.

Step B.3: If the Services Annual Costs are greater than the amount calculated in Step B.1, levy a Services Special Tax proportionally on each Large Lot Parcel to an amount that, together with the Services Special Tax on all Developed Parcels, will just equal the amount of Services Annual Costs or until 100 percent of the Maximum Services Special Tax is reached for such Large Lot Parcels.

Step B.4: If the Services Annual Costs are greater than the amount calculated in Step B.3 from Developed Parcels and Large Lot Parcels, levy the Services Special Tax proportionately on each Undeveloped Parcel to an amount that, together with the Services Special Tax on all Developed Parcels, will just equal the amount of Services Annual Costs or until 100 percent of the Maximum Services Special Tax is reached for such Undeveloped Parcels.

C. Sum the Facilities Special Tax (from **Section 6.A**) and Services Special Tax (from **Section 6.B**) calculated for all Taxable Parcels in the steps above.

D. Levy on each Taxable Parcel the amount summed in **Section 6.C** above.

E. Prepare the Tax Collection Schedule listing the tax levy for each County Assessor's Parcel and send it to the County Auditor requesting that it be placed on the general, secured property tax roll for the following Fiscal Year.

As development and Subdivision of the project occurs, the Administrator will maintain a file of each current County Assessor's Parcel within the CFD, its Maximum Facilities Special Tax and Services Special Tax available for public inspection. This record shall show the calculation of the Maximum Annual Special Tax assigned to each Taxable Parcel

The Administrator shall make every effort to correctly calculate the Special Tax for each Parcel. It shall be the burden of the taxpayer to correct any errors in the determination of the Parcels subject to the Special Tax and their Special Tax assignments, and report such errors to the Administrator for correction in accordance with **Section 8** below.

7. Prepayment of Category A Special Tax Obligation

Landowners may permanently satisfy all or a portion of the Category A Special Tax obligation by a cash settlement with the CSCDA as permitted under Government Code Section 53344. Prepayment is permitted only under the following conditions:

- Any landowner prepaying the Category A Special Tax obligation must pay any and all delinquent special taxes and penalties before prepayment.
- Only the Facilities Special Tax may be prepaid.
- The Administrator determines that the Prepayment will not hinder the CSCDA's ability to make timely Debt Service payments under the Bond Indenture.

<u>Part A: Full Prepayment of Category A Special Tax obligation</u>

The Full Prepayment amount shall be established by the steps in Part A and Part B (in the event all Series A Bonds have not been issued) below.

Step A.1 Determine the maximum Category A Special Tax for the prepaying Parcel by following the procedures in **Section 5**.

Step A.2 Divide the maximum Category A Special Tax from Step A.1 by the Maximum Category A Special Tax Revenue for all Taxable Parcels to arrive at the Benefit Share.

Step A.3 Determine the Bond Share for the Parcel by multiplying the Benefit Share from Step A.2 by the Outstanding Bonds (excluding Bonds to be retired from the Category A Special Taxes that have been levied).

Step A.4 Determine the Reserve Fund Share and reduce the Bond Share by the amount of the Reserve Fund Share.

Step A.5 Determine the Full Prepayment amount by adding to the revised Bond Share amount calculated in Step A.4 any fees, call premiums, and interest to the next Series A Bond call date not covered by Special Taxes already levied, and expenses incurred by the CSCDA in connection with the Prepayment calculation or the application of the proceeds of the Prepayment to the call of Outstanding Bonds. If the Facilities Special Taxes have already been levied, but not collected,

the Parcel shall not become a Prepayment Parcel until the owner of the Parcel has paid the Facilities Special Taxes included on the current property tax bill in addition to the Prepayment amount.

Part B. Remaining Facility Cost Share

Step B.1: Determine the Total Facility Cost Share for the Parcel by multiplying the Benefit Share by the Series A Bonds Anticipated Construction Proceeds.

Step B.2: Determine the share of Authorized Facilities funded by Series A Bonds already issued under the CFD for the Prepayment Parcel by multiplying the Benefit Share by the construction proceeds made available from all such Series A Bonds.

Step B.3: Determine the share of Authorized Facilities funded with Pay-As-You-Go Expenditures by multiplying the Benefit Share by the total amount of Pay-As-You-Go Expenditures from Category A Special Taxes that has been used to acquire Authorized Facilities.

Step B.4: Determine the Remaining Facility Cost Share for the Parcel by subtracting the results from Steps B.2 and B.3 from the Total Facility Cost Share determined in Step B.1.

Add the amount from Part A Step 5 to the amount from Part B Step 4 to arrive at the Full Prepayment amount.

Part C: Partial Prepayments of Category A Special Tax obligation

If the Prepayment is a Partial Prepayment the property owner shall choose an amount which is less than the Full Prepayment amount determined above for the prepaying Parcel that results in a Bond call in a whole number multiple of $5,000. The available amounts will have to be calculated by the Administrator. If the Category A Special Tax has already been levied, but not collected, the Parcel shall not become a Partial Prepayment Parcel until the owner of the Parcel has paid the Category A Special Taxes included on the current property tax bill in addition to the Partial Prepayment amount. CSCDA shall then determine the Prepayment Factor by the following procedure:

Step C.1: Subtract the amount of the Partial Prepayment from the Full Prepayment amount calculated in Parts A and B, above;

Step C.2: Subtract any fixed costs (such as the cost of the prepayment calculation and other fees that do not vary proportionally with the size of the prepayment) of the Prepayment from the full repayment amount;

Step C.3: Divide the result of Step C.1 by the result of Step C.2; and

Step C.4: If a Partial Prepayment had previously been made for this Parcel, multiply the result of Step C. 3 times the previously calculated Prepayment Factor.

8. Appeals

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

Interpretations may be made by Resolution of the Commission for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties or any definition applicable to the CFD.

9. Manner of Collection

It is the intention of the Commission that the proposed special tax will be collected through the regular County of Contra Costa secured property tax bills, and will be subject to the same enforcement mechanism, and the same penalties and interest for late payment, as regular ad valorem property taxes; however, the Commission reserves the right to utilize any other lawful means of billing, collecting and enforcing the special tax, including direct billing, supplemental billing, and, when lawfully available, judicial foreclosure of the special tax lien.

Attachment 1
Community Facilities District No. 2001-0I
(Orinda Wilder Project)
Maximum Annual and One-Time Special Tax Per Residential Lot

Tax Category	No. of Residential Lots	Maximum Services Special Tax Per Residential Lot	Maximum Facilities Special Tax	Maximum Annual Special Tax per Residential Lot
			Category A	
	[1]	[2]	[3]	[4]
		a	*b*	*a+b*
Residential Lot	245	$1,800	$13,250	$15,050

"att_1"

[1] The number of Residential Lots assigned to Taxable Parcels shall not change as the project area builds out to ensure no net loss of Maximum CFD Revenue. If less than 245 Residential Lots are created after all Final Subdivision Maps have been recorded, the Administrator may require the Full Prepayment of the Category A Special Tax for each Residential Lot not created if the Administrator determines that the loss of Category A Special Tax revenue will jeopardize CSCDA's ability to make Debt Service payments on Series A Bonds. The Administrator will use the provisions of Section 7 to determine the Prepayment amount.

[2] The Maximum Services Special Tax is $1 800 in the Base Year of Fiscal Year 2007-2008. The Maximum Services Special Tax will increase by 2% in each Fiscal Year after the Base Year. The Maximum Services Special Tax is collected in perpetuity.

[3] The Category A Special Tax does not increase after the Base Year. When all Authorized Facilities are completed and Debt Service on all Series A Bonds have been paid, the Category A Special Tax will no longer be collected. In no event will the Category A Special Tax be collected after Fiscal Year 2044-2045

[4] The Maximum Annual Special Tax per Residential Lot is the sum of the Maximum Services Special Tax and the Maximum Facilities Special Tax. Once all Authorized Facilities have been completed and Facilities Annual Costs fully paid, the Maximum Annual Special Tax will consist of only the Maximum Services Special Tax.

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APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

[Date of Delivery]

California Statewide Communities Development Authority
Sacramento, California

California Statewide Communities Development Authority
Community Facilities District No. 2007-01
(Orinda Wilder Project)
Special Tax Refunding Bonds, Series 2015
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the California Statewide Communities Development Authority (the "Authority") in connection with the issuance by the Authority of $33,015,000 aggregate principal amount of its Community Facilities District No. 2007-01 (Orinda Wilder Project) Special Tax Refunding Bonds, Series 2015 (the "Bonds") issued pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 of the State of California (being Sections 53311 *et seq.* of the Government Code of the State of California, as amended) and an Indenture, dated as of December 1, 2007, as amended and supplemented by the First Supplemental Indenture, dated as of July 1, 2015 (as so amended and supplemented, the "Indenture"), each by and between the Authority and Wilmington Trust, National Association, as successor trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to thereto in the Indenture.

In such connection, we have reviewed the Indenture, the Tax Certificate, dated the date hereof (the "Tax Certificate"), executed by the Authority relating to the Bonds, opinions of counsel to the Developer and the Trustee, certificates of the Authority, the Developer, the Trustee and others 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. Our engagement with respect to the Bonds has concluded with their issuance, and 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 Authority. 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 opinions, referred to in the second paragraph

hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture 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 Indenture 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 Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. We express no opinion with respect to the plans, specifications, maps, financial report or other engineering or financial details of the proceedings, or upon the Rate and Method or the validity of the Special Tax levied upon any individual parcel. 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 special tax obligations of the Authority, payable solely from the Special Tax Revenues and certain funds held under the Indenture.

2. The Indenture has been duly executed and delivered by, and constitutes the valid and binding obligation of, the Authority.

3. 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,

APPENDIX E

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a brief summary of certain provisions of the Indenture. Additional provisions of the Indenture are summarized in the body of the Official Statement. This summary does not purport to be complete and is qualified in its entirety by reference to the Indenture.

DEFINITIONS

Unless the context otherwise requires, the terms defined below shall for all purposes of the Indenture and of any Supplemental Indenture and of the Bonds and of any certificate, opinion, report, request or other document mentioned in the Indenture or in any Supplemental Indenture or in the Bonds have the meanings defined below. The following definitions shall be equally applicable to both the singular and plural forms of any of the terms defined in the Indenture.

"Acquisition and Construction Fund" means the "City of Orinda Wilder Area Project Community Facilities District Acquisition and Construction Fund" established pursuant to the Indenture and maintained by the Trustee.

"Additional Bonds" means Bonds other than the Series A (2007) Bonds and that are issued pursuant to the Indenture.

"Annual Facilities Special Tax" means the Category A Special Tax.

"Authority" means the California Statewide Communities Development Authority.

"Authority Member" means any member of the Commission.

"Authority Secretary" means the Secretary of the Commission.

"Average Annual Debt Service" means, with respect to any Series of Bonds the average over all Bond Years for such Series of the annual debt service from the date of the Bonds to their maturity, including:

(1) the principal amount of all such Outstanding Bonds payable in such Bond Year either at maturity or pursuant to a Sinking Fund Payment; and

(2) the interest payable on the aggregate principal amount of such Bonds Outstanding in such Bond Year assuming such Bonds are retired as scheduled.

"Bond Year" means the period from September 2 through the following September 1.

"Bonds" means the seventy-five million dollars ($75,000,000) principal amount of special tax bonds of the Authority at any time Outstanding under the Indenture or under any Supplemental Indenture that are executed, issued and delivered in accordance with the provisions of the Indenture or of any Supplemental Indenture and that were authorized at the special election held in the Community Facilities District on May 23, 2007. "Serial Bonds" means the Bonds for which no Mandatory Sinking Account Payments are established. "Term Bonds" means the Bonds which are redeemable or payable on or before their specified maturity date or dates from the Mandatory Sinking Account Payments established for the purpose of redeeming or paying such Bonds on or before their specified maturity date or dates.

"Category A Special Tax" has the meaning given in the Rate and Method.

"Certificate of the Authority" means an instrument in writing signed by an Authority Member or the Authority Secretary, or by any other officer of the Authority duly authorized by the Commission for that purpose.

"City" means the City of Orinda, California.

"Closing Date" means the date upon which the Bonds are delivered.

"Code" means the Internal Revenue Code of 1986 and the regulations issued thereunder from time to time, and in this regard reference to any particular section of the Code shall include reference to any successor to such section of the Code.

"Commission" means the governing board of the Authority.

"Community Facilities District" means the California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), County of Contra Costa, State of California, a community facilities district duly organized by the Authority and existing in the City under and by virtue of the Law.

"Costs of Issuance Account" means the CSCDA/City of Orinda Wilder Area Project Community Facilities District Costs of Issuance Account established pursuant to the Indenture and maintained by the Trustee.

"Debt Service" means, for any period, the sum of (1) the interest payable during such period on all Outstanding Bonds, assuming that all Outstanding Serial Bonds are retired as scheduled and that all Outstanding Term Bonds are redeemed or paid as scheduled at the times of and in amounts equal to the sum of all Mandatory Sinking Account Payments (but excluding the amount of any such interest funded from the proceeds of the sale of Bonds or investment earnings thereon), plus (2) the principal amount of all Outstanding Serial Bonds maturing by their terms in such period, plus (3) the aggregate amount of all Mandatory Sinking Account Payments required to be deposited in all Sinking Accounts in such period. For purposes of any test for the issuance of Refunding Bonds, Debt Service shall be deemed to include Debt Service on the proposed Refunding Bonds but shall not include Debt Service on any Bonds proposed to be defeased concurrently.

"Developed Parcel" has the meaning given in the Rate and Method.

"Developer" means OG Property Owner, LLC, a Delaware limited liability company.

"Development Fees" means the development impact fees to be financed with proceeds of the Bonds.

"Expense Fund" means the CSCDA/City of Orinda Wilder Area Project Community Facilities District Expense Fund established pursuant to the Indenture and maintained by the Trustee.

"Expenses" means all expenses paid or incurred by the Authority or the City for the cost of planning and designing the Improvements or the financing of the Development Fees, including the cost of environmental evaluations of the Improvements and the costs associated with the creation of the Community Facilities District, the issuance of the Bonds, the determination of the amount of the Special Tax, the collection of the Special Tax and the payment of the Special Tax, or costs otherwise incurred in

order to carry out the authorized purposes of the Community Facilities District, and any other expenses incidental to the acquisition and construction of the Improvements or the financing of the Development Fees; all as determined in accordance with Generally Accepted Accounting Principles.

"Federal Securities" means (a) any securities now or hereafter authorized both the interest on and principal of which are guaranteed by the full faith and credit of the United States of America, and (b) any of the following obligations of federal agencies not guaranteed by the United States of America: (1) participation certificates or senior debt obligations of the Federal Home Loan Mortgage Corporation, (2) bonds or debentures of the Federal Home Loan Bank Board established under the Federal Home Loan Bank Act and bonds of any federal home loan bank established under such act, and (3) stocks, bonds, debentures, participations and other obligations of or issued by the Federal National Mortgage Association, the Student Loan Marketing Association, the Government National Mortgage Association or the Federal Home Loan Mortgage Corporation, as and to the extent that such securities or obligations are eligible for the legal investment of Authority funds, together with any repurchase agreements which are secured by any of such securities or obligations that (a) have a fair market value (determined at least daily) at least equal to one hundred two percent (102%) of the amount invested in the repurchase agreement, (b) are in the possession of the Trustee or a third party acting solely as agent for the Trustee who holds a perfected first lien therein, and (c) are free from all third party claims.

"First Supplemental Indenture" means the First Supplemental Indenture, dated as of June 1, 2015, by and between the Authority and the Trustee, relating to the Series 2015 Bonds.

"Fiscal Year" means the twelve-month period terminating on June 30 of each year, or any other annual accounting period hereafter selected and designated by the Authority as its Fiscal Year in accordance with applicable law.

"Generally Accepted Accounting Principles" means the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor.

"Holder" means any person who shall be the registered owner of any Outstanding Bond, as shown on the registration books maintained by the Trustee pursuant to the Indenture.

"Improvements" means the public capital improvements authorized to be financed under the Community Facilities District and that are to be acquired by the City from the Developer.

"Indenture" means the Indenture and all Supplemental Indentures.

"Independent Certified Public Accountant" means any certified public accountant or firm of such accountants duly licensed and entitled to practice and of recognized national reputation as a verification agent, 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 a substantial financial interest, direct or indirect, in the operations of the Authority; and

(3) is not connected with the Authority as an officer or employee of the Authority, but who may be regularly retained to audit the accounting records of and make reports thereon to the Authority.

"Interest Payment Date" means March 1 and September 1 of each year, commencing March 1, 2008, as well as any date on which the Bonds are redeemed prior to their maturity.

"Law" means the Mello-Roos Community Facilities Act of 1982, as amended (being Sections 53311 et seq. of the Government Code of the State of California) and all laws amendatory thereof or supplemental thereto.

"Legal Investments" means any securities in which funds of the Authority may be legally invested in accordance with the applicable law in effect at the time of such investment and in accordance with the then current investment policy of the Authority as determined by the Commission, including without limitation the California Asset Management Program pooled investment fund.

"Mandatory Sinking Account Payments" means the payments required by the Indenture and by all Supplemental Indentures to be deposited in all Sinking Accounts established for the payment of all Term Bonds.

"Maximum Annual Debt Service" means, with respect to any Series of Bonds, the maximum sum obtained for any Bond Year prior to the final maturity of Bonds by totaling the following for each Bond Year:

(1) The amount of all such Outstanding Bonds payable in such Bond Year;

(2) The principal amount of any such Bonds scheduled to be called and redeemed in such Bond Year; and

(3) The interest payable on the aggregate principal amount of such Outstanding Bonds in such Bond Year if such Outstanding Bonds are retired as scheduled.

"Moody's" means Moody's Investors Service, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors or assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority.

"Opinion of Counsel" means a written opinion of counsel retained or employed by the Authority, subject to additional requirements, as specified in the Indenture, if the Authority changes its counsel after the issuance of the Bonds.

"Outstanding," when used as of any particular time with reference to Bonds, means (excluding bonds owned or held for the account of the Authority) all Bonds except:

(1) Bonds cancelled and destroyed by the Trustee or delivered to the Trustee for cancellation and destruction;

(2) Bonds paid or deemed to have been paid under the Indenture; and

(3) Bonds in lieu of or in substitution for which other Bonds shall have been executed by the Authority and authenticated and delivered by the Trustee pursuant to the Indenture.

"Original Indenture" means the Indenture, dated as of December 1, 2007, by and between the Authority and the Trustee.

"Prepayment Fund" means the CSCDA/City of Orinda Wilder Area Project Community Facilities District Prepayment Fund established pursuant to the Indenture and maintained by the Trustee.

"Principal Corporate Trust Office" means the corporate trust office of the original Trustee in Los Angeles, California, at which at any particular time corporate trust business shall be administered, or such other office as it shall designate; and any such office designated by any successor Trustee.

"Rate and Method" means the "Rate and Method of Apportionment of Special Tax" adopted by the Commission as part of the Resolution of Formation, as the same may be amended from time to time.

"Rebate Fund" means the CSCDA/City of Orinda Wilder Area Project Community Facilities District Rebate Fund established pursuant to the Indenture (to be maintained by the Treasurer of the Authority).

"Redemption Fund" means the CSCDA/City of Orinda Wilder Area Project Community Facilities District Redemption Fund established pursuant to the Indenture and maintained by the Trustee.

"Refunding Bonds" means Bonds issued under both Section 53362 and related provisions of the Law, and under the Indenture.

"Required Bond Reserve" means, for each Series of Bonds, as of any date of calculation, an amount equal to the lesser of (a) Maximum Annual Debt Service, (b) 10% of the proceeds (within the meaning of Section 148 of the Code) of such Series of Bonds or (c) 125% of Average Annual Debt Service on such Series of Bonds; and means for all Outstanding Bonds, the sum of the Required Bond Reserve for each Series of Outstanding Bonds.

"Reserve Fund" means the CSCDA/City of Orinda Wilder Area Project Community Facilities District Reserve Fund established pursuant to the Indenture and maintained by the Trustee.

"Resolution of Formation" means Resolution No. 07R-25, adopted by the Commission on May 23, 2007.

"Series" means all Bonds of like designation authenticated and delivered on original issuance at the same time pursuant to the Indenture or a Supplemental Indenture and any Bond or Bonds thereafter delivered in lieu of or as substitution for any of such Bonds pursuant to the Indenture.

"Series 2015 Bonds" means the California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), Special Tax Refunding Bonds, Series 2015, issued under the Original Indenture as amended and supplemented by the First Supplemental Indenture.

"Series 2015 Closing Date" means the date upon which the Series 2015 Bonds are delivered.

"Series 2015 Continuing Disclosure Certificate" means the Continuing Disclosure Certificate, dated the Series 2015 Closing Date, executed and delivered by the Authority, as it may be amended from time to time in accordance with the terms thereof.

"Series 2015 Rebate Account" means the account by that name established and held by the Trustee pursuant to the Indenture.

"Series 2015 Rebate Requirement" has the meaning ascribed thereto in the Series 2015 Tax Certificate.

"Series 2015 Tax Certificate" means the Tax Certificate executed by the Authority at the time of issuance of the Series 2015 Bonds relating to the requirements of Section 148 of the Code, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Series A (2007) Bonds" means the thirty-seven million, five-hundred thousand dollars ($37,500,000) principal amount of special tax bonds of the Authority at any time Outstanding that are executed, issued and delivered in accordance with the Indenture.

"Services Special Tax" has the meaning given in the Rate and Method.

"Services Fund" means the CSCDA/City of Orinda Wilder Area Project Community Facilities District Services Fund established pursuant to the Indenture and maintained by the Trustee.

"Special Tax" means the special tax authorized to be levied and collected annually on all Taxable Land in the Community Facilities District under and pursuant to the Law and the Rate and Method, and includes the Category A Special Tax.

"Special Tax Fund" means the California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project) Special Tax Fund established pursuant to the Indenture and maintained by the Trustee.

"Standard & Poor's" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of New York, and its successors or assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "Standard & Poor's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority.

"Supplemental Indenture" means any indenture then in full force and effect that has been made and entered into by the Authority and the Trustee, amendatory of or supplemental to the Indenture; but only to the extent that such Supplemental Indenture is specifically authorized under the Indenture.

"Tax Certificate" means the certificate delivered upon the issuance of the Bonds relating to Section 148 of the Code.

"Taxable Land" means all land within the Community Facilities District taxable under the Law in accordance with the proceedings for the authorization of the issuance of the Bonds and the levy and collection of the Special Tax.

"Taxable Parcel" has the meaning given in the Rate and Method.

"Trustee" means Wells Fargo Bank, National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States of America and authorized to accept and execute trusts of the character set forth in the Indenture, at its Principal Corporate Trust Office, or any other bank or trust company having a corporate trust office in Los Angeles or San Francisco, California, which may at any time be substituted in its place as provided in the Indenture at its Principal Corporate Trust Office.

"Sinking Account" means the account referred to by that name in the Redemption Fund established pursuant to the Indenture.

"Written Request of the Authority" means an instrument in writing signed by a Commission Member, the Authority Secretary, or by any other officer of the Authority duly authorized by the Authority for that purpose.

EQUAL SECURITY

In consideration of the acceptance of the Bonds by the Holders thereof, the Indenture shall be deemed to be and shall constitute a contract between the Authority and the Holders from time to time to secure the full and final payment of the interest on and principal of and redemption premiums, if any, on all Bonds which may from time to time be authorized, sold, executed, authenticated and delivered under the Indenture, subject to the agreements, conditions, covenants and terms contained in the Indenture; and all agreements, conditions, covenants and terms contained in the Indenture required to be observed or performed by or on behalf of the Authority shall be for the equal and proportionate benefit, security and protection of all Holders without distinction, preference or priority as to security or otherwise of any Bonds over any other Bonds by reason of the number thereof or the time of execution, authentication or delivery thereof or otherwise for any cause whatsoever, except as expressly provided therein or in the Indenture.

CERTAIN PROVISIONS RELATING TO THE BONDS

Transfer and Exchange of Bonds

The Trustee shall keep at its Principal Corporate Trust Office sufficient books for the transfer and exchange of the Bonds, which books shall at all times during normal business hours with reasonable prior notice be open to inspection by the Authority or by any Holder. Any Bond may, in accordance with its terms, be transferred or exchanged on such books by the person in whose name it is registered, in person or by his duly authorized attorney, upon payment by the Holder requesting such transfer or exchange of any tax or other governmental charge required to be paid with respect to such transfer or exchange and upon surrender of such Bond for cancellation accompanied by delivery of a duly executed written instrument of transfer or exchange in a form acceptable to the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer or exchange, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds of the same maturity date and of authorized denominations for the same aggregate principal amount, except that neither the Authority nor the Trustee shall be required (i) to transfer or exchange any Bonds during the fifteen-day period prior to the selection of any Bonds for redemption, or (ii) to transfer or exchange any Bond which has been selected for redemption in whole or in part, except the unredeemed portion of such Bond selected for redemption in part, from and after the day that such Bond has been selected for redemption in whole or in part.

Mutilated, Destroyed, Stolen or Lost Bonds

In case any Bond shall become mutilated in respect of the body of such Bond or shall be believed by the Authority to have been destroyed, stolen or lost, upon proof of ownership satisfactory to the Authority and the Trustee and upon the surrender of such mutilated Bond at the Principal Corporate Trust Office of the Trustee, or upon the receipt of evidence satisfactory to the Authority and the Trustee of such destruction, theft or loss and upon receipt of indemnity satisfactory to the Authority and the Trustee, and also upon payment of all expenses incurred by the Authority and the Trustee in the premises, the Authority shall execute and the Trustee shall authenticate and deliver at its Principal Corporate Trust Office a new Bond or Bonds of the same maturity date for the same aggregate principal amount in

authorized denominations of like tenor and date and bearing such numbers and notations as the Trustee shall determine in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for the Bond so destroyed, stolen or lost.

If any such destroyed, stolen or lost Bond shall have matured or shall have been called for redemption, payment of the amount due thereon may be made by the Trustee upon receipt of like proof, indemnity and payment of expenses.

Any replacement Bonds issued shall be entitled to equal and proportionate benefits with all other Bonds issued under the Indenture, and the Authority and the Trustee shall not be required to treat both the original Bond and any replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued under the Indenture or for the purpose of determining any percentage of Bonds Outstanding under the Indenture, but both the original and the replacement Bond shall be treated as one and the same.

Use of Depository for Bonds

The Depository Trust Company, in New York, New York, has been appointed depository for the Bonds, and the Bonds will be initially registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, and will be initially issued as one Bond for each of the maturities in the principal amounts set forth in the Indenture, and registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except:

- To any successor of Cede & Co., as nominee of The Depository Trust Company, or its nominee, or to any substitute depository designated pursuant to the Indenture (a "substitute depository"); provided, that any successor of Cede & Co., as nominee of The Depository Trust Company, or any substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

- To any substitute depository not objected to by the Trustee, upon (1) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the Authority to substitute another depository for The Depository Trust Company or its successor because The Depository Trust Company or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

- To any person as provided below, upon (1) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the Authority to remove The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository.

In the case of any transfer pursuant to one of the first two of the bulleted paragraphs, immediately above, upon receipt of the Bonds by the Trustee, together with a Written Request of the Authority to the Trustee, a new Bond for each maturity date of the Bonds shall be executed by the Authority and authenticated and delivered by the Trustee in the aggregate principal amount of the Bonds so received, in such denominations and registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such Written Request of the Authority. In the case of any transfer pursuant to the third of the bulleted paragraphs, immediately above, upon receipt of the

Bonds by the Trustee, together with a Written Request of the Authority to the Trustee, a new Bond or Bonds for each maturity date of the Bonds shall be executed by the Authority and authenticated and delivered by the Trustee in the aggregate principal amount of the Bonds so received, in such denominations and registered in the names of such persons as are requested in such Written Request of the Authority, subject to the $5,000 minimum denomination and the maximum amount to mature in any one year, and thereafter, the Bonds shall be transferred pursuant to the Indenture; provided, that the Trustee shall not be required to deliver such new Bonds on a date prior to sixty (60) days after receipt of such Written Request of the Authority.

The Authority and the Trustee shall be entitled to treat the person in whose name any Bond is registered as the owner thereof for all purposes of the Indenture and any applicable laws, notwithstanding any notice to the contrary received by the Authority or the Trustee; and the Authority and the Trustee shall have no responsibility for transmitting payments to, communication with, notifying, or otherwise dealing with any beneficial owners of the Bonds, and neither the Authority nor the Trustee shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including The Depository Trust Company or its successor (or any substitute depository or its successor), except to The Depository Trust Company or its successor (or any substitute depository or its successor) as a Holder of the Bonds.

So long as any Bonds are registered in the name of Cede & Co. or its registered assigns, the Authority and the Trustee shall cooperate with Cede & Co., as sole Holder, or its registered assigns, in effecting payment of the interest on and principal of and redemption premiums, if any, on such Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

Conditions to Issuance of Additional Bonds. In addition to the Series A (2007) Bonds issued pursuant to the Indenture, the Authority may at any time issue a Series of Bonds payable from the Special Taxes as provided in the Indenture on a parity with all other Bonds theretofore or thereafter issued under the Indenture, but only subject to the following conditions, which are conditions precedent to the issuance of such Series of Bonds:

(a) The issuance of such Series of Bonds shall have been authorized pursuant to and in accordance with the terms of the Law and pursuant to the Indenture and shall have been provided for by a Supplemental Indenture in accordance therewith and which shall specify (or provide for the determination of) the information provided for in the Indenture described under the heading "− Refunding Bonds" and the purpose for which such Series of Bonds is to be issued; provided, that the proceeds of sale of such Series of Bonds shall be applied solely for the purpose of providing funds to refund Outstanding Bonds under the Indenture, including the incidental expenses related thereto and funding a reserve fund therefor;

(b) The Authority shall be in compliance with all agreements, conditions, covenants and terms contained in the Indenture and in all Supplemental Indentures required to be observed or performed by it, and no default under the Indenture shall have occurred and shall be then continuing; and

(c) Nothing contained in shall limit the issuance of any Series of Bonds under the Indenture if after the issuance and delivery of such Series of Bonds none of the Bonds theretofore issued under the Indenture will be Outstanding, and nothing contained therein shall limit the issuance of any Series of Bonds under if after the issuance and delivery of such Series of Bonds the annual Debt Service on all Bonds to be Outstanding after the issuance of the Bonds of such Series of Bonds in each Bond Year thereafter shall not be increased by reason of the issuance of such Series of Bonds.

Refunding Bonds

Within the constraints of the Indenture described above under the heading "– Conditions to Issuance of Additional Bonds," the Authority, may at any time after the issuance and delivery of the Bonds issue (and the Trustee shall upon a Written Request of the Authority authenticate and deliver) Refunding Bonds payable from the Special Tax, but only subject to the following specific conditions, which are made conditions precedent to the issuance of any such Refunding Bonds:

(a) The Authority shall have delivered or caused to be delivered to the Trustee the following:

(i) A copy of the resolution adopted by the Commission approving the Supplemental Indenture required by paragraph (b) below, and the execution and delivery by the Authority of such Supplemental Indenture, duly certified by the Authority Secretary to have been duly adopted by the Commission and to be in full force and effect on the date of such certification;

(ii) A Written Request of the Authority directing that the Trustee authenticate the Refunding Bonds and containing instructions as to the delivery of the Refunding Bonds;

(iii) The proceeds of sale of the Refunding Bonds;

(iv) A Certificate of the Authority stating that the Authority is not in default in the performance of any of the agreements, conditions, covenants or terms contained in the Indenture;

(v) An original, executed counterpart of the Supplemental Indenture required by paragraph (b) below;

(vi) Directions as to the use of proceeds of the Refunding Bonds to refund Bonds Outstanding under the Indenture to fund capitalized interest; and

(vii) An Opinion of Counsel nationally recognized in the field of municipal finance addressing the validity and tax exempt status of the Refunding Bonds, subject to said exceptions as may be reasonable and appropriate.

(b) The issuance of the Refunding Bonds shall have been duly authorized under all applicable laws, and the issuance of the Refunding Bonds shall have been provided for by a Supplemental Indenture duly adopted by the Authority which shall specify the following:

(i) The use of proceeds of the Refunding Bonds;

(ii) The authorized principal amount of the Refunding Bonds;

(iii) The date and the maturity date or dates of the Refunding Bonds; provided that all such Refunding Bonds of like maturity shall be identical in all respects, except as to number, and fixed serial maturities or Mandatory Sinking Account Payments, or any combination thereof, shall be established to provide for the retirement of all such Refunding Bonds on or before their respective maturity dates;

(iv) The authorized denominations of the Refunding Bonds to refund Bonds Outstanding under the Indenture or to fund capitalized interest;

(v) The redemption premiums, if any, and the redemption terms, if any, for the Refunding Bonds;

(vi) The amount and due date of each Mandatory Sinking Account Payment, if any, for the Refunding Bonds;

(vii) The amount, if any, of interest to be paid on the Refunding Bonds from the proceeds thereof;

(viii) The form of the Refunding Bonds; and

(ix) Such other provisions as are necessary or appropriate and not inconsistent with the Indenture.

SPECIAL TAX REVENUES

Deposit of Special Tax Collections in the Special Tax Fund

The Trustee shall establish and maintain a fund to be known as the "CSCDA/City of Orinda Wilder Area Project Community Facilities District Special Tax Fund" (the "Special Tax Fund"), which fund shall be held and maintained in trust by the Trustee, and the Authority agrees and covenants that all Special Tax collections (including any prepayments thereof and including any amounts, net of any costs of collection and enforcement, received as a result of foreclosure of the lien securing the Special Taxes or other actions by the Authority to collect delinquent Special Taxes), when and as received, shall be immediately transferred to the Trustee, and the Trustee agrees and covenants to deposit all such transfers in the Special Tax Fund, and all money in the Special Tax Fund shall be disbursed, allocated and applied solely to the uses and purposes set forth in the Indenture.

Except for money held in the Acquisition and Construction Fund, the Prepayment Fund, the Services Fund, the Expense Fund and the Rebate Fund, all of the Special Taxes, all funds and accounts established to hold Special Tax proceeds under the Indenture, and any investment earnings thereon, are pledged to, and shall constitute a trust fund for, the payment of the principal of and interest on the Bonds. So long as the principal of and interest on the Bonds remains unpaid, the Special Taxes, the funds and accounts established to hold Special Tax proceeds, and any investment earnings thereon shall not be used for any other purpose, except as otherwise permitted by the Indenture, and shall be held in trust for the benefit of the owners of the Bonds and shall be applied pursuant to the Indenture. The Prepayment Fund is pledged for the payment of principal and redemption premiums, if any, on the Bonds in accordance with the Indenture; but is pledged to pay interest on the Bonds only to the extent of accrued interest included in the calculations of the prepayment amounts under the Rate and Method and in accordance with the Indenture.

Allocation of Money in the Special Tax Fund

All prepayments of the Category A Special Tax shall be immediately deposited by the Trustee in the Prepayment Fund. All other money in the Special Tax Fund shall be set aside by the Trustee in the following respective funds in the following order of priority, and all money in each fund shall be applied, used and withdrawn only for the purposes authorized in the Indenture, namely:

(1) Redemption Fund,

(2) Expense Fund,

(3) Reserve Fund,

(4) Services Fund, and

(5) Acquisition and Construction Fund.

Redemption Fund

The Trustee shall establish and maintain a fund to be known as the "CSCDA/City of Orinda Wilder Area Project Community Facilities District Redemption Fund" (the "Redemption Fund"), and within the Redemption Fund the Series A (2007) Sinking Account (which shall be administered as specified in the Indenture). At least five (5) Business Days prior to each March 1 and September 1, the Trustee shall, from the money in the Special Tax Fund, deposit into the Redemption Fund an amount of money equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds on such dates, except no such transfer need be made to the extent amounts have previously been deposited in the Redemption Fund and set aside therein for the payment of such interest, including without limitation sale proceeds of Bonds deposited in such fund for such purpose. At least five (5) Business Days prior to September 1 of each year, commencing with the first September 1 on which principal is due on any of the Bonds, the Trustee shall, from the then remaining money in the Special Tax Fund, deposit into the Redemption Fund an amount of money equal to the aggregate amount of principal becoming due and payable on all Outstanding Serial Bonds on such date plus the aggregate of the Mandatory Sinking Account Payments required by the Indenture and by all Supplemental Indentures to be made on such date into the Sinking Accounts; provided, that all of the aforesaid Mandatory Sinking Account Payments shall be made without priority of the payment of any one Mandatory Sinking Account Payment over the payment of any other Mandatory Sinking Account Payment, and in the event that the money in the Redemption Fund on any September 1 is not equal to the amount of principal to become due and payable on the Outstanding Serial Bonds on such September 1 plus the principal of and redemption premiums, if any, on the Outstanding Term Bonds required to be redeemed or paid at maturity on such September 1, then such money shall be applied pro rata in such proportion as such Serial Bonds and the portion of such Term Bonds then required to be redeemed or paid at maturity shall bear to each other, after first deducting for such purposes for such Term Bonds any of such Term Bonds as shall have been redeemed or purchased during the twelve-month period ending on such September 1 and commencing on the immediately preceding September 2.

No deposit need be made into the Redemption Fund if the amount of money contained therein is at least equal to the amount required by the terms of the preceding paragraph to be deposited therein at the times and in the amounts provided in the Indenture.

All money in the Redemption Fund shall be used and withdrawn by the Trustee solely to pay the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity) plus the principal of the Bonds as they shall mature or upon the prior redemption thereof, except that any money in any Sinking Account shall be used only to purchase or redeem or retire the Term Bonds for which such Sinking Account was established as provided in the Indenture or in any Supplemental Indenture.

Expense Fund

The Trustee shall establish and maintain a fund to be known as the "CSCDA/City of Orinda Wilder Area Project Community Facilities District Expense Fund" (the "Expense Fund"). On or before each March 1 and September 1, the Trustee shall, from the then remaining money in the Special Tax Fund, transfer to and deposit in the Expense Fund a sum equal to the amount required by the Authority

for the payment of budgeted Expenses during the six-month period beginning on such date (and required by the Authority to reimburse it for the payment of unbudgeted Expenses during the prior six-month period). All money in the Expense Fund shall be used and withdrawn by the Trustee only to pay budgeted Expenses as provided in the Indenture (or to reimburse the Authority for the payment of unbudgeted Expenses as provided in the Indenture). Amounts in the Expense Fund shall be applied by the Trustee solely as directed in a Written Request of the Authority, each of which shall be separately numbered as "Requisition No. __, " and each of which shall state (i) the amount, purpose and payee of the disbursement, (ii) that the disbursement is a proper charge against the Expense Fund as provided in the Indenture and (iii) that the disbursement has not previously been paid from the Expense Fund.

Reserve Fund

The "CSCDA/City of Orinda Wilder Area Project Community Facilities District Reserve Fund," (the "Reserve Fund") into which shall be deposited an amount equal to the Required Bond Reserve. Subject to the Indenture, moneys in the Reserve Fund shall be used solely for the purpose of paying the principal of and interest on the Bonds in the event that the moneys in the Redemption Fund are insufficient therefor, and for that purpose the Trustee shall withdraw from the Reserve Fund, for deposit in the Redemption Fund, moneys necessary for such purpose. Amounts in the Reserve Fund shall be withdrawn to pay principal and interest on the Bonds; provided, that if the amount on deposit in the Reserve Fund is less than the Required Bond Reserve, the Trustee shall notify the Authority of the amount needed to replenish the Reserve Fund to the Required Bond Reserve and the Authority shall collect the deficiency by including it in the next annual Special Tax levy, to the extent permitted by law and as necessary.

With respect to the Reserve Fund established pursuant to the Indenture, the Trustee shall, on or before the first (1st) day in September in each year, from the then remaining money in the Special Tax Fund, deposit into the Reserve Fund the amount of money that is required to restore the Reserve Fund to an amount equal to the Required Bond Reserve; and for this purpose all investments in the Reserve Fund shall be valued on or before September 1 of each year at the face value thereof if such investments mature within twelve (12) months from the date of valuation, or if such investments mature more than twelve (12) months after the date of valuation, at the price at which such investments are redeemable by the holder at his option, if so redeemable, or if not so redeemable, at the lesser of (i) the cost of such investments, or (ii) the market value of such investments, and in making any valuations under the Indenture, the Trustee may use and rely on computerized securities pricing services that may be available to it, including those available through its regular accounting system; provided, that no deposit need be made into the Reserve Fund if the amount contained therein is at least equal to the Required Bond Reserve.

All money in the Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on or principal of the Bonds in the event there is insufficient money in the Redemption Fund available for this purpose; provided, that if as a result of any of the foregoing valuations it is determined that the amount of money in the Reserve Fund exceeds the Required Bond Reserve, the Trustee shall withdraw the amount of money representing such excess from such fund and shall deposit such amount of money in the Redemption Fund.

Services Fund

The Trustee shall establish and maintain a fund to be known as the "CSCDA/City of Orinda Wilder Area Project Community Facilities District Services Fund" (the "Services Fund"). On September 1 of each year, after transferring all of the sums required to be transferred on or prior to such date by the foregoing provisions of the Indenture, the Trustee shall transfer to the Services Fund the full amount of

the Services Special Tax levied in the previous Fiscal Year and amounts levied in previous Fiscal Years that have not previously been transferred to the Services Fund. At any time, the Trustee shall transfer so much of the money in the Services Fund to the City as the City shall request in writing, for the City's use in providing those services authorized under the Resolution of Formation, which use may be conclusively presumed by the Trustee.

Surplus to Acquisition and Construction Fund

All money remaining in the Special Tax Fund on September 1 of each year, after transferring all of the sums required to be transferred on or prior to such date by the foregoing provisions of the Indenture, shall be deposited by the Trustee in the Acquisition and Construction Fund.

Prepayment Fund

The Trustee shall establish and maintain a fund to be known as the "CSCDA/City of Orinda Wilder Area Project Community Facilities District Prepayment Fund" (the "Prepayment Fund"). The Prepayment Fund shall receive funds as provided in the Indenture. All money in the Prepayment Fund constituting the proceeds of prepayments of the Category A Special Tax shall be used to redeem Series A (2007) Bonds as provided in the Indenture. Any amounts remaining in the Prepayment Fund after all Series A (2007) Bonds and all Additional Bonds have been paid and retired shall be deposited in the Services Fund.

COVENANTS OF THE AUTHORITY

Punctual Payment and Performance

The Authority will punctually pay the interest on and principal of and redemption premium, if any, to become due on every Bond in strict conformity with the terms of the Law and the Indenture and of the Bonds, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained in the Indenture and in the Bonds required to be observed and performed by it.

Against Indebtedness and Encumbrances

The Authority will not issue any evidences of indebtedness payable from the proceeds of the Special Tax except as provided in the Indenture, and will not create, nor permit the creation of, any pledge, lien, charge or other encumbrance upon any money in the Special Tax Fund other than as provided in the Indenture; provided, that the Authority may at any time, or from time to time, issue evidences of indebtedness for any lawful purpose of the Community Facilities District so long as any payments due thereunder shall be subordinate in all respects to the use of the proceeds of the Special Tax as provided in the Indenture.

Against Federal Income Taxation

The Authority will not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest on the Bonds pursuant to Section 103 of the Code, and specifically the Authority will not directly or indirectly use or make any use of the proceeds of the Bonds or any other funds of the Authority or take or omit to take any action that would cause the Bonds to be "arbitrage bonds" subject to federal income taxation by reason of Section 148 of the Code or "private activity bonds" subject to federal income taxation by reason of Section 141(a) of the Code or obligations subject to federal income taxation because they are "federally guaranteed" as provided in Section 149(b) of the Code; and to that end the Authority, with respect to the proceeds of the

Bonds and such other funds, will comply with all requirements of such sections of the Code; provided, that if the Authority shall obtain an opinion of nationally recognized bond counsel to the effect that any action required under this covenant is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest on the Bonds pursuant to Section 103 of the Code, the Authority may rely conclusively on such opinion in complying with the provisions of this covenant. In the event that at any time the Authority is of the opinion that for purposes of this covenant it is necessary to restrict or limit the yield on the investment of any money held by the Treasurer of the Authority or the Trustee under the Indenture or otherwise the Authority shall so instruct the Treasurer of the Authority or the Trustee, as the case may be, in writing, and the Treasurer of the Authority or the Trustee, as the case may be, shall take such action as may be necessary in accordance with such instructions.

Without limiting the generality of the foregoing, the Authority will pay from time to time all amounts required to be rebated to the United States of America pursuant to Section 148(f) of the Code and all regulations of the United States Department of the Treasury issued thereunder to the extent that such regulations are, at the time, applicable and in effect, which obligation shall survive payment in full or defeasance of the Bonds, and to that end, there is established in the treasury of the Authority a fund to be known as the "CSCDA/City of Orinda Wilder Area Project Community Facilities District Rebate Fund" (the "Rebate Fund") to be held in trust and administered by the Treasurer of the Authority. The Authority will comply with the provisions of the Tax Certificate with respect to making deposits in the Rebate Fund, and all money held in the Rebate Fund is pledged to provide payments to the United States of America as provided in the Indenture and in the Tax Certificate and no other person shall have claim to such money except as provided in the Tax Certificate.

The provisions of this covenant shall survive the defeasance of the Bonds.

Payment of Claims

The Authority will pay and discharge any and all lawful claims which, if unpaid, might become payable from the proceeds of the Annual Facilities Special Tax or any part thereof or upon any funds in the hands of the Trustee allocated to the payment of the interest on or principal of or redemption premiums, if any, on the Bonds, or which might impair the security of the Bonds.

Expense Budgets

The Authority will, on or before September 2 in each year, prepare and approve a budget setting forth the estimated Expenses for the period from such September 2 through the next succeeding September 1. Any budget approved in accordance with this covenant may be amended at any time.

Accounting Records; Financial Statements and Other Reports

The Authority will keep, and pursuant to the Indenture requires the Trustee to keep, appropriate accounting records in which complete and correct entries shall be made of all transactions relating to the receipt, investment, disbursement, allocation and application of the proceeds of the Special Tax and of the proceeds of the Bonds, which accounting records shall at all times during business hours with reasonable prior notice be subject to the inspection of any Holder (or his representative authorized in writing) and (upon the prior written consent of the Authority) of any investment banker, security dealer or other person interested in the Bonds.

The Authority will prepare annually, no later than January 1, a summary report showing in reasonable detail the proceeds of the Special Tax levied and collected and the Expenses for the preceding

Fiscal Year and containing a general statement of the physical condition of the Improvements. The Authority will furnish a copy of such summary report without charge to any Holder (or his representative authorized in writing) and to any investment banker, security dealer or other person interested in the Bonds requesting a copy thereof.

The Authority will prepare annually not later than October 31 of each year and file with the California Debt and Investment Advisory Commission by mail, postage prepaid, all necessary information required to be filed under the Law(see Section 53359.5), including:

- The principal amount of the Outstanding Bonds;
- The balance in the Reserve Fund;
- The balance in the Redemption Fund constituting capitalized interest, if any;
- The number of parcels securing the Bonds which are delinquent with respect to their Special Tax payments, the amount that each delinquent parcel is delinquent, the total amount of special taxes due on the delinquent parcels, the length of time that each delinquent parcel has been delinquent, when foreclosure was commenced for each delinquent parcel, the total number of foreclosure parcels for each date specified, and the total amount of tax due on the foreclosure parcels for each date specified;
- The balance in the Acquisition and Construction Fund;
- The assessed value of all parcels subject to the levy of the Special Tax to repay the Bonds, as shown on the most recent equalized assessment roll, the date of assessed value reported, and that the information comes from the County Assessor's Office of the County of Contra Costa;
- The total amount of Special Taxes due, the total amount of unpaid Special Taxes, and whether the Special Taxes are paid under the County's Teeter Plan; and
- Contact information for the Authority official providing the information.

Additionally, the Authority will notify the California Debt and Investment Advisory Commission by mail, postage prepaid, within ten (10) days if the Authority or the Trustee fails to pay any interest on or principal of any of the Bonds on any scheduled payment date.

Protection of Security and Rights of Holders

The Authority will preserve and protect the security of the Bonds and the rights of the Holders and will warrant and defend their rights against all claims and demands of all persons.

Payment of Governmental Charges

The Authority will pay and discharge all taxes or payments in lieu of taxes, assessments and other governmental charges or liens that may be levied, assessed or charged upon the Improvements or any part thereof promptly as and when the same shall become due and payable, except that the Authority shall not be required to pay any such governmental charges so long as the application or validity thereof shall be contested in good faith and the Authority shall have set aside reserves to cover such charges.

Levy and Collection of the Special Tax

The Authority, so long as any Bonds are Outstanding, will annually levy the Special Tax against all Taxable Land in the Community Facilities District and make provision for the collection of the Annual Facilities Special Tax in amounts which will be sufficient, after making reasonable allowances for contingencies and errors in the estimates, to yield proceeds equal to the amounts required for compliance with the agreements, conditions, covenants and terms contained in the Indenture, and which in any event will be sufficient to pay the interest on and principal of and all Mandatory Sinking Account Payments for and redemption premiums, if any, on the Bonds as they become due and payable and to pay all current Expenses as they become due and payable in accordance with the provisions and terms of the Indenture. The Special Tax shall be collected in the same manner as ordinary *ad valorem* property taxes are collected and, except as otherwise provided in the following covenant and in the Law, shall be subject to the same penalties and the same collection procedure, sale, and lien priority in case of delinquency as is provided for *ad valorem* property taxes.

Foreclosure of Special Tax Liens

On or before October 1 of each year, the Authority shall review the public records of the County of Contra Costa relating to the collection of the Special Tax in order to determine the amount of the Special Tax collected in the prior Fiscal Year, and on the basis of such review the Authority shall, not later than December 1 of such year, institute foreclosure proceedings as authorized by the Law against all parcels that are delinquent in the payment of any amount of such Special Tax in order to enforce the lien of all delinquent installments of the Special Tax, and will diligently prosecute and pursue the foreclosure proceedings to judgment and sale; provided that any actions taken to enforce delinquent Special Tax liens shall be taken only consistent with Sections 53356.1 through 53356.7, both inclusive, of the Law; and provided further, that the Authority shall not be obligated to enforce the lien of any delinquent installment of the Special Tax for any Fiscal Year in which the Authority shall have received one hundred percent (100%) of the amount of such installment from the County of Contra Costa pursuant to the so-called "Teeter Plan."

Series 2015 Tax Covenants; Series 2015 Rebate Account

The Authority shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of interest on the Series 2015 Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the Authority shall comply with the requirements of the Series 2015 Tax Certificate, which is incorporated in the First Supplemental Indenture as if fully set forth therein. This covenant shall survive payment in full or defeasance of the Series 2015 Bonds.

In the event that at any time the Authority is of the opinion that, for purposes of the tax-exemption covenants in the Indenture, it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Trustee in any of the funds or accounts established under the Indenture, the Authority shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

Notwithstanding any provisions of the tax-exemption covenant provisions of the Indenture, if the Authority shall provide to the Trustee an Opinion of Counsel to the effect 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 federal income tax of interest on the Series 2015 Bonds, the Trustee may conclusively rely on such opinion in complying with the requirements of the tax-exemption covenant

provisions of the Indenture and of the Series 2015 Tax Certificate, and the covenants under the Indenture shall be deemed to be modified to that extent.

Without limiting the generality of the foregoing, the Authority will pay from time to time all amounts required to be rebated to the United States of America pursuant to Section 148(f) of the Code and all regulations of the United States Department of the Treasury issued thereunder to the extent that such regulations are, at the time, applicable and in effect, which obligation shall survive payment in full or defeasance of the Series 2015 Bonds, and to that end, there is established in the Treasury of the Authority an account within the Rebate Fund to be known as the "CSCDA/City of Orinda Wilder Area Project Community Facilities District Series 2015 Rebate Account" (the "Series 2015 Rebate Account") to be held in trust and administered by the Treasurer of the Authority. The Authority will comply with the provisions of the Series 2015 Tax Certificate with respect to making deposits in the Series 2015 Rebate Account, and all money held in the Series 2015 Rebate Account is pledged to provide payments to the United States of America as provided in the Indenture and in the Series 2015 Tax Certificate and no other person shall have claim to such money except as provided in the Series 2015 Tax Certificate.

The tax-exemption covenants of the Indenture shall survive the defeasance of the Series 2015 Bonds.

Series 2015 Continuing Disclosure Certificate

The Authority will comply with and carry out all of the provisions of the Series 2015 Continuing Disclosure Certificate executed by the Authority and dated the date of the execution, authentication and initial delivery of the Series 2015 Bonds issued under the Indenture, as originally executed and as it may be amended from time to time in accordance with the terms thereof, and notwithstanding any other provision of the Indenture, failure of the Authority to comply with such Series 2015 Continuing Disclosure Certificate shall not be considered an Event of Default under the Indenture; provided, that any Holder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations under this paragraph.

Further Assurances

The Authority will adopt, deliver, execute and make any and all further assurances, instruments and resolutions as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Indenture and for the better assuring and confirming unto the Holders of the rights and benefits provided in the Indenture.

THE TRUSTEE

Wells Fargo Bank, National Association at its Principal Corporate Trust Office is Trustee for the purpose of receiving all money which the Authority is required to transfer to it under the Indenture and for applying and using such money as provided in the Indenture for the purpose of paying the interest on and principal of and redemption premiums, if any, on the Bonds. The Authority agrees that it will at all times maintain a Trustee having a corporate trust office in Los Angeles or San Francisco, California.

The Authority may remove the Trustee initially appointed and any successor thereto and may appoint a successor or successors thereto by an instrument in writing; provided, that any such successor shall be a bank or trust company doing business and having a corporate trust office in Los Angeles or San Francisco, California, having a combined capital (exclusive of borrowed capital) and surplus of at least fifty million dollars ($50,000,000) and subject to supervision or examination by a federal or state banking 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 the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Trustee may at any time resign by giving written notice of such resignation to the Authority and by giving notice of such resignation by mail pursuant to the Indenture to the Holders, and upon receiving such notice of resignation, the Authority shall promptly appoint a successor Trustee by an instrument in writing having the qualifications required. Any resignation or removal of a Trustee and appointment of a successor Trustee shall become effective only upon the acceptance of appointment by the successor Trustee. If within thirty (30) days after notice of the removal or resignation of the Trustee no successor Trustee shall have been appointed by the Authority and shall have accepted such appointment, the removed or resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Trustee having the qualifications required by the Indenture.

The Trustee is authorized to pay interest on the Bonds due on or before the maturity or prior redemption thereof to the Holders as their names appear, at the close of business as of the fifteenth day of the calendar month preceding the calendar month in which the applicable Interest Payment Date falls, on the registration books required to be kept by it pursuant to the Indenture as the registered owners thereof, such interest to be paid as provided in the Indenture, and to pay to the Holders the principal of and redemption premiums, if any, on the Bonds upon presentation and surrender of the Bonds to the Trustee at maturity or on redemption prior to maturity. The Trustee shall cancel and destroy all Bonds paid by it at maturity or on redemption prior to maturity and all Bonds surrendered to it by the Authority, and shall deliver to the Authority a certificate of such destruction, and the Trustee shall keep accurate records of all Bonds cancelled and destroyed by it under the Indenture. All money held by or on behalf of the Trustee for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds, whether at maturity or upon prior redemption, shall be held in trust for the account of the Holders thereof, and the Trustee shall not be required to pay Holders or the Authority any interest on, or be liable to the Authority, the Holders or any other person for any interest earned on, any money so held.

The Authority shall from time to time, subject to any agreement between the Authority and the Trustee then in force, pay the Trustee compensation for its services, reimburse the Trustee for all its advances and expenditures, including but not limited to advances to and fees and expenses by independent accountants, counsel and engineers or other experts employed by it in the exercise and performance of its rights and obligations under the Indenture, and indemnify and save the Trustee harmless against loss, expenses, costs, claims and liabilities (including without limitation those of its attorneys and agents) not arising from its own negligence or willful misconduct which it may incur in the exercise and performance of its rights and obligations under the Indenture, which obligation shall survive the resignation or removal of any Trustee or the defeasance of the Bonds.

Liability of the Trustee

The recitals of facts, agreements and covenants contained in the Indenture and in the Bonds shall be taken as statements, agreements and covenants of the Authority, and the Trustee does not assume any responsibility for the correctness of the same and does not make any representation as to the sufficiency or validity thereof or of the Bonds or of the Special Tax, or as to the financial or technical feasibility of the Improvements, and shall not incur any responsibility in respect thereof other than in connection with the rights and obligations expressly assigned to or imposed upon it in the Indenture or in the Bonds, and shall not be liable in connection with the performance of its duties under the Indenture except for its own negligence or willful misconduct. The Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts, and no provision of the Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any

liability for the performance of its duties under the Indenture, or in the exercise of any of its rights or powers under the Indenture.

The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts. The Trustee may execute any of the trusts or powers of the Indenture and perform the duties required of it under the Indenture by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty under the Indenture, but the Trustee shall be answerable for the negligence or misconduct of any such attorney, agent, or receiver selected by it; provided that the Trustee shall not be answerable for the negligence or misconduct of any attorney or certified public accountant selected by it with due care.

The Trustee shall perform only those duties expressly set forth in the Indenture and no implied duties or obligations shall be read into the Indenture against the Trustee.

The Trustee shall not have any responsibility with respect to any information, statement or recital contained in any official statement, offering memorandum or any other disclosure material prepared or distributed by the Authority with respect to any of the Bonds.

Notice to the Trustee

The Trustee shall be protected in acting upon any Bond, Certificate of the Authority, consent, notice, opinion, report, resolution, Written Request of the Authority or other document or paper believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, including, without limitation, counsel to the Authority, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection with respect to any action taken or suffered in good faith and in accordance therewith.

Whenever in the administration of its rights and obligations the Trustee shall deem it necessary or desirable that a matter be established or proved prior to taking or suffering any action, such matter (unless other evidence in respect thereof be specifically prescribed in the Indenture) may, in the absence of bad faith on the part of the Trustee, be deemed to be conclusively established or proved by a Certificate of the Authority, which shall be full warrant to the Trustee for any action taken or suffered under the provisions of the Indenture upon the faith thereof, and on which the Trustee may conclusively rely, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

AMENDMENT OR SUPPLEMENT TO THE INDENTURE

Amendment or Supplement by Consent of Holders

The Indenture and the rights and obligations of the Authority and of the Holders may be amended or supplemented at any time by the execution and delivery of a Supplemental Indenture by the Authority and the Trustee, which Supplemental Indenture shall become binding when the written consents of the Holders of sixty percent (60%) or more in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided below, are filed with the Trustee. No such amendment or supplement shall (1) extend the maturity of or reduce the interest rate on or otherwise alter or impair the obligation of the Authority to pay the interest on or principal of or Mandatory Sinking Account Payment for or redemption premium, if any, on any Bond at the time and place and at the rate and in the currency and from the funds provided in the Indenture without the express written consent of the Holder of such Bond, or (2) permit the issuance by the Authority of any other obligations payable from the proceeds of

the Special Tax except as provided in the Indenture, or jeopardize the ability of the Authority to levy and collect the Special Tax, or (3) reduce the percentage of Bonds required for the written consent to any such amendment or supplement, or (4) modify any rights or obligations of the Trustee without its prior written assent thereto.

Amendment or Supplement Without Consent of Holders

The Indenture and the rights and obligations of the Authority and of the Holders may also be amended or supplemented at any time by the execution and delivery of a Supplemental Indenture by the Authority and the Trustee, which Supplemental Indenture shall become binding upon execution without the prior written consent of any Holders, but only to the extent permitted by law and after receiving an approving Opinion of Counsel and only for any one or more of the following purposes:

To add to the agreements and covenants required to be performed by the Authority other agreements and covenants thereafter to be performed by the Authority which shall not (in the opinion of the Authority) adversely affect the interests of the Holders, or to surrender any right or power reserved to or conferred upon the Authority which shall not (in the opinion of the Authority) adversely affect the interests of the Holders;

To make such provisions for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained in the Indenture or in regard to questions arising under the Indenture which the Authority may deem desirable or necessary and not inconsistent with the Indenture and which shall not (in the opinion of the Authority) adversely affect the interests of the Holders;

To authorize the issuance under and subject to the Law of any refunding Bonds for any of the Bonds and to provide the conditions and terms under which such refunding bonds may be issued subject to the Indenture;

To make such additions, deletions or modifications as may be necessary or appropriate to insure exclusion from gross income for purposes of federal income taxation of the interest on the Bonds; or

To make such additions, deletions or modifications as may be necessary or appropriate to maintain any then current rating on the Bonds.

Disqualified Bonds

Bonds owned or held for the account of the Authority shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided for in the Indenture, and shall not be entitled to consent to or take any other action provided for in the Indenture.

Endorsement or Replacement of Bonds After Amendment or Supplement

After the effective date of any action taken as above provided, the Authority may determine that the Bonds may bear a notation by endorsement in form approved by it as to such action, and in that case upon demand of the Holder of any Bond Outstanding on such effective date and presentation of his Bond for such purpose at the Principal Corporate Trust Office of the Trustee a suitable notation as to such action shall be made on such Bond. If the Authority shall so determine, new Bonds so modified as, in the opinion of the Authority, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Holder of any Bond Outstanding on such effective date such new Bonds

shall, upon surrender of such Outstanding Bonds, be exchanged at the Principal Corporate Trust Office of the Trustee, without cost to each Holder, for Bonds then Outstanding.

Amendment or Supplement by Mutual Consent

The provisions of the Indenture shall not prevent any Holder from accepting any amendment or supplement as to any particular Bonds held by him; provided, that due notation thereof is made on such Bonds.

REMEDIES OF HOLDERS

Remedies

Any Holder shall have the right for the equal benefit and protection of all Holders similarly situated:

- by mandamus or other suit or proceeding at law or in equity to enforce his rights against the Authority, its Commission, or any of the officers or employees of the Authority, and to compel the Authority, its Commission, or any such officers or employees to perform and carry out their duties under the Law and the agreements and covenants with the Holders contained in the Indenture;

- by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Holders; or

- by suit in equity upon the nonpayment of the Bonds to require the Authority, its Commission or its officers and employees to account as the trustee of an express trust.

Non-waiver

Nothing in the Indenture or in the Bonds shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay the interest on and principal of and redemption premiums, if any, on the Bonds to the respective Holders of the Bonds at the respective dates of maturity or upon redemption prior to maturity from the proceeds of the Special Tax and the other funds as provided in the Indenture, or shall affect or impair the right of such Holders, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied in the Indenture and in the Bonds.

A waiver of any default or breach of duty or contract by any Holder shall not affect any subsequent default or breach of duty or contract and shall not impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by any Holder to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right and remedy conferred upon the Holders by the Law or by the Indenture may be enforced and exercised from time to time and as often as shall be deemed expedient by the Holders.

If any action, proceeding or suit to enforce any right or exercise any remedy is abandoned or determined adversely to any Holder, the Authority and such Holder shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Remedies Not Exclusive

No remedy conferred upon or reserved to the Holders by the Indenture is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Indenture or now or hereafter existing at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

DEFEASANCE

Discharge of the Bonds.

If the Authority shall pay or cause to be paid or there shall otherwise be paid to the Holders of all Outstanding Bonds the interest thereon and the principal thereof and the redemption premiums, if any, thereon at the times and in the manner stipulated therein and in the Indenture, then all agreements, covenants and other obligations of the Authority to the Holders of such Bonds under the Indenture shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the Authority all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the Authority for deposit in the Acquisition and Construction Fund all money or securities held by it pursuant to the Indenture which are not required for the payment of the interest on and principal of and redemption premiums, if any, on the Bonds.

Any Outstanding Bonds shall on the maturity date or redemption date thereof be deemed to have been paid within the meaning of and with the effect expressed in the preceding paragraph if there shall be on deposit with the Trustee money which is sufficient to pay the interest due on such Bonds on such date and the principal and redemption premiums, if any, due on such Bonds on such date.

Any Outstanding Bonds shall prior to the maturity date or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed above if (1) in case any of the Bonds are to be redeemed on any date prior to their maturity date, the Authority shall have agreed to mail pursuant to the Indenture a notice of redemption to the respective Holders of all such Outstanding Bonds and to the securities depositories or securities information services selected by it pursuant to the Indenture, (2) there shall have been deposited with an escrow agent or the Trustee either money in an amount which shall be sufficient or Federal Securities which are not subject to redemption except by the holder thereof prior to maturity (including any Federal Securities issued or held in book-entry form on the books of the Department of the Treasury of the United States of America) or municipal obligations which have been defeased with Federal Securities and which are rated in the highest rating category by either Moody's or Standard & Poor's, the interest on and principal of which when paid will provide money which, together with the money, if any, deposited with such escrow agent or the Trustee at the same time, shall be sufficient to pay when due the interest to become due on such Bonds on and prior to the maturity dates or redemption dates thereof, as the case may be, and the principal of and redemption premiums, if any, on such Bonds on and prior to the maturity dates or the redemption dates thereof, as the case may be, as evidenced by a report of an Independent Certified Public Accountant or nationally recognized, independent municipal finance consultant, on file with the Authority and the Trustee, and (3) in the event such Bonds are not by their terms subject to redemption within the next succeeding ninety (90) days, the Authority shall have agreed to mail pursuant to the Indenture a notice to the Holders of such Bonds and to the securities depositories and securities information services selected by it pursuant to the Indenture that the deposit required above has been made with such escrow agent or the Trustee and that such Bonds are deemed to have been paid in accordance with the Indenture and stating the maturity dates or redemption

dates, as the case may be, upon which money is to be available for the payment of the principal of and redemption premiums, if any, on such Bonds.

Unclaimed Money

Anything contained in the Indenture to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of any of the Bonds or any interest thereon which remains unclaimed for two (2) years after the date when such Bonds or interest thereon have become due and payable, either at their stated maturity dates or by call for redemption prior to maturity, if such money was held by the Trustee on such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when such Bonds or interest thereon became due and payable, shall be repaid by the Trustee to the Authority as its absolute property free from trust for deposit in the Acquisition and Construction Fund and for use in accordance with the Law, and the Trustee shall thereupon be released and discharged with respect thereto and the Holders shall look only to the Authority for the payment of such Bonds and interest thereon; provided, that before the Trustee shall be required to make any such repayment the Authority shall mail pursuant to the Indenture a notice to the Holders of all Outstanding Bonds and to such securities depositories and securities information services selected by it pursuant to the Indenture that such money remains unclaimed and that after a date named in such notice, which date shall not be less than thirty (30) days after the date of the mailing of such notice, the balance of such money then unclaimed will be returned to the Authority for deposit in the Acquisition and Construction Fund.

MISCELLANEOUS

Liability of Authority Limited to Proceeds of the Special Tax

Notwithstanding anything contained in the Indenture, the Authority shall not be required to advance any money derived from any source of income other than the proceeds of the Special Tax and the other funds as provided in the Indenture for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds.

The Bonds are special tax obligations of the Authority and the interest on and principal of and redemption premiums, if any, on the Bonds are payable solely from the proceeds of the Special Tax and such other funds, and the Authority is not obligated to pay them except from the proceeds of the Special Tax and such other funds. The general funds and assets of the Authority are not liable and the full faith and credit of the Authority is not pledged for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds, and no tax or assessment other than the Special Tax shall ever be levied or collected to pay the interest on or principal of or redemption premiums, if any, on the Bonds. The Bonds are not secured by a legal or equitable pledge of or charge, lien or encumbrance upon any property of the Authority or any of its income or receipts except the proceeds of the Special Tax and such other funds as provided in the Indenture, and neither the payment of the interest on or principal of or redemption premiums, if any, on the Bonds is a general debt, liability or obligation of the Authority. The Bonds do not constitute an indebtedness of the Authority within the meaning of any constitutional or statutory debt limitation or restriction, and neither the Commission nor the Authority nor any officer or employee thereof shall be liable for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds otherwise than from the proceeds of the Special Tax and the other funds as provided in the Indenture.

Execution of Documents by Holders

Any declaration, request or other instrument which is permitted or required in the Indenture to be executed by Holders may be in one or more instruments of similar tenor, and may be executed by Holders in person or by their attorneys duly authorized in writing. The fact and date of the execution by any Holder or his attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness to such execution duly sworn to before such notary public or other officer. The ownership of Bonds and the amount, maturity, number and date of holding the same shall be proved by the registration books required to be kept by the Trustee pursuant to the Indenture.

Any declaration, request or other instrument or writing of the Holder of any Bond shall bind all future Holders of such Bond with respect to anything done or suffered to be done by the Authority in good faith and in accordance therewith.

Deposit and Investment of Moneys in Funds

All money held by the Trustee in any fund established in the Indenture shall be deposited by the Trustee in Legal Investments, and shall be secured at all times by such obligations as are required by law to the fullest extent required by law. All money held by the Trustee in the Redemption Fund, Expense Fund and Acquisition and Construction Fund shall be invested by the Trustee in Legal Investments upon the written direction of the Authority. In the absence of a written investment direction of the Authority, the Trustee shall invest such moneys in a taxable money market portfolio composed of or fully secured by U.S. government securities. The Trustee may rely upon any investment direction from the Authority as a certification to the Trustee that such investment constitutes a Legal Investment. The Trustee (or any of its affiliates) may act as principal or agent or as sponsor, advisor or manager in connection with the making of any investment by the Trustee and may impose its customary charges therefor, and the Trustee shall not be responsible for any loss suffered in connection with any investment made in accordance with these provisions.

The Authority acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority specifically waives receipt of such confirmations to the extent permitted by law; provided, that the Trustee will furnish the Authority periodic cash transaction statements which include details for all investment transactions made by the Trustee under the Indenture.

All interest received on any such money so deposited or invested shall (subject to the Authority's covenant to preserve the tax-exempt status of the Bonds) be retained within the fund from which the deposit or investment was made, and all losses on any such money so deposited or invested shall be borne by the fund from which the deposit or investment was made.

Waiver of Personal Liability

No member of the Authority Commission or officer or employee of the Authority shall be individually or personally liable for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds, but nothing contained in the Indenture shall relieve any member of the Authority Commission or officer or employee of the Authority from the performance of any official duty provided by the Indenture or by the Law or by any other applicable provisions of law.

Effect of First Supplemental Indenture

The First Supplemental Indenture and all of the terms and provisions therein contained shall form part of the Indenture as fully and with the same effect as if all such terms and provisions had been set forth in the Indenture. The Original Indenture is ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as amended and supplemented by the First Supplemental Indenture. If there shall be any conflict between the terms of the First Supplemental Indenture and the terms of the Original Indenture (as in effect on the day prior to the effective date of this First Supplemental Indenture), the terms of the First Supplemental Indenture shall prevail.

Governing Law

The Indenture shall be governed by and construed and interpreted in accordance with the laws of the State of California.

APPENDIX F

FORMS OF CONTINUING DISCLOSURE CERTIFICATES

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2007-01 (ORINDA WILDER PROJECT) SPECIAL TAX REFUNDING BONDS, SERIES 2015

CONTINUING DISCLOSURE CERTIFICATE (Authority)

This Continuing Disclosure Certificate (this "Disclosure Certificate") is executed and delivered by the California Statewide Communities Development Authority (the "Authority") in connection with the issuance of its California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), Special Tax Refunding Bonds, Series 2015 (the "Bonds") pursuant to an Indenture, dated as of December 1, 2007, by and between the Authority and Wilmington Trust, National Association, as successor trustee (the "Trustee"), as amended and supplemented by a First Supplemental Indenture, dated as of June 1, 2015 (as so amended and supplemented, the "Indenture"), by and between the Authority and the Trustee, and in connection therewith the Authority covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Authority for the benefit of the Holders and Beneficial Owners (as defined below) of the Bonds from time to time, and in order to assist the Underwriter (as defined below) in complying with the Rule (as defined below), but shall not be deemed to create any monetary liability on the part of the State of the State Treasurer to any other persons including Holders or Beneficial Owners of the Bonds based on the Rule. The sole remedy in the event of any failure of the Authority to comply with this Disclosure Certificate shall be an action to compel performance of any act required hereunder.

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, 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" means any Annual Report provided by the Authority pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" means any person who has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Dissemination Agent" means any dissemination agent designated in writing by the Authority and which has filed with the Authority a written acceptance of such designation. The Authority shall act as initial Dissemination Agent under this Disclosure Certificate.

"Holders" means either the registered owners of the Bonds, or, if the Bonds are registered in the name of The Depository Trust Company or another recognized depository, any applicable participant in its depository system.

"Listed Events" means any of the events listed in Section 5(a) or 5(b) of this Disclosure Certificate.

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

"Official Statement" means the official statement relating to the Bonds, dated June 24, 2015.

"Report Date" means nine months after the end of the Authority's fiscal year, or March 31 of each year based upon the Authority's current June 30 fiscal year end.

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

"SEC" means the Securities and Exchange Commission.

"State" means the State of California.

"Underwriter" means RBC Capital Markets, LLC as original underwriter of the Bonds and any other underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

SECTION 3. Provision of Annual Reports.

(a) The Authority shall, or shall cause the Dissemination Agent to, not later than the Report Date, commencing March 31, 2016 with the report for the 2014-15 fiscal year, provide to the MSRB an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may cross-reference other information as provided in Section 4 of this Disclosure Certificate. If the Authority's fiscal year changes, it shall give notice of such change in a filing with the MSRB. 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 the Report 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 Report Date, the Authority shall, in a timely manner, send or cause to be sent to the MSRB a notice 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 incorporate by reference the following:

(a) The Authority's comprehensive audited financial report for the prior fiscal year.

(b) A maturity schedule for the outstanding Bonds, and a listing of Bonds redeemed prior to maturity during the prior fiscal year.

(c) Balances in each of the following funds established pursuant to the Indenture as of the close of the prior fiscal year:

(i) the Redemption Fund (with a statement of the debt service requirement to be discharged by said Fund prior to the receipt of expected additional special tax revenue); and

(ii) the Reserve Fund.

(d) A statement of the debt service requirements for the Bonds for the prior fiscal year.

(e) A statement of the total special tax levied in the prior fiscal year.

(f) A statement of the actual special tax collections for the District for the prior fiscal year.

(g) Information regarding the total assessed value of taxable properties in the District for the current fiscal year as shown on the Contra Costa County Assessor's tax toll, identifying the total land value and the total structure value.

(h) The following information (to the extent that it is no longer reported in the Authority's annual filings with the California Debt and Investment Advisory Commission regarding the Bonds):

(i) the Reserve Requirement for the prior fiscal year;

(ii) a statement as to the status of any foreclosure actions with respect to delinquent payments of the Special Tax; and

(iii) a statement of any discontinuance of the County's Teeter Plan with respect to any taxable property in the District.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Authority or related public entities, which have been submitted to the MSRB. If the document included by reference is a final official statement, it must be available from the MSRB. The Authority shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

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

(i) Principal and interest payment delinquencies;

(ii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) Unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) Substitution of credit or liquidity providers, or their failure to perform;

(v) Defeasances;

(vi) Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

(vii) Tender offers;

(viii) Rating changes on the Bonds; and

(ix) Bankruptcy, insolvency, receivership or similar event of the obligated person;

Note: for the purposes of the event identified in subparagraph (ix), 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, not later than ten business days after the occurrence of the event:

(i) Unless described in paragraph 5(a)(vi), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds;

(ii) Modifications to rights of Bond holders;

(iii) Optional, unscheduled or contingent Bond calls;

(iv) Release, substitution, or sale of property securing repayment of the Bonds;

(v) Non-payment related defaults;

(vi) 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

(vii) Appointment of a successor or additional trustee or the change of name of a trustee.

(c) Whenever the Authority obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the Authority shall determine if such event would be material under applicable federal securities laws.

(d) Notwithstanding the foregoing, notice of the Listed Event described in subsections (a)(v) or (b)(iii) need not be given under this Section any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Indenture

SECTION 6. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Certificate must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

SECTION 7. 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 such termination occurs prior to the final maturity of the Bonds, the Authority shall give notice of such termination by a filing with the MSRB.

SECTION 8. 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 Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent (if other than the Authority) shall not be responsible in any manner for the content of any notice or report prepared by the Authority pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Authority.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Authority may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements or change in law;

(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 Indenture for amendments to the Indenture with the consent of the Holders of the Bonds, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders of the Bonds 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 information being presented by the Authority.

SECTION 10. 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 Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Authority Not Responsible for Continuing Disclosure by Other Parties. Nothing contained herein shall be construed to require the Authority to enforce the obligation of any other party, including any owner or property within the District, to provide information to

the MSRB, or any Underwriter or otherwise to comply with such other party's continuing disclosure undertaking entered into in connection with the issuance of the Bonds.

SECTION 12. Default. In the event of a failure of the Authority to comply with any provision of this Disclosure Certificate any Holders of the Bonds 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 to comply with its obligations under this Disclosure Certificate. The sole remedy under this Disclosure Certificate in the event of any failure of the Authority to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 13. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and if the Authority is not the Dissemination Agent, 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 attorneys 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 14. Notices. Any notice or communications to be given or made among any of the parties to this Disclosure Certificate may be given as follows:

To the Authority:

California Statewide Communities
Development Authority
2999 Oak Road, Suite 710
Walnut Creek, California 94597
Attention: Chair

To the Underwriter:

RBC Capital Markets, LLC
Two Embarcadero Center, Suite 1200
San Francisco, California 94111
Attention: Public Finance

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 15. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Authority, the Underwriter, the Holders of the Bonds and the Beneficial Owners of the Bonds from time to time, and shall create no rights in any other person or entity.

Date: July 15, 2015

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY

By: _____
Authorized Signatory

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	California Statewide Communities Development Authority
Name of Bond Issue:	California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), Special Tax Refunding Bonds, Series 2015
Date of Issuance:	July 15, 2015

NOTICE IS HEREBY GIVEN that the Authority has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate, dated July 15, 2015. The Authority anticipates that the Annual Report will be filed by _____, 20__.

Date: _____, 20__

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

By: _____
Authorized Signatory

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2007-01
(ORINDA WILDER PROJECT)
SPECIAL TAX REFUNDING BONDS, SERIES 2015

CONTINUING DISCLOSURE CERTIFICATE
(Developer)

This Continuing Disclosure Certificate (this "Disclosure Certificate") is executed and delivered by OG Property Owner, LLC, a Delaware limited liability company (the "Developer"), in connection with the issuance by the California Statewide Communities Development Authority (the "Authority") of its California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), Special Tax Refunding Bonds, Series 2015 (the "Bonds"). The Bonds are being issued pursuant to an Indenture, dated as of December 1, 2007, by and between the Authority and Wilmington Trust, National Association, as successor trustee (the "Trustee"), as amended and supplemented by a First Supplemental Indenture, dated as of June 1, 2015 (as so amended and supplemented, the "Indenture"), by and between the Authority and the Trustee. The Developer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is executed and delivered for the benefit of the Holders and Beneficial Owners (as defined below) of the Bonds from time to time, and in order to assist the Underwriter (as defined below) in complying with the Rule (as defined below), but shall not be deemed to create any monetary liability on the part of the State or the State Treasurer to any other persons, including Holders or Beneficial Owners of the Bonds based on the Rule. The sole remedy in the event of any failure of the Authority to comply with this Disclosure Certificate shall be an action to compel performance of any act required hereunder.

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, 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:

"Affiliate" of a Person means (a) each Person that, directly or indirectly, owns or controls, whether beneficially or as trustee, guardian, or other fiduciary, 25% or more of any class of equity securities of such other Person, and (b) each Person that controls, is controlled by or is under common control with or by such Person or any Affiliate of such Person. For the purpose of this definition, "control" of a Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through the ownership of voting securities, by contract or otherwise.

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

"Assumption Agreement" means an undertaking of a Major Owner, or an Affiliate thereof, for the benefit of the holders and beneficial owners of the Bonds containing terms

substantially similar to this Disclosure Certificate (as modified for such Major Owner's development and financing plans with respect to the District), whereby such Major Owner or Affiliate agrees to provide Annual Reports and notices of significant events, setting forth the information described in sections 4 and 5 hereof, respectively, with respect to the portion of the property in the District owned by such Major Owner and its Affiliates.

"*Dissemination Agent*" means any dissemination agent designated in writing by the Developer and which has filed with the Developer a written acceptance of such designation. The initial Dissemination Agent under this Disclosure Certificate is the Developer.

"District" means the California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), County of Contra Costa, State of California.

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

"*Major Owner*" means, as of any Report Date, an owner of land in the District (a) responsible in the aggregate for 20% or more of the Special Taxes in the District actually levied at any time during the then-current fiscal year and (b) responsible for the development of the Improvements in the District. "Major Owner" does not include any purchaser of land in the District who purchases (or purchased) such land for use and occupancy, or who purchases (or purchased) such land for the sole development of a residence thereon for resale.

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

"*Official Statement*" means the official statement relating to the Bonds, dated June 24, 2015.

"*Person*" means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof.

"*Property*" means the real property owned by the Developer in the District.

"*Report Date*" means March 31 each year.

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

"*Special Taxes"* means the annual special taxes for facilities of the District levied on taxable property within the District.

"Underwriter" means RBC Capital Markets, LLC as original underwriter of the Bonds and any other underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

SECTION 3. Provision of Annual Reports.

(a) The Developer shall, or upon written direction shall cause the Dissemination Agent to, not later than the Report Date, commencing with the March 31, 2016 Report Date, provide to the MSRB an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may cross-reference other information as provided in Section 4 of this Disclosure Certificates. 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) If the Dissemination Agent does not receive an Annual Report 15 calendar days prior to the Report Date, the Dissemination Agent (if other than the Developer) shall send a reminder notice to the Developer that the Annual Report has not been provided as required under Section 3(a) above. The reminder notice shall instruct the Developer to determine whether its obligations under this Disclosure Certificate have terminated (pursuant to Section 6 below) and, if so, to provide the Dissemination Agent with a notice of such termination in the same manner as for a Listed Event (pursuant to Section 5 below). If the Developer does not provide, or cause the Dissemination Agent to provide, an Annual Report to the MSRB by the Report Date as required in subsection (a) above, the Dissemination Agent shall send a notice to the MSRB in substantially the form attached hereto as Exhibit A, with a copy to the Developer and the Underwriter.

(c) The Dissemination Agent shall (if the Dissemination Agent is other than the Developer) file a report with the Developer 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 Developer's Annual Report shall contain or incorporate by reference the information set forth in Exhibit B, any or all of which may be included by specific reference to other documents, including official statements of debt issues, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Developer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events

(a) The Developer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds not later than ten business days after the occurrence of the event:

(i) any bankruptcy or insolvency proceedings commenced by or against the Developer and, if known, any bankruptcy or insolvency proceedings commenced by or

against any member of the Developer which could have a material and adverse impact on the Developer's ability to pay Special Taxes or to sell or develop the Property;

(ii) any failure of the Developer, or any Affiliate of the Developer, responsible for the payment of property taxes, special taxes (including the Special Taxes) or assessments due with respect to the portion of Property it owns, to pay such property taxes, special taxes (including the Special Taxes) or assessments prior to the delinquency date;

(iii) unless disclosed in the Official Statement or a prior Annual Report, any transfer of any Property within the District by the Developer to any Person that is not an Affiliate of the Developer if such Person will be a Major Owner at the time of such transfer;

(iv) any previously undisclosed governmentally-imposed preconditions to commencement or continuation of development on the Developer's Property, if such preconditions, in the reasonable judgment of the Developer, would prevent or significantly delay the Developer's development plan with respect to the District as described in the Official Statement or in any previous Annual Report; and

(v) any previously undisclosed legislative, administrative or judicial challenges to development on the Developer's Property, if such challenges, in the reasonable judgment of the Developer, would prevent or significantly delay the Developer's development plan with respect to the District as described in the Official Statement or in any previous Annual Report.

(b) Whenever a Listed Event occurs pursuant to Sections 5(a)(i) or 5(a)(ii), the Developer shall, or shall cause the Dissemination Agent to, file notice with the MSRB in a timely manner not later than ten business days after the occurrence of the event.

(c) If the Developer determines that knowledge of the occurrence of a Listed Event which occurs pursuant to Sections 5(a)(iii), 5(a)(iv) and 5(a)(v) of this Disclosure Certificate would be material under applicable federal securities law, the Developer shall, or shall cause the Dissemination Agent to, file a notice with the MSRB in a timely manner not later than ten business days after the occurrence of the event.

SECTION 6. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Certificate must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

SECTION 7. Duration of Reporting Obligation. All of the Developer's obligations hereunder shall commence on the date hereof and shall terminate (except as provided in Section 12) on the earliest to occur of the following:

(a) upon the legal defeasance, prior redemption or payment in full of all the Bonds, or

(b) at such time as Property owned by the Developer is no longer responsible for payment of 20% or more of the Special Taxes; provided, however, that the Developer's obligations under this Disclosure Certificate shall remain in force with respect to any property transferred by the Developer for which the purchaser is a Major Owner who has not executed an Assumption Agreement, or

(c) the date on which the Developer prepays in full all of the Special Taxes attributable to the Property.

If the Developer's obligations under this Disclosure Certificate terminate, the Developer shall, or shall cause the Dissemination Agent to, promptly file a notice of such termination with the MSRB, with a copy to the Underwriter.

SECTION 8. Assumption of Developer's Obligations. If all or a portion of the Property in the District owned by the Developer, is conveyed to a Person that, upon such conveyance, will be a Major Owner, the obligations of the Developer hereunder with respect to the property in the District owned by such Major Owner may be assumed by such Major Owner and the Developer's obligations hereunder with respect to such property will be terminated. In order to effect such assumption, such Major Owner shall enter into an Assumption Agreement to require, as a condition of sale of Property within the District prior to the termination of the Developer's reporting obligations, that any purchaser who, as result of such sale, would be a Major Owner, execute an Assumption Agreement whereby such purchaser agrees (1) to assume and perform all of the obligations of the Developer hereunder with respect to such transferred property, and (2) to require, as a condition of sale by the purchaser to any such person, a further agreement by that purchaser (the "Subsequent Purchaser") as if the purchaser was the Developer and the Subsequent Purchaser was the purchaser under the terms of this paragraph. The failure of the Developer to obtain an Assumption Agreement from the purchaser shall not prevent the transfer of all or any portion of the Developer's Property or invalidate such transfer in any respect, nor place the Developer in default of any obligation created by this Disclosure Certificate or otherwise subject the Developer to any penalty or claim for damages.

SECTION 9. Dissemination Agent. The Developer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent (if other than the Developer) shall not be responsible in any manner for the content of any notice or report prepared by the Developer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Developer.

SECTION 10. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Developer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied (provided, however, that the Dissemination Agent shall not be obligated under any such amendment that modifies or increases its duties or obligations hereunder without its written consent thereto):

(a) if the amendment or waiver relates to the provisions of sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a

change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

SECTION 11. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Developer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Developer 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 Developer 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 12. Default. In the event of a failure of the Property Owner to comply with any provision of this Disclosure Certificate, 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 Developer 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 Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Developer to comply with this Disclosure Certificate shall be an action to compel performance. Neither the Developer nor the Dissemination Agent shall have any liability to the holders or beneficial owners of the Bonds or any other party for monetary damages or financial liability of any kind whatsoever arising from or relating to this Disclosure Certificate.

SECTION 13. Notices. Any notice or communications to be among any of the parties to this Disclosure Certificate may be given as follows:

To the Authority:	California Statewide Community Development Authority 2999 Oak Road, Suite 710 Walnut Creek, California 94597 Attention: Chair
To the Underwriter:	RBC Capital Markets, LLC Two Embarcadero Center, Suite 1200 San Francisco, CA 94111 Attn: Public Finance

To the Developer: OG Property Owner, LLC
c/o Brooks-Street
101 Wilder Road
Orinda, California 94597
Attn: Chief Investment Officer

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 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Developer (its successors and assigns), the Underwriter and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. All obligations of the Developer hereunder shall be assumed by any legal successor to the obligations of the Developer as a result of a sale, merger, consolidation or other reorganization.

SECTION 15. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

[Signature Page follows]

Date: July 15, 2015

OG PROPERTY OWNER, LLC,
a Delaware limited liability company

By: Orinda Gateway Holdings, LLC,
a Delaware limited liability company
its sole member

By: Orinda Gateway, LLC,
a California limited liability company
its sole member

By: Brookside Land Company, LLC,
a California limited liability company
Administrative Member

By:_____
[Name]
[Title]

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	California Statewide Communities Development Authority
Name of Bond Issue:	California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), Special Tax Refunding Bonds, Series 2015
Date of Issuance:	July 15, 2015

NOTICE IS HEREBY GIVEN that OG Property Owner, LLC (the "Developer") has not provided an Annual Report with respect to the above-named bonds as required by that certain Continuing Disclosure Certificate, dated July 15, 2015. The Developer anticipates that the Annual Report will be filed by _____.

Dated: _____

OG PROPERTY OWNER, LLC,
a Delaware limited liability company

cc: The Developer
Underwriter

EXHIBIT B

ANNUAL REPORT

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2007-01
(ORINDA WILDER PROJECT)
SPECIAL TAX REFUNDING BONDS SERIES 2015

This Annual Report is hereby submitted under Section 4 of the Continuing Disclosure Certificate (the "Disclosure Certificate") dated July 15, 2015 executed by the undersigned (the "Developer") in connection with the issuance of the above-captioned bonds (the "Bonds") by the California Statewide Communities Development Authority for its Community Facilities District No. 2007-01 (Orinda Wilder Project), County of Contra Costa, State of California (the "District").

Capitalized terms used in this Annual Report but not otherwise defined have the meanings given to them in the Disclosure Certificate.

I. Property Ownership and Development

The information in this section is provided as of _____ (this date must be not more than 60 days before the date of this Annual Report).

A. Property currently owned by the Developer in the District or which has been transferred to a Major Owner who has not executed an Assumption Agreement (the "Property"):

Development Name(s) _____

Total Lots in the Development	Lots with Final Maps Since the Date of Issuance of the Bonds (July 15, 2015)	Property Sold (Escrows Closed) Since the Date of Issuance of the Bonds (July 15, 2015)	Property Sold Since the Last Annual Report
		Acres* ____	Acres* ____
Lots ____	Lots ____	Lots ____	Lots ____

* For bulk land sales only (excluding sales of finished lots or completed homes).

B. Status of land development on the Property:

_____

_____

C. Status of any significant amendments to land use or development entitlements with respect to the Property:

_____

_____

D. Status of any land purchase contracts with regard to the Property, whether acquisition of land in the District by the Developer or sales of land to other property owners.

_____

_____

II. Legal and Financial Status of Property Owner

Unless such information has previously been included or incorporated by reference in an Annual Report, describe any change in the legal structure of the Developer or the financial condition and financing plan of the Developer that would materially and adversely interfere with its ability to complete its development plan described in the Official Statement.

_____

_____

III. Change in Development or Financing Plans

Unless such information has previously been included or incorporated by reference in an Annual Report, describe any development plans or financing plans relating to the Property *that are materially different from* the proposed development and financing plan described in the Official Statement.

_____

_____

IV. Official Statement Updates

Unless such information has previously been included or incorporated by reference in an Annual Report, describe any other significant changes in the information relating to the Developer or the Property contained in the Official Statement under the heading "THE DEVELOPER" and "THE DISTRICT" that would materially and adversely interfere with the Developer's ability to develop and sell the Property as described in the Official Statement and an update of any significant changes to the information in Table 1 in the Official Statement.

_____

_____

Certification

The undersigned Developer hereby certifies that this Annual Report constitutes the Annual Report required to be furnished by the Developer under the Disclosure Certificate.

ANY OTHER STATEMENTS REGARDING THE DEVELOPER, THE DEVELOPMENT OF THE PROPERTY, THE DEVELOPER'S FINANCING PLAN OR FINANCIAL CONDITION, OR THE BONDS, OTHER THAN STATEMENTS MADE BY THE DEVELOPER IN AN OFFICIAL RELEASE, OR FILED WITH THE MUNICIPAL SECURITIES RULEMAKING BOARD, ARE NOT AUTHORIZED BY THE DEVELOPER. THE DEVELOPER IS NOT RESPONSIBLE FOR THE ACCURACY, COMPLETENESS OR FAIRNESS OF ANY SUCH UNAUTHORIZED STATEMENTS.

THE DEVELOPER HAS NO OBLIGATION TO UPDATE THIS ANNUAL REPORT OTHER THAN AS EXPRESSLY PROVIDED IN THE DISCLOSURE CERTIFICATE.

Dated: _____

OG PROPERTY OWNER, LLC,
a Delaware limited liability company

By: Orinda Gateway Holdings, LLC,
a Delaware limited liability company
its sole member

By: Orinda Gateway, LLC,
a California limited liability company
its sole member

By: Brookside Land Company, LLC,
a California limited liability company
Administrative Member

By:_____
[Name]
[Title]

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APPENDIX G

BOOK-ENTRY SYSTEM

The information in this Appendix G has been provided by DTC for use in securities offering documents, and the Authority takes no responsibility for the accuracy or completeness thereof. The Authority 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. As used in this appendix, "Securities" means the Bonds, "Issuer" means the Authority, and "Agent" means the Trustee. The Authority notes that it will issue one fully registered certificate for each maturity of the Bonds in the principal amount of such maturity, and suggests that this is what the first numbered paragraph below intends to convey.

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

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

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of

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

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

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

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

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

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

or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

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