NEW ISSUE-FULL BOOK ENTRY

INSURED RATING: S&P "AA"
UNDERLYING RATING: S&P "A"
(See "MISCELLANEOUS — Ratings")

In the opinion of Best Best & Krieger LLP, Riverside, California, Bond Counsel, subject, however, to certain qualifications described in this Official Statement, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes, and such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest on the Bonds is exempt from State of California personal income taxes. See "LEGAL MATTERS — Tax Matters."

$9,490,000
COMMUNITY FACILITIES DISTRICT NO. 31
(EASTVALE AREA)
OF JURUPA COMMUNITY SERVICES DISTRICT
SPECIAL TAX REFUNDING BONDS, 2022 SERIES A

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

The Community Facilities District No. 31 (Eastvale Area) of Jurupa Community Services District Special Tax Refunding Bonds, 2022 Series A (the "Bonds") are being issued by Jurupa Community Services District (the "Services District"), on behalf of Community Facilities District No. 31 (Eastvale Area) of Jurupa Community Services District (the "District") to provide funds to (i) refund the outstanding Community Facilities District No. 31 of Jurupa Community Services District, Special Tax Bonds, 2013 Series A (the "2013A Bonds"), (ii) fund a debt service reserve fund, and (iii) pay the costs of issuance of the Bonds. See "FINANCING PLAN."

The Bonds are authorized to be issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (Section 53311 et seq. of the Government Code of the State of California) (the "Mello-Roos Act"), and pursuant to a Fiscal Agent Agreement, dated as of June 1, 2022 (the "Fiscal Agent Agreement"), by and between the Services District and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"). The Bonds are special obligations of the Services District and the District and are payable solely from certain Special Tax Revenues (as defined herein), and from certain other funds pledged under the Fiscal Agent Agreement, all as further described in the Official Statement. The Special Taxes are to be levied according to the amended and restated rates and method of apportionment of special tax approved by the Board of Directors of the Services District and the qualified electors within the District. See "SOURCES OF PAYMENT FOR THE BONDS — Special Tax Revenues" and APPENDIX C — "AMENDED AND RESTATED RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX." The Board of Directors of the Services District is the legislative body of the District.

The Bonds will be issued in integral multiples of $5,000. Interest on the Bonds is payable on September 1, 2022 and semiannually thereafter on September 1 and March 1 each year until maturity. The Bonds will be initially issued only in book-entry form and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository of the Bonds. Principal and interest (and premium, if any) on the Bonds is payable by the Fiscal Agent to DTC, which remits such payments to its Participants for subsequent distribution to the beneficial owners of the Bonds. See "THE BONDS — General Provisions" and "— Book-Entry Only System."

Neither the faith and credit nor the taxing power of the Services District, the County of Riverside (the "County"), the City of Eastvale (the "City"), the State of California or any political subdivision of such entities is pledged to the payment of the Bonds. Except for the Special Taxes, no other taxes are pledged to the payment of the Bonds. The Bonds are special obligations of the District payable solely from Special Taxes and certain other amounts held under the Fiscal Agent Agreement as more fully described in the Official Statement.

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

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

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy (the "Policy") to be issued concurrently with the delivery of the Bonds by Build America Mutual Assurance Company (the "Insurer" or "BAM"). See "INTRODUCTION—Bond Insurance."

CERTAIN EVENTS COULD AFFECT THE ABILITY OF THE DISTRICT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS WHEN DUE. SEE THE SECTION OF THIS OFFICIAL STATEMENT TITLED "SPECIAL RISK FACTORS" FOR A DISCUSSION OF CERTAIN FACTORS WHICH SHOULD BE CONSIDERED, IN ADDITION TO THE OTHER MATTERS SET FORTH IN THIS OFFICIAL STATEMENT, IN EVALUATING THE INVESTMENT QUALITY OF THE BONDS.

Maturity Schedule
(see inside cover)

The Bonds are offered when, as and if issued and accepted by the Underwriter, subject to approval as to their legality by Best Best & Krieger LLP, Riverside, California, Bond Counsel, and subject to certain other conditions. Certain legal matters will be passed on for the Services District by Best Best & Krieger LLP, Riverside, California. Certain legal matters will be passed on by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as counsel to the Underwriter. It is anticipated that the Bonds in book-entry form will be available for delivery to DTC or its agent on or about June 8, 2022.

STIFEL

Dated: May 5, 2022.

MATURITY SCHEDULE

$5,850,000 Serial Bonds

Maturity (September 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*	*CUSIP† No.*
2022	$ 410,000	5.000%	2.140%	100.649	48210CEA2
2023	275,000	5.000	2.340	103.204	48210CEB0
2024	290,000	5.000	2.600	105.164	48210CEC8
2025	310,000	5.000	2.810	106.713	48210CED6
2026	320,000	5.000	2.890	108.341	48210CEE4
2027	335,000	5.000	3.010	109.559	48210CEF1
2028	355,000	5.000	3.100	110.685	48210CEG9
2029	375,000	5.000	3.190	111.600	48210CEH7
2030	390,000	5.000	3.260	112.467	48210CEJ3
2031	410,000	5.000	3.330	113.172	48210CEK0
2032	430,000	5.000	3.420	113.537	48210CEL8
2033	450,000	5.000	3.510	112.708[C]	48210CEM6
2034	475,000	5.000	3.550	112.342[C]	48210CEN4
2035	500,000	5.000	3.620	111.705[C]	48210CEP9
2036	525,000	5.000	3.660	111.343[C]	48210CEQ7

$3,640,000 Term Bonds

$1,125,000 4.000% Term Bonds due September 1, 2038, Yield 4.170% Price: 98.004 CUSIP† No. 48210CER5
$2,515,000 4.000% Term Bonds due September 1, 2042, Yield 4.210% Price: 97.153 CUSIP† No. 48210CES3

[C] *Priced to the optional redemption date of September 1, 2032 at par.*

† *CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright© 2022 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the District, the Services District, the City, the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.*

JURUPA COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS
Kenneth J. McLaughlin, President
Jane F. Anderson, Vice President
Betty Folsom, Director
Bart Moreno, Director
Lupe R. Nava, Director

DISTRICT STAFF
Chris Berch, General Manager
Steven Popelar, Director of Finance & Administration
Vanessa Martinez, Finance Manager

PROFESSIONAL SERVICES

BOND COUNSEL AND GENERAL COUNSEL TO SERVICES DISTRICT
Best Best & Krieger LLP
Riverside, California

MUNICIPAL ADVISOR
Fieldman, Rolapp & Associates, Inc.
Irvine, California

DISTRICT ENGINEER AND SPECIAL TAX CONSULTANT
Webb Municipal Finance, LLC
Riverside, California

FISCAL AGENT/ESCROW AGENT
U.S. Bank Trust Company, National Association
Los Angeles, California

VERIFICATION AGENT
Causey, Demgen & Moore, P.C.
Denver, Colorado

DISSEMINATION AGENT
Digital Assurance Certification, L.L.C.

Except where otherwise indicated, all information contained in this Official Statement has been provided by the Services District and the District. No dealer, broker, salesperson or other person has been authorized by the Services District, the District, the Fiscal Agent or the Underwriter to give any information or to make any representations in connection with the offer or sale of the Bonds other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Services District, the District, the Fiscal Agent or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The information set forth in this Official Statement which has been obtained from third party sources is believed to be reliable but is not guaranteed as to accuracy or completeness by the Services District or the District. This Official Statement is not to be construed as a contract with the purchasers or Owners of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such are not to be construed as representations of fact.

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, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy of completeness of such information.

The information and expressions of opinion provided in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale of Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the Services District, the District or any other parties described herein since the date of this Official Statement. All summaries of the Fiscal Agent Agreement or other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the Services District for further information in connection therewith.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget" or other similar words.

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. The Services District does not plan to issue any updates or revisions to the forward-looking statements set forth in this Official Statement. The Services District is obligated to provide continuing disclosure for certain historical information only. See the caption "MISCELLANEOUS — Continuing Disclosure."

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

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

The Services District maintains a website and social media accounts. However, the information presented on that website or through such social media accounts is not part of this Official Statement and should not be relied upon in making investment decisions with respect to the Bonds. The references to internet websites in this Official Statement are shown for reference and convenience only; unless explicitly stated to the contrary, the information contained within the websites is not incorporated herein by reference and does not constitute part of this Official Statement.

Build America Mutual Assurance Company ("BAM") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM supplied by BAM and presented under the heading "BOND INSURANCE" and "APPENDIX G - SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

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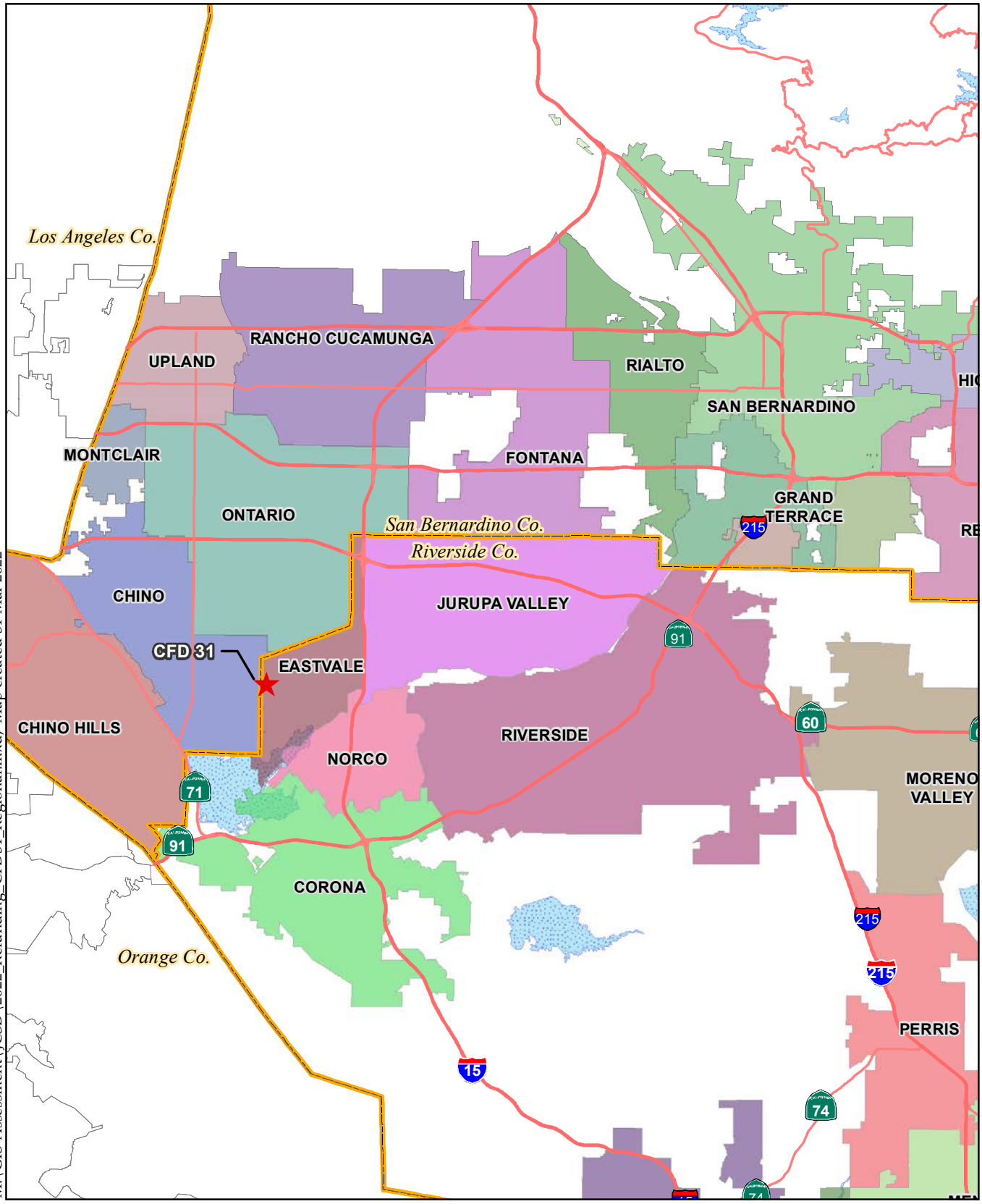

M:\GIS-Assessment\JCSD\2022_Refunding_CFD31_Regional.mxd; Map created 31 Mar 2022

Sources: Riverside Co. GIS, 2022; San Bernardino Co. GIS, 2022;
LA Co. GIS, 2022; Orange Co. GIS, 2022; National Elevation Dataset

REGIONAL MAP

Community Facilities Districts No. 31

0 4 8 Miles

jurupa COMMUNITY SERVICES DISTRICT

Webb MUNICIPAL FINANCE

Jurupa Community Services District
Community Facilities District No. 31
INTERSTATE
CALIFORNIA
15
Archibald Avenue
Chandler Street
Cucamonga Creek Flood Channel
Schleisman Road
Hellman Avenue
N
Boundaries indicated are approximate

OFFICIAL STATEMENT

$9,490,000
COMMUNITY FACILITIES DISTRICT NO. 31
(EASTVALE AREA)
OF JURUPA COMMUNITY SERVICES DISTRICT
SPECIAL TAX REFUNDING BONDS, 2022 SERIES A

INTRODUCTION

General

The purpose of this Official Statement, which includes the cover page and Appendices (the "Official Statement"), is to provide certain information concerning the sale and issuance of the Community Facilities District No. 31 (Eastvale Area) of Jurupa Community Services District, Special Tax Refunding Bonds, 2022 Series A (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, more complete and detailed information and document summaries contained in the entire Official Statement. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

The Bonds are being issued pursuant to the Mello Roos Community Facilities Act of 1982, as amended (Section 53311 et seq. of the Government Code of the State of California) (the "Act"), and the Fiscal Agent Agreement, dated as of June 1, 2022 (the "Fiscal Agent Agreement"), by and between the Services District and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent") to provide funds to (i) refund the outstanding Community Facilities District No. 31 of Jurupa Community Services District, Special Tax Bonds, 2013 Series A (the "2013A Bonds"), (ii) fund a debt service reserve fund, and (iii) pay the costs of issuance of the Bonds. See "FINANCING PLAN." The Bonds are secured under the Fiscal Agent Agreement by a pledge of and lien upon Special Tax Revenues (as defined herein), less the Priority Administrative Expense Amount, the amounts in the Bond Fund, including the Special Tax Prepayments Account for the purpose of redeeming the Bonds, and the Special Tax Fund, including the Surplus Account, established in the Fiscal Agent Agreement, and the Reserve Fund.

The District is required to levy the Special Taxes on the Taxable Property (as such term is defined in the hereinafter defined Rates and Method) within certain territory within the District in accordance with the amended and restated rates and method of apportionment of special taxes approved by the Services District, acting as the legislative body of the District, and by the votes of the qualified landowner-electors in the District (the "Rates and Method"). A copy of the Rates and Method is attached to this Official Statement as Appendix C. The Special Tax will be collected in the same manner and at the same time as the ad valorem property taxes applicable to the Taxable Property. See the caption "SOURCES OF PAYMENT FOR THE BONDS — Special Tax Revenues."

Additional Bonds

No additional bonds secured on a parity with the Bonds may be issued except for refunding purposes.

Sources of Payment for the Bonds

Special Taxes. As used in this Official Statement, the term "Special Tax" is that tax which has been authorized to be levied against Taxable Property within the District pursuant to the Act and in accordance with the Rates and Method to satisfy the Debt Service and Facilities Special Tax Requirement (as defined in the Rates and Method). Under the Fiscal Agent Agreement, "Special Tax Revenues" means the proceeds of the

Special Taxes received by the Services District, including any scheduled payments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes in the amount of said lien and interest and penalties thereon. See "SOURCES OF PAYMENT FOR THE BONDS — Special Tax Revenues" and APPENDIX C — "AMENDED AND RESTATED RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX." Under the Fiscal Agent Agreement, the District has pledged to repay the Bonds from the Special Tax Revenues and amounts on deposit in the Principal Account and Interest Account of the Bond Fund and the Reserve Fund established under the Fiscal Agent Agreement.

Under the Rates and Method, the Services District may also levy a special tax to satisfy the O&M Special Tax Requirement (as such term is defined in the Rates and Method) (the "O&M Special Tax "). The O&M Special Tax may be levied solely to pay for certain operation and maintenance costs of Parks and Park Improvements and Landscape (as such terms are defined in Rates and Method). **The O&M Special Tax is not pledged under the Fiscal Agent Agreement and is not available to pay debt service on the Bonds.** See APPENDIX C — "AMENDED AND RESTATED RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX."

EXCEPT FOR THE SPECIAL TAXES, NO OTHER TAXES ARE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE SERVICES DISTRICT NOR GENERAL OBLIGATIONS OF THE DISTRICT, BUT ARE SPECIAL OBLIGATIONS OF THE SERVICES DISTRICT AND THE DISTRICT PAYABLE SOLELY FROM SPECIAL TAXES AND AMOUNTS HELD UNDER THE FISCAL AGENT AGREEMENT AS MORE FULLY DESCRIBED IN THE OFFICIAL STATEMENT.

Description of the Bonds

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

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

The Services District

Founded in 1956, the Services District is a public agency known as a special district, governed by a 5-member, elected, Board of Directors. The Services District encompasses an area of about 40.8 square miles located in the northwestern portion of Riverside County approximately 45 miles east of the Los Angeles civic center and four miles west of downtown Riverside. The Services District serves an unincorporated area of Riverside County and the communities of the City of Eastvale and the City of Jurupa Valley. The Services

District is responsible for providing water, sewer and street lights for over 129,000 people and for maintaining more than 240 acres of parks and over 25 miles of frontage landscape.

The Bonds are not a debt of the Services District. The Bonds are special obligations of the Services District issued on behalf of the District, payable solely from and secured solely by the Special Tax Revenues and certain amounts held under the Fiscal Agent Agreement. No revenues of the Services District are pledged to the repayment of the Bonds.

The District

General. The property in CFD No. 31 is located east of Hellman Avenue, south of Schleisman Road and west of the Cucamonga Creek Channel in the City of Eastvale. The District contains 346 single family detached residential units on approximately 108.5 gross acres within Final Tract Map Nos. 31826 and 31812-1. Development within CFD No. 31 is completed and all units have been transferred to individual homeowners.

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

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

Pursuant to the Act, the Board of Directors of the Services District adopted the necessary resolutions stating its intent to establish the District to authorize the levy of Special Taxes on taxable property within the boundaries of the District, and to have the District incur bonded indebtedness to finance certain (i) water, sewer, parks and park and recreation facilities (the "Services District Facilities") to be owned and operated by the Services District, and (ii) public school facilities (the "School District Facilities") to be owned and operated by the School District.

Following public hearings conducted pursuant to the provisions of the Act, the Board of Directors of the Services District adopted resolutions establishing the District and calling special elections to submit the levy of the Special Taxes and the incurring of bonded indebtedness to the qualified voters of the District. On December 19, 2006, at a special election held pursuant to the Act, the qualified voter of the District, authorized the District to incur bonded indebtedness in an aggregate principal amount not to exceed $18,000,000 and approved the rates and method of apportionment of Special Taxes for the District. Subsequent to the formation of the District and the election within the District described above, the Board of Directors of the Services District, acting as the legislative body of the District, received a petition from the sole landowner in the District to initiate proceedings to amend the original rates and method of apportionment for the District. Following a notice public hearing, on July 14, 2008, an election was held at which the sole landowner within the District, approved a ballot proposition to amend and restate the original rates and method of apportionment of special tax. The Amended and Restated Rates and Method of Apportionment of Special Tax (the "Rates and Method") is set forth in APPENDIX C hereto. The Board of Directors of the Services District acts as the legislative body of the District.

Increases in Special Taxes as the result of delinquencies are subject to certain limitations under the Act as well as maximum Special Tax rates applicable to properties in the District. Accordingly, if the Reserve Fund were fully depleted as a result of significant Special Tax delinquencies, there might not be sufficient Special Tax Revenues to replenish the Reserve Fund until the delinquent Special Taxes were collected through foreclosure action or otherwise. See "SPECIAL RISK FACTORS — Bankruptcy and Foreclosure" for a discussion of certain risks associated with bankruptcy of Special Tax payers and potential interference with the

foreclosure remedy. Whether or not the Reserve Fund equals the Reserve Requirement at any time, significant delinquencies could cause the District to be unable to pay the full amount of annual debt service on the Bonds when and as due.

Professionals Involved in the Offering

All proceedings in connection with the issuance of the Bonds are subject to the approval of Best Best & Krieger LLP, Riverside, California. Best Best & Krieger LLP, Riverside, California, will render a legal opinion on certain matters for the Services District. Webb Municipal Finance, LLC is acting as Special Tax Consultant to the Services District. U.S. Bank Trust Company, National Association, Los Angeles, California, will act as the Fiscal Agent/Escrow Agent. Fieldman, Rolapp & Associates, Inc., Irvine, California, is acting as municipal advisor to the Services District. Stifel, Nicolaus & Company, Incorporated is acting as underwriter in connection with the issuance and delivery of the Bonds. Certain legal matters will be passed on by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as counsel to the Underwriter. Digital Assurance Certification, L.L.C. will act as original dissemination agent for continuing disclosure and Causey, Demgen & Moore, P.C., Denver, Colorado, will provide escrow verification services.

Best Best & Krieger LLP, Stradling Yocca Carlson & Rauth, a Professional Corporation, and Fieldman, Rolapp & Associates, Inc., will receive compensation contingent upon issuance of the Bonds. Best Best & Krieger LLP represents the Underwriter in connection with financings unrelated to the Bonds.

Bond Insurance

Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company ("BAM" or the "Insurer") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as Appendix G to this Official Statement. See "BOND INSURANCE" and APPENDIX G.

Continuing Disclosure

Pursuant to a Continuing Disclosure Agreement, by and between the Services District and Digital Assurance Certification, L.L.C. (the "Dissemination Agent"), dated as of June 1, 2022 (the "Continuing Disclosure Agreement"), the Services District has covenanted for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Services District and the District by not later than nine months following the end of its fiscal year (which currently would be by April 1 each year based upon the June 30 end of the Services District's fiscal year), commencing April 1, 2023 with the report for the 2021-22 Fiscal Year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed by the Services District with the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at *www.emma.msrb.org* ("EMMA"). The notices of enumerated events will be filed by the Services District with EMMA. The specific nature of the information to be contained in the Annual Report or the notices of enumerated events is set forth in APPENDIX E — "FORM OF CONTINUING DISCLOSURE AGREEMENT." These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) ("Rule 15c2-12"). Other than as described in this Official Statement under the heading "MISCELLANEOUS — Continuing Disclosure," the Services District has not failed to comply in all material respects with any previous undertakings with regard to Rule 15c2-12 to provide annual reports, semi-annual reports or notices of enumerated events in the last five years.

Bondowners' Risks

Certain events could affect the timely repayment of the principal of and interest on the Bonds when due. See the section of this Official Statement entitled "SPECIAL RISK FACTORS" for a discussion of

certain factors which should be considered, in addition to other matters set forth in the Official Statement, in evaluating an investment in the Bonds.

FINANCING PLAN

Purpose of Issue and the Refunding Plan

The Services District is issuing the Bonds, on behalf of the District, to (i) refund the District's outstanding 2013A Bonds, (ii) fund a debt service reserve fund, and (iii) pay the costs of issuance of the Bonds.

Proceeds of the Bonds, along with other available moneys, will be deposited into an escrow fund (the "Escrow Fund") pursuant to an Escrow Agreement dated as of June 1, 2022 (the "Escrow Agreement"), by and between the Services District and U.S. Bank Trust Company, National Association, as Escrow Agent, and will be used (i) to pay debt service on the 2013A Bonds through September 1, 2022 and (ii) on September 1, 2022, to redeem the 2013A Bonds maturing on and after September 1, 2023 at a redemption price equal to the principal amount to be redeemed, together with accrued interest September 1, 2022, without premium.

Certain moneys in the existing funds and accounts relating to the 2013A Bonds also will be transferred to the Escrow Fund and be applied to the defeasance of the 2013A Bonds. See "— Estimated Sources and Uses of Funds" below. See also "MISCELLANEOUS — Verification of Mathematical Accuracy" below.

Estimated Sources and Uses of Funds

The anticipated sources and uses of funds relating to the Bonds are as follows:

Sources:	
Principal Amount of the Bonds	$ 9,490,000.00
Plus Original Issue Premium	488,068.20
Less Underwriter's Discount	(110,558.50)
Plus Funds on Hand	860,372.71
Total Sources	$ 10,727,882.41
Uses:	
Escrow Fund	$ 9,792,278.00
Cost of Issuance Fund[1]	236,254.41
Reserve Fund	699,350.00
Total Uses	$ 10,727,882.41

[1] Amounts in the Cost of Issuance Fund will be used to pay Fiscal Agent Fees, Bond Counsel fees, premium for the Policy, printing costs, rating agency fees and other related costs.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, BAM will issue the Policy. The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as on the Bonds when due as set forth in the form of the Policy included as Appendix G to this Official Statement. See APPENDIX G.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products solely to issuers in the U.S. public finance markets. BAM will only insure obligations of states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 200 Liberty Street, 27th Floor, New York, New York 10281, its telephone number is: 212-235-2500, and its website is located at: www.buildamerica.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at https://www.spglobal.com/en/. The rating of BAM should be evaluated independently. The rating reflects the S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

Capitalization of BAM. BAM's total admitted assets, total liabilities, and total capital and surplus, as of March 31, 2022, and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $466.8 million, $172.1 million and $294.7 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.buildamerica.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE."

Additional Information Available from BAM.

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at www.buildamerica.com/videos. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at www.buildamerica.com/credit-profiles. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise.

THE BONDS

General Provisions

The Bonds will be dated their date of delivery, and will be issued in the aggregate principal amounts set forth on the inside cover of this Official Statement. The Bonds will bear interest from their dated date at the rates per annum set forth on the inside cover of this Official Statement, payable semiannually on each March 1 and September 1, commencing September 1, 2022 (each, an "Interest Payment Date"), and will mature in the amounts and on the dates set forth on the inside front cover. The Bonds will be issued in fully registered form in integral multiples of $5,000.

Interest on the Bonds will be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner as of the Record Date immediately preceding each Interest Payment Date. Interest will be paid by check of the Fiscal Agent mailed on the Interest Payment Date by first class mail, postage prepaid, to the Owner at the address as it appears on the Registration Books or by wire transfer to an account in the United States of America upon instructions of any Owner of $1,000,000 or more in aggregate principal amount of Bonds provided to the Fiscal Agent, in writing, prior to any Record Date for such Interest Payment Date. Any such written request shall remain in effect until rescinded in writing by the Owner. The Bonds are issued in fully registered form and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities

depository of the Bonds. Ownership interests in the Bonds may be purchased in book-entry form only in integral multiples $5,000. See the subsection hereof entitled "—Book-Entry Only System."

Principal of and premium (if any) on any Bond will be paid upon presentation and surrender, at maturity or the prior redemption, at the Principal Office of the Fiscal Agent.

Each Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date or (b) it is authenticated on or before August 15, 2022, in which event it shall bear interest from the Closing Date; provided, however, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment.

Redemption

Optional Redemption. The Bonds maturing on or after September 1, 2033 are subject to redemption prior to their stated maturity dates on September 1, 2032, as selected among maturities by the Services District (any by lot within any one maturity, as a whole or in part, in integral multiples of $5,000, at the option of the Services District from moneys derived by the Services District from any source, at a redemption price (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption.

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

Redemption Period	***Redemption Price***
September 1, 2022 through March 1, 2030	103%
September 1, 2030 and March 1, 2031	102
September 1, 2031 and March 1, 2032	101
September 1, 2032 and each Interest Payment Date thereafter	100

Mandatory Sinking Fund Redemption. The outstanding Bonds maturing on September 1, 2038 are subject to mandatory sinking fund redemption, in part, on September 1, 2037, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date of redemption, without premium, and from sinking payments as follows:

Term Bonds Maturing September 1, 2038

Sinking Fund Redemption Date (September 1)	***Sinking Payments***
2037	$ 550,000
2038†	575,000

† Maturity.

The outstanding Bonds maturing on September 1, 2042 are subject to mandatory sinking fund redemption, in part, on September 1, 2039, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date of redemption, without premium, and from sinking payments as follows:

Term Bonds Maturing September 1, 2042

Sinking Fund Redemption Date (September 1)	***Sinking Payments***
2039	$ 590,000
2040	615,000
2041	645,000
2042†	665,000

† Maturity.

The amounts in the tables above will be reduced by the Services District pro rata among redemption dates, in order to maintain substantially level Debt Service, as a result of any prior or partial redemption of the Bonds pursuant to the Fiscal Agent Agreement.

Notice of Redemption. The Fiscal Agent shall cause notice of any redemption to be mailed by first class mail, postage prepaid, at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption, to the Securities Depositories and to one or more Information Services selected by an Authorized Officer, and to the respective registered Owners of any Bonds designated for redemption, at their addresses appearing on the Bond registration books maintained by the Fiscal Agent at its Principal Office; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of such Bonds. The Fiscal Agent shall also cause notice of any redemption to be mailed, in such manner and within such time, to the Original Purchaser.

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

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

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

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

Payment, Registration, Transfer and Exchange of Bonds

Book-Entry Only System. The Bonds will be issued as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to actual purchasers of the Bonds (the "Beneficial Owners") in the denominations set forth above, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described in this Official Statement. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See "THE BONDS — Book-Entry Only System." In the event that the book-entry-only system is no longer used with respect to the Bonds, the Bonds will be registered and transferred in accordance with the Fiscal Agent Agreement.

Transfer of Bonds. Subject to the book-entry only provisions of the Fiscal Agent Agreement, any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of the Fiscal Agent Agreement, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the Principal Office of the Fiscal Agent, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Fiscal Agent. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such transfer shall be paid by the District. The Fiscal Agent shall collect from the Owner requesting transfer of a Bond any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond or Bonds shall be surrendered for transfer, the Services District shall execute and the Fiscal Agent shall authenticate and deliver a new Bond or Bonds of like aggregate principal amount.

No transfers of Bonds shall be required to be made (i) during the fifteen (15) days preceding the date established by the Fiscal Agent for selection of Bonds for redemption, or (ii) with respect to Bonds which have been selected for redemption.

Exchange of Bonds. Subject to the book-entry only provisions of the Fiscal Agent Agreement, Bonds may be exchanged at the Principal Office of the Fiscal Agent only for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity and interest rate. The cost for any services rendered or any expense incurred by the Fiscal Agent in connection with any such exchange shall be paid by the District. The Fiscal Agent shall collect from the Owner requesting exchange of a Bond any tax or other governmental charge required to be paid with respect to such exchange.

No exchanges of Bonds shall be required to be made (i) during the fifteen (15) days preceding the date established by the Fiscal Agent for selection of Bonds for redemption, or (ii) with respect to Bonds which have been selected for redemption.

Registration Books. The Fiscal Agent shall keep, or cause to be kept, at its Principal Office sufficient books for the registration and transfer of the Bonds which books shall show the series, number, CUSIP identification number, date of issuance, amount, rate of interest and Owner of each Bond and shall at all times be open to inspection by the Services District during regular business hours upon reasonable notice; and, upon presentation for such purpose, the Fiscal Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the Bonds as provided in the Fiscal Agent Agreement.

Book-Entry Only System

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

Estimated Debt Service Schedule

The following table presents the debt service schedules for the Bonds, assuming there are no redemptions of Bonds prior to their respective maturities:

TABLE 1
DEBT SERVICE SCHEDULE FOR THE BONDS

Year Ending September 1	*Principal*	*Interest*	*Total Debt Service*
2022	$410,000	$101,006.39	$511,006.39
2023	275,000	417,600.00	692,600.00
2024	290,000	403,850.00	693,850.00
2025	310,000	389,350.00	699,350.00
2026	320,000	373,850.00	693,850.00
2027	335,000	357,850.00	692,850.00
2028	355,000	341,100.00	696,100.00
2029	375,000	323,350.00	698,350.00
2030	390,000	304,600.00	694,600.00
2031	410,000	285,100.00	695,100.00
2032	430,000	264,600.00	694,600.00
2033	450,000	243,100.00	693,100.00
2034	475,000	220,600.00	695,600.00
2035	500,000	196,850.00	696,850.00
2036	525,000	171,850.00	696,850.00
2037	550,000	145,600.00	695,600.00
2038	575,000	123,600.00	698,600.00
2039	590,000	100,600.00	690,600.00
2040	615,000	77,000.00	692,000.00
2041	645,000	52,400.00	697,400.00
2042	665,000	26,600.00	691,600.00
Total	**$ 9,490,000**	**$ 4,920,456.39**	**$ 14,410,456.39**

Source: Underwriter.

Debt Service Coverage for the Bonds

Annual debt service for the Bonds has been structured so that the aggregate Assigned Special Taxes applicable to property categorized as Developed Property in the District for Fiscal Year 2022-23, less the Priority Administrative Expense Amount and assuming no delinquencies, is not less than 110% of debt service payable on the Bonds. However, the Services District does not typically levy at the Assigned Special Tax rates each fiscal year in the District; rather, the Services District levies in each fiscal year debt service on the Bonds, the Priority Administrative Expense Amount and an estimated allowance for delinquencies based on delinquencies in the prior fiscal year. See "THE DISTRICT."

SECURITY FOR THE BONDS

General

The Bonds are special obligations of the Services District and the District and are payable solely from and secured solely by the Special Tax Revenues (as defined below) and the amounts in the Bond Fund, the Reserve Fund and the Special Tax Fund, including the Surplus Account.

No Bonds (and no Parity Bonds issued under the Fiscal Agent Agreement relating to the Bonds, the "Parity Bonds") is a legal or equitable pledge, charge, lien or encumbrance upon any of the District's property, or upon any of its income, receipts or revenues, except the Special Tax Revenues collected in the District and other amounts in the Special Tax Fund.

Except for the Special Tax Revenues for, neither the credit nor the taxing power of the District or the Services District is pledged for the payment of the Bonds or related interest, and no Owner of the Bonds may compel the exercise of taxing power by the District or the forfeiture of any of its property. The principal of and interest on the Bonds and premiums upon redemption, if any, are not a debt of the District or the Services District, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory limitation or restriction.

Special Tax Revenues

The "Special Taxes" for the District are levied and collected according to the Rates and Method established for the District. See "THE DISTRICT" and APPENDIX C — "AMENDED AND RESTATED RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX."

The "Special Tax Revenues" pledged by the District to the Bonds (and any Parity Bonds) is defined in the Fiscal Agent Agreement as the proceeds of the Special Taxes received by the Services District, including any scheduled payments, interest and penalties and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes in the amount of the delinquent special taxes and related interest and penalties thereon.

"Special Taxes" means the special taxes levied by the Board of Directors of the Services District on parcels of taxable property within the District pursuant to the Mello-Roos Act and the Fiscal Agent Agreement to satisfy the Debt Service and Facilities Special Tax Requirement (as defined in the Rates and Method). Under the Rates and Method, the Services District may also levy the O&M Special Tax . The O&M Special Tax may be levied solely to pay for certain operation and maintenance costs of Parks and Park Improvements and Landscape (as such terms are defined in Rates and Method). **"Special Taxes" do not include the O&M Special Tax and the O&M Special Tax is not pledged under the Fiscal Agent Agreement and is not available to pay debt service on the Bonds.** See APPENDIX C — "AMENDED AND RESTATED RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX."

Levy of Special Taxes. The Services District has covenanted in the Fiscal Agent Agreement to comply with all requirements of the Mello-Roos Act, including the enactment of necessary Ordinances, so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of the payment or collection of delinquent Special Taxes.

Under the Fiscal Agent Agreement, on or within five Business Days of May 1 of each year, the Fiscal Agent shall provide the Services District with a notice stating the amount then on deposit in the Special Tax Fund, the Bond Fund and the Reserve Fund. Upon receipt of such notice, the Services District shall communicate with the Auditor-Controller of the County of Riverside (the "Auditor") to ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits during the preceding and then current Fiscal Year.

The Services District will levy Special Taxes each Fiscal Year in accordance with the Mello-Roos Act by August 1 of each year (or such later date as may be authorized by the Mello-Roos Act) that the Bonds are Outstanding, such that the computation of the levy is complete before the final date on which the Auditor will accept the transmission of the Special Tax amounts for the parcels within the District for inclusion on the tax roll for the Fiscal Year then beginning.

Upon the completion of the computation of the amounts of the levy of the Special Taxes, the Services District shall prepare or cause to be prepared, and shall transmit to the Auditor, such data as the Auditor requires to include the levy of the Special Taxes on the tax roll. Notwithstanding the above, the Board of Directors of the Services District may elect, as permitted by the Mello-Roos Act, to collect the Special Taxes to be levied for any Fiscal Year directly from the owners of the parcels of taxable property upon which the Special Taxes are levied rather than by transmitting the Special Taxes to the Auditor for collection on the tax roll; provided that, in such event, the Services District shall otherwise comply with the provisions of the Fiscal Agent Agreement.

Collection of Special Tax Revenues. The Services District shall fix and levy the amount of Special Taxes within the District required for the payment of the principal of and interest on any Outstanding Bonds becoming due and payable during the ensuing calendar year, including any necessary replenishment or expenditure of the Reserve Fund, and the amount estimated to be sufficient to pay the Administrative Expenses during such calendar year. The Special Taxes so levied shall not, in any event, exceed the maximum amounts provided for in the Rates and Method.

The Special Taxes shall be payable and be collected (except in the event of judicial foreclosure proceedings) in the same manner and at the same time and in the same installments as the general taxes on real property are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property.

The Services District will not, in collecting the Special Taxes or in processing any such judicial foreclosure proceedings, exercise any authority which it has pursuant to Sections 53340, 53344.1, 53356.1 and 53356.8 of the California Government Code in any manner which would materially and adversely affect the interests of the Bondowners and, in particular, will not permit the tender of Bonds in full or partial payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the Services District having insufficient Special Tax Revenues to pay the principal of and interest on the Bonds remaining Outstanding following such tender.

Disbursements from the Special Tax Fund. As soon as practicable after the receipt from the Services District of any Special Tax Revenues, but no later than ten Business Days after such receipt, the Fiscal Agent shall withdraw from the Special Tax Fund and deposit in the Administrative Expense Fund the Priority Administrative Expense Amount.

After such deposit, on or before each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Account and the Principal Account of the Bond Fund the amounts required to pay the interest on and principal of the Bonds on such Interest Payment Date. If after such deposits are made to the Administrative Expense Fund, the Interest Account and the Principal Account there are funds remaining on deposit in the Special Tax Fund, the Services District shall instruct the Fiscal Agent by a written communication from an Authorized Officer (upon which the Fiscal Agent may conclusively rely) to transfer such amount from the Special Tax Fund (including the Surplus Account) to restore the Reserve Fund to the Reserve Requirement if necessary.

On or before the March 1 Interest Payment Date in each Bond Year, if the amount of other moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on the Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account, to the extent of moneys on deposit in the Surplus Account and available for transfer, to and deposit such moneys in the Interest Account of the Bond Fund in an amount not to exceed the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on the Bonds which is due and payable on such Interest Payment Date.

On or before the September 1 Interest Payment Date in each Bond Year, if the amount of moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on and principal of the Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account, to the extent of moneys on deposit in the Surplus Account and available for transfer, to and deposit such moneys in the Interest Account and the Principal Account in amounts not to exceed the amount of the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on and principal of the Bonds which is due and payable on such Interest Payment Date.

Notwithstanding the foregoing, any amounts received by the Services District which constitute Special Tax Prepayments shall be transferred by the Services District immediately upon receipt to the Fiscal Agent for deposit by the Fiscal Agent in the Special Tax Prepayments Account established pursuant to the Fiscal Agent Agreement.

Reserve Fund Replenishment. In levying the Special Taxes to replenish the Reserve Fund, if the Services District determines that amounts were withdrawn as a result of delinquencies in the payment of Special Taxes levied on parcels in the District, the Services District shall, to the extent legally permissible, include in the levy of the Special Taxes for the following Fiscal Year, the amount necessary to restore the Reserve Fund to the Reserve Requirement (as defined below). The Special Taxes so levied shall not, in any event, exceed the maximum amounts provided for in the Rates and Method.

"Reserve Requirement" equals $699,350.00 as of the Closing Date, which is the least of (i) ten percent (10%) of the proceeds of the sale of the Bonds, (ii) Maximum Annual Debt Service on the Bonds or (iii) 125% of average Annual Debt Service on the Bonds. The Reserve Requirement may be reduced on any Calculation Date.

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

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

Parity Bonds

The Fiscal Agent Agreement authorizes the Services District to issue additional bonds secured by Special Tax Revenues on a parity with or subordinate basis to the Bonds but only for the purpose of refunding all or a portion of the Outstanding Bonds or Parity Bonds, which issue results in a lower debt service to maturity than the Bonds.

Priority of Lien

Each installment of the Special Taxes and any related interest and penalties, constitutes a lien on the parcel of land on which it was imposed until the same is paid. Such lien is co-equal to and independent of the lien for general taxes, any other community facilities district special taxes or special assessments. See "THE DISTRICT."

Covenants of the Services District

In the Fiscal Agent Agreement, the Services District, on behalf of each District, covenants as follows, among other things:

Punctual Payment. The Services District will punctually pay or cause to be paid the principal of and interest and any premium on the Bonds when and as due in strict conformity with the terms of the Fiscal Agent Agreement and any Supplemental Fiscal Agent Agreement to the extent that the Special Tax Revenues are available therefor, and it will faithfully observe and perform all of the conditions, covenants and requirements of the Fiscal Agent Agreement and all Supplemental Fiscal Agent Agreements and of the Bonds.

Against Encumbrance. The Services District will not encumber, pledge or place any charge or lien upon any of the Special Tax Revenues or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien created in the Fiscal Agent Agreement for the benefit of the Bonds, except as permitted by the Fiscal Agent Agreement.

Commence Foreclosure Proceedings. The Services District covenants with and for the benefit of the Owners of the Bonds as follows: (i) it will order, and cause to be commenced, judicial foreclosure proceedings against properties in the District with delinquent Special Taxes in excess of $5,000 by the October 1 following the close of the Fiscal Year in which such Special Taxes were due, and (ii) it will commence judicial foreclosure proceedings against all properties in the District with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than 95% of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings; provided, however, the Services District shall not be required to order and cause judicial foreclosure proceedings to be commenced against delinquent properties as long as no deficiency in the Reserve Fund exists (or is projected to exist in order to make debt service payments on the Bonds in the current or next Fiscal Year) or the Services District determines that the cost of pursuing such foreclosure is greater than the outstanding delinquency.

Reduction of Maximum Special Taxes. The Services District covenants that, to the extent that it is legally permitted to avoid doing so, it will not initiate and conduct proceedings to reduce the maximum rates of Special Taxes which are authorized to be levied on taxable parcels of property within the District (the

"Maximum Rates"). The Services District further covenants that in the event an ordinance is adopted by initiative pursuant to Section 3 of Article XIII C of the California Constitution, which purports to reduce or otherwise alter the Maximum Rates, it will commence and pursue legal action seeking to preserve its ability to comply with such covenant.

THE DISTRICT

Location and Description

The District was formed by the Services District in December 2006 to finance various public improvements needed to develop property located within the District. The property in the District is located east of Hellman Avenue, south of Schleisman Road and west of the Cucamonga Creek Channel in the City of Eastvale. The District contains 346 single family detached residential units on approximately 108.5 gross acres within Final Tract Map Nos. 31826 and 31812-1. Development within the District is completed and all units have been transferred to individual homeowners.

Assigned Special Taxes

The following table sets forth the Assigned Special Taxes that may be levied on the property within the District in Fiscal Year 2022-23 based on the development status within the District as of April 1, 2022. The Special Taxes in the District may not be levied after the 2047-48 Fiscal Year. The final maturity of the Bonds is September 1, 2042.

TABLE 2
JURUPA COMMUNITY SERVICES DISTRICT
CFD NO. 31
ASSIGNED SPECIAL TAXES

Land Use	*Tax Class*	*Residential Floor Area*	*No. of Units*	*Assigned Special Tax per Unit*	*Projected Fiscal Year 2022-23 Special Tax per Unit*	*Total Projected Fiscal Year 2022-23 Special Tax Levy*[1]	*Percent of Total*
Residential Property	D1	Less than 2,251 sq. ft.	115	$2,313	$1,796	$ 206,522	29.31%
Residential Property	D2	2,251 sq. ft. to 2,400 sq. ft.	55	2,387	1,853	101,931	14.47
Residential Property	D3	2,401 sq. ft. to 2,550 sq. ft.	31	2,506	1,946	60,316	8.56
Residential Property	D4	2,551 sq. ft. to 2,700 sq. ft.	0	2,590	0	0	0.00
Residential Property	D5	2,701 sq. ft. to 2,850 sq. ft.	0	2,675	0	0	0.00
Residential Property	D6	2,851 sq. ft. to 3,000 sq. ft.	36	2,760	2,143	77,144	10.95
Residential Property	D7	3,001 sq. ft. to 3,150 sq. ft.	46	2,834	2,200	101,216	14.37
Residential Property	D8	3,151 sq. ft. to 3,300 sq. ft.	5	2,933	2,277	11,386	1.62
Residential Property	D9	3,301 sq. ft. to 3,450 sq. ft.	0	3,032	0	0	0.00
Residential Property	D10	3,451 sq. ft. to 3,600 sq. ft.	34	3,132	2,432	82,679	11.73
Residential Property	D11	3,601 sq. ft. to 3,750 sq. ft.	8	3,274	2,542	20,336	2.89
Residential Property	D12	3,751 sq. ft. to 3,900 sq. ft.	8	3,400	2,640	21,118	3.00
Residential Property	D13	Over 3,900 sq. ft.	8	3,534	2,744	21,951	3.12
Total			**346**			**$ 704,600**	**100.00%**

(1) Based upon the debt service requirement of the Bonds and includes estimated Fiscal Year 2022-23 Priority Administrative Expense Requirement of $12,000.
Source: Webb Municipal Finance, LLC.

For the complete text of the Rates and Method, see Appendix C — "AMENDED AND RESTATED RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX."

Estimated Direct and Overlapping Indebtedness

Within the boundaries of the District are numerous overlapping local agencies providing public services. Upon issuance of the Bonds, the only outstanding debt secured by a special tax or assessment on the parcels within the District will be the Bonds. In addition, there is $2,680,448 outstanding principal amount of general obligation bonds allocable to the District based on the current assessed value of the District relative to the current assessed value within the boundaries of the applicable taxing jurisdiction issuing the general obligation bonds. The approximate amount of the direct and overlapping debt secured by a tax or assessment on the parcels within the District for Fiscal Year 2021-22 is shown in the following table. The following table assumes the issuance of the Bonds.

TABLE 3
JURUPA COMMUNITY SERVICES DISTRICT
CFD NO. 31
DIRECT AND OVERLAPPING DEBT
AS OF MARCH 2, 2022

I. ASSESSED VALUE

2021-22 Equalized Roll Assessed Valuation	$ 181,213,416

II. LAND SECURED BOND INDEBTEDNESS

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels in CFD No. 31	Amount Applicable
Jurupa CSD CFD No. 31	CFD	$12,095,000	$9,490,000[1]	100.000%	346	$ 9,490,000
TOTAL LAND SECURED BONDED DEBT[1]						**$ 9,490,000**

Authorized but Unissued Direct and Overlapping Indebtedness	Type	Authorized	Unissued	% Applicable	Parcels in CFD No. 31	Amount Applicable
Jurupa CSD CFD No. 31	CFD	$18,000,000	$ 0	100.000%	346	$ 0
TOTAL UNISSUED LAND SECURED INDEBTEDNESS[2]						**$ 0**

TOTAL OUTSTANDING AND UNISSUED LAND SECURED INDEBTEDNESS	**$ 9,490,000**

III. GENERAL OBLIGATION BOND INDEBTEDNESS

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable[3]	Parcels in CFD No. 31	Amount Applicable
Riverside City Community College (0.01470%)	GO	$349,998,424	$309,658,026	0.14974%	346	$ 463,681
Corona-Norco Unified School District Debt Service (0.09914%)	GO	620,435,000	498,729,283	0.44417	346	2,215,195
MWD West (0.00350%)	GO	850,000,000	26,830,000	0.00586	346	1,572
TOTAL OUTSTANDING GENERAL OBLIGATION BONDED DEBT[1]						**$ 2,680,448**

Authorized but Unissued Direct and Overlapping Indebtedness	Type	Authorized	Unissued	% Applicable	Parcels in CFD No. 31	Amount Applicable
Riverside City Community College (0.01470%)	GO	$350,000,000	$ 1,576	0.14974%	346	$ 2
Corona-Norco Unified School District Debt Service (0.09914%)	GO	711,000,000	90,565,000	0.44417	346	402,261
MWD West (0.00350%)	GO	850,000,000	0	0.00586	346	0
TOTAL UNISSUED GENERAL OBLIGATION INDEBTEDNESS						**$ 402,263**

TOTAL OUTSTANDING AND UNISSUED GENERAL OBLIGATION INDEBTEDNESS	**$ 3,082,711**
TOTAL OF ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT	**$ 12,170,448**
TOTAL OF ALL OUTSTANDING AND UNISSUED DIRECT AND OVERLAPPING INDEBTEDNESS	**$ 12,572,711**

IV. Ratios to Assessed Valuation

Outstanding Land Secured Bonded Debt	19.10:1
Total Outstanding Bonded Debt	14.89:1

(1) Amount outstanding is equal to the initial principal amount of the Bonds.
(2) Additional bonded debt or available bond authorization may exist but is not shown because a tax was not levied for Fiscal Year 2021-22.
(3) Percentage applicable determined by Fiscal Year 2021-22 equalized roll assessed value information.
Source: Webb Municipal Finance, LLC.

Value-to-Lien Ratios

The Services District has obtained the assessed values of all of the taxable property in the District (346 parcels in total), as established by the County Assessor for Fiscal Year 2021-22, which total is $181,213,416.

Upon issuance of the Bonds, there will be no other direct and overlapping debt land secured special tax and assessment bonded indebtedness within the District. The assessed value-to-lien ratio of the property within the District, based on the Fiscal Year 2021-22 assessed values, the aggregate principal amount of the Bonds and the estimated direct and overlapping land secured special tax and assessment bonded indebtedness (excluding general obligation bonded indebtedness) within the District will equal approximately 19.10-to-1.

Value-to-lien Ratios by Category. The following table summarizes the assessed value-to-lien ratios within the District by value-to-lien category.

TABLE 4
JURUPA COMMUNITY SERVICES DISTRICT
CFD NO. 31
VALUE-TO-LIEN STRATIFICATION

Assessed Value-to-Lien[1]	*No. of Parcels*	*Percent of Total Parcels*	*Total Assessed Value*	*Percent of Total Assessed Value*	*Projected Fiscal Year 2022-23 Special Tax Levy*	*Percent of Projected Fiscal Year 2022-23 Levy*	*Allocation of CFD No. 31 Debt*[2]	*Aggregate Value-to-Lien*
Less than 13.00:1[3]	2	0.58%	$ 552,187	0.30%	$ 4,685	0.66%	$ 63,099	8.75:1
13.00:1 to 15.99:1	19	5.49	8,129,090	4.49	39,845	5.65	536,654	15.15:1
16.00:1 to 18.99:1	154	44.51	75,256,453	41.53	317,988	45.13	4,282,859	17.57:1
19.00:1 to 21.99:1	131	37.86	72,113,023	39.79	263,667	37.42	3,551,240	20.31:1
22.00:1 to 24.99:1	24	6.94	14,821,414	8.18	47,976	6.81	646,173	22.94:1
Greater than 24.99:1[4]	16	4.62	10,341,249	5.71	30,439	4.32	409,975	25.22:1
Total	**346**	**100.00%**	**$ 181,213,416**	**100.00%**	**$ 704,600**	**100.00%**	**$ 9,490,000**	**19.10:1**

(1) Assessed value-to-lien based upon the principal amount of the Bonds.
(2) Amount outstanding is equal to the initial principal amount of the Bonds.
(3) The lowest value-to-lien in the less than 13.00:1 category is 5.40:1. The property in this category has a low base year assessed value due to a Prop 60/90/110 exemption.
(4) The highest value-to-lien in the greater than 24.99:1 category is 28.01:1.
Source: Webb Municipal Finance, LLC.

Top Taxpayers. No single individual owner owns more than one parcel, and no single taxpayer is projected to be responsible for more than 0.39% of Fiscal Year 2022-23 Special Taxes.

Historical Assessed Valuation

The following table represents the historical assessed valuation of the taxable property in the District as shown on the County Assessor's roll for fiscal years 2017-18 through 2021-22.

TABLE 5
JURUPA COMMUNITY SERVICES DISTRICT
CFD NO. 31
ASSESSED VALUATION HISTORY
(FISCAL YEARS 2017-18 THROUGH 2021-22)

Fiscal Year	*Total Parcels*	*Land Assessed Value*	*Improvement Assessed Value*	*Total Assessed Valuation*[1]	*Annual Percent Change*
2017-18	346	$43,486,195	$118,233,633	$161,719,828	N/A
2018-19	346	44,677,365	122,974,342	167,651,707	3.67%
2019-20	346	45,939,940	127,087,088	173,027,028	3.21
2020-21	346	46,990,909	130,721,886	177,712,795	2.71
2021-22	346	47,553,870	133,659,546	181,213,416	1.97

(1) As of January 1 of each year as shown on the County Assessor's Rolls. Total assessed value is calculated as the sum of land assessed value and improvement assessed value.
Source: Webb Municipal Finance, LLC.

Effective Tax Rate

Based on the principal amount of the Bonds, interest costs and estimated Administrative Expenses, and Fiscal Year 2021-22 tax rates for all other districts within the District, the total projected Fiscal Year 2022-23 average effective tax rate for Developed Property in the District is approximately 1.64% of the Fiscal Year 2021-22 average assessed value for parcels with improvement value.

The following table sets forth the estimated total tax obligation of property in the District based on the average home size and an average assessed value (as provided by the County) in the District.

TABLE 6
JURUPA COMMUNITY SERVICES DISTRICT
CFD NO. 31
PROJECTED TAX OBLIGATION[1]
FOR AN INDIVIDUALLY OWNED SAMPLE DEVELOPED PROPERTY

Average Home Value[2]	$ 523,738
Ad Valorem Property Taxes:	
Basic Levy (1.00000%)	$ 5,237.38
Riverside City Community College (0.01470%)	76.99
Corona-Norco Unified School District (0.09914%)	519.23
MWD West (0.00350%)	18.33
Total General Property Taxes	**$ 5,851.94**
Assessment, Special Taxes & Parcel Charges:	
Jurupa CSD CFD 31 Debt[3]	$ 2,036.42
Jurupa CSD CFD 31 O&M[4]	715.41
JCSD LMD 2001-3 Zone DDD	56.38
City of Eastvale LLMD 89-1 Z 116	23.14
MWD Standby West	9.22
Flood Control Stormwater/Cleanwater	3.76
Total Assessment Charges	**$ 2,844.32**
Average Total Property Tax	**$ 8,696.26**
Average Effective Tax Rate	**1.66%**

(1) Average Fiscal Year 2022-23 tax rates based upon Fiscal Year 2021-22 overlapping taxes and assessment rates.
(2) Average home value is based upon average Fiscal Year 2021-22 assessed values for parcels of Developed Property.
(3) Reflects average projected Fiscal Year 2022-23 Special Tax levy for parcels of Developed Property in the District.
(4) Reflects O&M average projected Fiscal Year 2022-23 Special Tax levy for parcels of Developed Property in the District. The CPI information required has been used to estimate the Special Tax levy for Fiscal Year 2022-23. To determine the annual percentage increase is not available at this time. Based on the most recent data, a placeholder of 5.00% increase.

Source: Webb Municipal Finance, LLC.

Delinquencies

The following table is a summary of Special Tax levies, collections and delinquency rates in the District for Fiscal Years 2017-18 through 2021-22.

TABLE 7
JURUPA COMMUNITY SERVICES DISTRICT
CFD NO. 31
SPECIAL TAX LEVY, DELINQUENCY AND DELINQUENCY RATE
FISCAL YEARS 2017-18 THROUGH FIRST INSTALLMENT 2021-22

			Delinquencies Following Fiscal Year End[1]			*Delinquencies as of April 10, 2022*		
Fiscal Year	***Amount Levied***	***Parcels Levied***	***Parcels Delinquent***	***Amount Delinquent***	***Percent Delinquent***	***Parcels Delinquent***	***Amount Delinquent***	***Percent Delinquent***
2017-18	$742,954.08	346	2	$3,730.30	0.50%	1	$ 2,783.50	0.37%
2018-19	744,698.68	346	2	3,739.06	0.50	1	2,790.04	0.37
2019-20	740,954.50	346	5	5,821.44	0.79	1	1,388.00	0.19
2020-21	750,906.48	346	4	7,069.23	0.94	2	4,167.82	0.56
2021-22[1]	756,956.92	346	N/A	N/A	N/A	6	10,020.96	1.32

Source: Webb Municipal Finance, LLC.

SPECIAL RISK FACTORS

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

Risks of Real Estate - Secured Investments Generally

Because the timely payment of debt service on the Bonds will be dependent upon the timely payment of Special Taxes, which are secured ultimately by the Taxable Property within the District, the Bond Owners will be subject to the risks generally incident to an investment secured by real estate, including, without limitation, (i) adverse changes in local market conditions, such as changes in the market value of real property in and around the vicinity of the District, the supply of or demand for competitive properties in such area, and the market value of residential property or buildings and/or sites in the event of sale or foreclosure; (ii) changes in real estate tax rates and other operating expenses, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies; (iii) natural disasters (including, without limitation, earthquakes, wildfires, floods, drought and windstorms), which may result in uninsured losses, and (iv) adverse changes in local market conditions.

Limited Obligations

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

Potential Early Redemption of Bonds from Prepayments

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

Property Values

The value of property within the District is an important factor in evaluating the investment quality of the Bonds. In the event that a property owner defaults in the payment of Special Tax installment, the District's only remedy is to judicially foreclose the delinquent parcel. Prospective purchasers of the Bonds should not assume that delinquent parcels property within the District could be sold for the assessed values described in this Official Statement at a foreclosure sale for delinquent Special Tax installments or for an amount adequate to pay delinquent Special Tax installments.

The assessed values set forth in this Official Statement do not represent market values arrived at through an appraisal process and generally reflect only the sales price of a parcel when acquired by its current owner, adjusted annually by an amount determined by the Riverside County Assessor, generally not to exceed an increase of more than 2% per fiscal year (except in the case of new construction subsequent to such acquisition). The assessed values utilized in this Official Statement reflect the "equalized roll" prepared by the County for Fiscal Year 2021-22, which reflects property values as of August 20, 2021. The equalized roll incorporates County assessed properties and therefore excludes property assessed by the State Board of Equalization, on utilities.

The actual market value of the property is subject to future events such as downturn in the economy, occurrences of certain acts of nature and the decisions of various governmental agencies as to land use, all of which could adversely impact the value of the land in the District which secures the Bonds. As discussed in this Official Statement, many factors could adversely affect property values or prevent or delay further land development within the District.

Natural Disasters

The land within the District, like all California communities, may be subject to unpredictable seismic activity, fires, floods, or other natural disasters. Southern California is a seismically active area. Seismic activity represents a potential risk for damage to buildings, roads, bridges and property within the District. In addition, land susceptible to seismic activity may be subject to liquefaction during the occurrence of such event. The District is not located within an identified earthquake study zone but are located in close proximity to several earthquake faults.

In recent years, wildfires have caused extensive damage throughout the State. In some instances, entire neighborhoods have been destroyed. Several of the fires that occurred in recent years damaged or destroyed property in areas that were not previously considered to be at risk from such events. Some commentators believe that climate change will lead to even more frequent and more damaging wildfires in the future. Additionally, wildfires increase the risk of mudslides in areas like the District that are surrounded by hillsides. In general, property damage due to wildfire or mudslides could result in a significant decrease in the market value of property in the District and in the ability or willingness of property owners to pay Special Taxes.

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

Hazardous Substances

The market value of the property in the District is subject to diminution upon the future release or discovery thereon of a hazardous substance. 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 "Superfund Act," is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance condition of property whether or not the owner (or operator) had anything to do with creating or handling the hazardous substance. The effect therefore, should any of the parcels be affected by a hazardous substance, would be to reduce the marketability and value by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

Neither the District nor the Services District has independently verified, and is not aware, that any owner (or operator) of any of the parcels within the District has such a current liability with respect to any such parcel. However, it is possible that such liabilities do currently exist and that the District and the Services District are not aware of them.

Further, it is possible that liabilities may arise in the future with respect to any of the land within the District, resulting from the existence, currently, of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly adversely affect the value of a parcel and the willingness or ability of the owner of any parcel to pay their Special Taxes.

Parity Taxes and Special Assessments

Property within the District is subject to taxes and other charges levied by several other public agencies. See the discussion of direct and overlapping indebtedness in "THE DISTRICT — Estimated Direct and Overlapping Indebtedness" Neither the District nor the Services District has control over the ability of other entities and districts to issue indebtedness secured by special taxes or assessments payable from all or a portion of the property within the District.

The Special Taxes and any related penalties will constitute a lien against the lots and parcels of land on which they will be annually imposed until they are paid. Such lien is on a parity with the lien of all special taxes and special assessments levied by other agencies and is co-equal to and independent of the lien for

general *ad valorem* property taxes regardless of when they are imposed upon the same property. The Special Taxes have priority over all existing and future private liens imposed on the property. See "— Bankruptcy and Foreclosure" below.

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

An owner of a taxable parcel is not personally obligated to pay the Special Tax. Rather, the Special Tax is an obligation which is secured only by a lien against the taxable parcel. If the proceeds received from the sale of a taxable parcel following a Special Tax delinquency are not sufficient, taking into account other liens imposed by public agencies, to pay the full amount of the Special Tax delinquency, neither the Services District nor the District has any recourse against the owner of the parcel.

Disclosures to Future Purchasers

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

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

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 the 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 the community facilities district.

Under provisions of the Act, the Special Taxes are 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 nonpayment, as do 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 "SOURCES OF PAYMENT FOR THE BONDS — Covenants of the Services District — *Commence Foreclosure Proceedings*," for a discussion of the provisions which apply, and procedures which the District is obligated to follow, in the event of delinquency in the payment of installments of Special Taxes with respect to the District.

Special Tax Delinquencies

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

See the delinquency tables in "THE DISTRICT — Delinquencies" for the delinquency history of the District over the last five Fiscal Years.

See "SOURCES OF PAYMENT FOR THE BONDS — Covenants of the Services District — *Commence Foreclosure Proceedings*," for a discussion of the provisions which apply, and procedures which the Services District is obligated to follow under the Fiscal Agent Agreement, in the event of delinquencies in the payment of Special Taxes. See "— Bankruptcy and Foreclosure" below for a discussion of the policy of the Federal Deposit Insurance Corporation (the "FDIC") regarding the payment of special taxes and assessment and limitations on the Services District's ability to foreclose on the lien of the Special Taxes in certain circumstances.

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

Insufficiency of Special Taxes

Notwithstanding that the maximum Special Taxes that may be levied in the District exceeds debt service due on the Bonds, the Special Taxes collected could be inadequate to make timely payment of debt service either because of nonpayment or because property becomes exempt from taxation.

The Rates and Method governing the levy of the Special Taxes within the District expressly exempts up to a 44.16 net acres of parcels owned by public entities, homeowner associations, churches and other specified owners. If for any reason property within the District becomes exempt from taxation by reason of ownership by a non-taxable entity such as the federal government, another public agency or other organization determined to be exempt, subject to the limitations of the maximum authorized rates, the Special Tax will be reallocated to the remaining taxable properties within such District. This could result in certain owners of property paying a greater amount of the Special Tax and could have an adverse impact upon the ability and willingness of the owners of such property to pay the Special Tax when due.

The Mello-Roos Act provides that, if any property within the District not otherwise exempt from the Special Tax is acquired by a public entity through a negotiated transaction, or by gift or devise, the Special Tax will continue to be levied on and enforceable against the public entity that acquired the property. In addition, the Mello-Roos Act provides that, if property subject to the Special Tax is acquired by a public entity through eminent domain proceedings, the obligation to pay the Special Tax with respect to that property is to be treated as if it were a special assessment and be paid from the eminent domain award. The constitutionality and operation of these provisions of the Mello-Roos Act have not been tested in the courts. Due to problems of collecting taxes from public agencies, if a substantial portion of land within the District became exempt from the Special Tax because of public ownership, or otherwise, the maximum Special Taxes which could be levied

upon the remaining taxable property therein might not be sufficient to pay principal of and interest on the Bonds when due and a default could occur with respect to the payment of such principal and interest.

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

FDIC/Federal Government Interests in Properties

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

The supremacy clause of the United States Constitution reads as follows: "This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the contrary notwithstanding."

This means that, unless Congress has otherwise provided, if a federal governmental entity owns a parcel that is subject to Special Taxes within the District but does not pay taxes and assessments levied on the parcel (including Special Taxes), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

Moreover, unless Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and the District wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on a parity with the Special Taxes and preserve the federal government's mortgage interest. In Rust v. Johnson (9th Circuit; 1979) 597 F.2d 174, the United States Court of Appeal, Ninth Circuit held that the Federal National Mortgage Association ("FNMA") is a federal instrumentality for purposes of this doctrine, and not a private entity, and that, as a result, an exercise of state power over a mortgage interest held by FNMA constitutes an exercise of state power over property of the United States.

The District has not undertaken to determine whether any federal governmental entity currently has, or is likely to acquire, any interest (including a mortgage interest) in any of the parcels subject to the Special Taxes within the District, and therefore expresses no view concerning the likelihood that the risks described above will materialize while the Bonds are outstanding

FDIC. In the event that any financial institution making any loan which is secured by real property within the District is taken over by the FDIC, and prior thereto or thereafter the loan or loans go into default, resulting in ownership of the property by the FDIC, then the ability of the District to collect interest and penalties specified by State law and to foreclose the lien of delinquent unpaid Special Taxes may be limited. The FDIC's policy statement regarding the payment of state and local real property taxes (the "Policy Statement") provides that property owned by the FDIC is subject to state and local real property taxes only if those taxes are assessed according to the property's value, and that the FDIC is immune from real property taxes assessed on any basis other than property value. According to the Policy Statement, the FDIC will pay its property tax obligations when they become due and payable and will pay claims for delinquent property

taxes as promptly as is consistent with sound business practice and the orderly administration of the institution's affairs, unless abandonment of the FDIC's interest in the property is appropriate. The FDIC will pay claims for interest on delinquent property taxes owed at the rate provided under state law, to the extent the interest payment obligation is secured by a valid lien. The FDIC will not pay any amounts in the nature of fines or penalties and will not pay nor recognize liens for such amounts. If any property taxes (including interest) on FDIC-owned property are secured by a valid lien (in effect before the property became owned by the FDIC), the FDIC will pay those claims. The Policy Statement further provides that no property of the FDIC is subject to levy, attachment, garnishment, foreclosure or sale without the FDIC's consent. In addition, the FDIC will not permit a lien or security interest held by the FDIC to be eliminated by foreclosure without the FDIC's consent.

The Policy Statement states that the FDIC generally will not pay non-*ad valorem* taxes, including special assessments, 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 Act 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. The Ninth Circuit has issued a ruling on August 28, 2001 in which it determined that the FDIC, as a federal agency, is exempt from special taxes under the Act.

The District is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency in the payment of Special Taxes on a parcel within the District in which the FDIC has or obtains an interest, although prohibiting the lien of the Special Taxes to be foreclosed out at a judicial foreclosure sale could reduce or eliminate the number of persons willing to purchase a parcel at a foreclosure sale. Such an outcome could cause a draw on the Reserve Account and perhaps, ultimately, if enough property were to become owned by the FDIC, a default in payment on the Bonds.

Value-to-Lien Ratios

The estimated value-to-lien ratios set forth herein are based on the County Assessor's secured tax roll for Fiscal Year 2022-23, of the taxable parcels in the District, and the direct and overlapping debt allocable to property in the District as of April 1, 2022. No assurance can be given that such value-to-lien ratios will be maintained over time. As discussed herein, many factors which are beyond the control of the Services District and the District could adversely affect the property values within the District. The Services District and the District also have 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 "—Parity Taxes and Special Assessments." A decrease in the assessed values in the District or an increase in the parity liens on property in the District, or both, could result in a lowering of the value-to-lien ratios of the property in the District.

Bankruptcy and Foreclosure

In the event of a delinquency in the payment of the Special Taxes, the Services District, under certain circumstances, is required to commence enforcement proceedings as described under the heading "SECURITY FOR THE BONDS — Covenants of the Services District." However, prosecution of such proceedings could be delayed due to crowded local court calendars, dilatory legal tactics, or bankruptcy. It is also possible that the Services District will be unable to realize proceeds in an amount sufficient to pay the delinquency. Moreover, the ability of the District to commence and prosecute enforcement proceedings may be limited by bankruptcy, insolvency and other laws generally affecting creditors' rights (such as the Soldiers' and Sailors' Relief Act of 1940) and by the laws of the State relating to judicial and non-judicial foreclosure. Although bankruptcy proceedings would not cause the liens of the Special Taxes to become extinguished, bankruptcy of a property owner could result in a delay in the enforcement proceedings because federal bankruptcy laws provide for an automatic stay of foreclosure and tax sale proceedings. Any such delay could increase the

likelihood of delay or default in payment of the principal of and interest on the Bonds. The various legal opinions delivered in connection with the issuance of the Bonds, including Bond Counsel's approving legal opinion, are qualified as to the enforceability of the Bonds and the Fiscal Agent Agreement by reference to bankruptcy, reorganization, moratorium, insolvency and other laws affecting the rights of creditors generally or against public corporations such as the District.

Funds Invested in the County Investment Pool

On January 24, 1996, the United States Bankruptcy Court for the Central District of California held that a State statute providing for a priority of distribution of property held in trust conflicted with, and was preempted by, federal bankruptcy law. In that case, the court addressed the priority of the disposition of moneys held in a county investment pool upon bankruptcy of the county. Following payment of the Special Taxes and prior to payment of debt service on the Bonds, such funds may be invested in the name of the Services District or the District for a period of time in the County investment pool. In the event of a petition of or the adjustment of County debts under Chapter 9 of the Federal Bankruptcy Code, a court might hold that the District and/or the Services District, and in turn the Bond owners, do not have a valid and/or prior lien on the Special Taxes or debt service payments on the Bonds where such amounts are deposited in the County investment pool and may not provide the Bond owners with a priority interest in such amounts. In that circumstance, unless the Bond owners could "trace" the funds that have been deposited in the County investment pool, the Bond owners would be unsecured (rather than secured) creditors of the County. There can be no assurance that the Bond owners could successfully so trace the Special Taxes or debt service payments.

No Acceleration Provision

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

Limitations on Remedies

Remedies available to the Owners of the Bonds may be limited by a variety of factors and may be inadequate to assure the timely payment of principal of and interest on the Bonds or to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds.

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

Loss of Tax Exemption

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

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. Should such an event of taxability occur, the Bonds are not subject to a special redemption and will remain outstanding until maturity or until redeemed under one of the other redemption provisions contained in the Fiscal Agent Agreement.

A change in the tax status of the interest on the Bonds would likely affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

It is possible that subsequent to the issuance of the Bonds there might be federal, State, or local statutory changes (or judicial or regulatory interpretations of federal, State, or local law) that affect the federal, State, or local tax treatment of the Bonds or the market value of the Bonds. No assurance can be given that subsequent to the issuance of the Bonds such changes or interpretations will not occur. See "LEGAL MATTERS — Tax Matters" below.

IRS Audit of Tax-Exempt Bond Issues

It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of other similar bonds). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the Bonds to the extent that it adversely affects the exclusion from gross income of interest (and original issue discount) on the Bonds or their market value.

Limited Secondary Market

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

Proposition 218

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

Among other things, Section 3 of Article XIII states that ". . . the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge."

The Act provides for a procedure which includes notice, hearing, protest and voting requirements to alter the rates and method of apportionment of an existing special tax. However, the Act prohibits a legislative body from adopting any resolution to reduce the rate of any special tax or terminate the levy of any special tax pledged to repay any debt incurred pursuant to the Act unless such legislative body determines that the reduction or termination of the special tax would not interfere with the timely retirement of that debt. On July 1, 1997, a bill was signed into law by the Governor of the State enacting Government Code Section 5854, which states that:

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

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

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

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

The election authorizing the special tax was limited to owners of hotel properties and lessees of real property owned by a governmental entity on which a hotel is located. Thus, the election was not a registered voter election. Such approach to determining who would constitute the qualified electors of the CCFD was modeled after Section 53326(c) of the Act, which generally provides that, if a special tax will not be apportioned in any tax year on residential property, the legislative body may provide that the vote shall be by the landowners of the proposed district whose property would be subject to the special tax. The Court held that the CCFD special tax election was invalid under the California Constitution because Article XIIIA, Section 4 thereof and Article XIIIC, Section 2 thereof require that the electors in such an election be the registered voters within the district.

The facts of the San Diego Decision show that there were thousands of registered voters within the CCFD (viz., all of the registered voters in the City). The election held in the District had no registered voters within the District at the time of the election to authorize the Special Tax. In the San Diego Decision, the

Court expressly stated that it was not addressing the validity of landowner voting to impose special taxes pursuant to the Act in situations where there are fewer than 12 registered voters. Thus, by its terms, the Court's holding does not apply to the Special Tax election in the District. Moreover, Section 53341 of the Act provides that any "action or proceeding to attack, review, set aside, void or annul the levy of a special tax…shall be commenced within 30 days after the special tax is approved by the voters." Similarly, Section 53359 of the Act provides that any action to determine the validity of bonds issued pursuant to the Act be brought within 30 days of the voters approving the issuance of such bonds. Voters within the District approved the Special Tax and the issuance of bonds on March 15, 2011. Based on Sections 53341 and 53359 of the Act and analysis of existing laws, regulations, rulings and court decisions, Bond Counsel is of the opinion that the Special Tax has been authorized in accordance with applicable law and is being levied in accordance with the Rates and Method and a challenge may not be brought.

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

Ballot Initiatives

Articles XIII C and XIII D, each of which placed certain limitations on the power of local agencies to tax, collect and expend revenues, were adopted pursuant to measures qualified for the ballot pursuant to California's constitutional initiative process and the State Legislature has in the past enacted legislation which has altered the spending limitations or established minimum funding provisions for particular activities. From time to time, other initiative measures could be adopted by California voters or legislation enacted by the legislature. The adoption of any such initiative or legislation might place limitations on the ability of the State, the Services District or the District to increase revenues or to increase appropriations or on the ability of the landowners within the District to complete proposed future development.

Bond Insurance

In the event of default of the payment of the scheduled principal of or interest on the Bonds when all or some becomes due, the Fiscal Agent on behalf of any owner of the Bonds shall have a claim under the Policy for such payments. The Insurer may direct and must consent to any remedies with respect to the Bonds and the Insurer's consent may be required in connection with amendments to any applicable documents relating to the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Insurer and its claims paying ability. The Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and the ratings on the Bonds will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See "MISCELLANEOUS—Ratings" herein.

The obligations of the Insurer are unsecured contractual obligations and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

None of the Services District, the District or the Underwriter has made independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Services District to make the payments on the Bonds and the claims paying ability of the Insurer, particularly over the life of the investment. See "BOND

INSURANCE" herein for further information regarding the Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.

Cybersecurity

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

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

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

COVID-19 (Coronavirus) Pandemic

The spread of novel strains of coronavirus that cause a disease commonly referred to as COVID-19 ("COVID-19") has had significant negative impacts throughout the world, including in the County. Since mid-March 2020, based on guidance and directives from the State and public health agencies, the County and the State have undergone varying degrees of closure and limited reopening of public buildings and businesses. There have been confirmed cases of COVID-19 in the County, and confirmed cases of COVID-19 are growing throughout the State and health officials are expecting the number of confirmed cases to continue to grow.

The COVID-19 pandemic is ongoing, and the ultimate geographic spread of the virus, the duration and severity of the outbreak, and the economic and other actions that may be taken by governmental authorities to contain the outbreak or to treat its impacts are uncertain. To date, the impact of the COVID-19 pandemic does not appear be having a materially adverse impact on the residential real estate market in Southern California; however, the ultimate impact of COVID-19 on the District, including but not limited to homebuyers' willingness and ability to pay Special Taxes when due, and the real estate market in general is unknown.

LEGAL MATTERS

Tax Matters

In the opinion of Best Best & Krieger LLP, Riverside, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds is excluded from gross income for federal income tax purposes. In the further opinion of Bond Counsel, interest on the Bonds is exempt from State of California personal income tax. Bond Counsel notes that interest on the Bonds is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals.

Bond Counsel's opinion as to the exclusion from gross income for federal income tax purposes of interest on the Bonds is based upon certain representations of fact and certifications made by the Services

District, the Underwriter and others and is subject to the condition that the Services District complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the Bonds to assure that interest on the Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Services District has covenanted to comply with all such requirements.

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

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

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

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

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

See APPENDIX D — "FORM OF BOND COUNSEL OPINION" for a form of the opinion to be provided by Bond Counsel on the date of issuance of the Bonds.

Absence of Litigation

The Services District will certify at the time the Bonds are issued that no litigation is pending or threatened concerning the validity of the Bonds and that no action, suit or proceeding is known by the Services District to be pending that would restrain or enjoin the delivery of the Bonds, or contest or affect the validity of the Bonds or any proceedings of the Services District taken with respect to the Bonds.

Legal Opinion

Certain proceedings in connection with the issuance of the Bonds are subject to the approval as to their legality of Best Best & Krieger LLP, Riverside, California, Bond Counsel for the Services District in connection with the issuance of the Bonds. The unqualified opinion of Bond Counsel approving the validity of the Bonds will be attached to each Bond. Bond Counsel's employment is limited to a review of legal procedures required for the approval of the Bonds and to rendering an opinion as to the validity of the Bonds and the exemption of interest on the Bonds from income taxation. Bond Counsel has not been engaged by the Services District to prepare this Official Statement and expresses no opinion to the Owners of the Bonds as to the accuracy, completeness or fairness of this Official Statement or other offering materials relating to the Bonds and expressly disclaims any duty to do so.

MISCELLANEOUS

Ratings

S&P Global Ratings, a Standard & Poor's Financial Services LLP Business ("S&P") is expected to assign a rating of "AA" to the Bonds based upon the delivery of the Policy at the time of the issuance of the Bonds by the Insurer. In addition, S&P has assigned the underlying rating of "A" to the Bonds. The ratings reflect only the view of such organization and an explanation of the significance of such ratings may be obtained from S&P. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that any rating for the Bonds will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by a rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

Verification of Mathematical Accuracy

Causey, Demgen & Moore, P.C., upon delivery of the Bonds, will deliver a report on the mathematical accuracy of certain computations, contained in schedules provided to them which were prepared by Stifel, Nicolaus & Company, Incorporated, relating to the sufficiency of moneys and securities deposited into the Escrow Funds to pay, when due, the principal, whether at maturity or upon prior prepayment, interest and prepayment premium requirements of the 2013A Bonds.

The report of Causey, Demgen & Moore, P.C. will include the statement that the scope of its engagement is limited to verifying the mathematical accuracy of the computations contained in such schedules provided to it, and that it has no obligation to update its report because of events occurring, or data or information coming to its attention, subsequent to the date of its report.

Underwriting

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "Underwriter") at a purchase price of $9,867,509.70 (representing the par amount of the Bonds, less underwriter's discount of $110,558.50 and plus original issue premium of $488,068.20).

The bond purchase agreement relating to the Bonds between the Services District and the Underwriter provides that all Bonds will be purchased if any are purchased, and that the obligation to make such purchase is subject to certain terms and conditions set forth in said purchase contract, including, but not limited to, the approval of certain legal matters by counsel.

Financial Interests

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

Continuing Disclosure

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

The Services District has complied in all material respects with all previous undertakings with regard to Rule 15c2-12 to provide annual reports or notices of listed events in the last five years.

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

Additional Information

References are made in this Official Statement to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive, and reference is made to such documents and reports for full and complete statements of the contents thereof.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Services District and the purchasers or Owners of any of the Bonds.

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

JURUPA COMMUNITY SERVICES DISTRICT ON
BEHALF OF COMMUNITY FACILITIES DISTRICT
NO. 31 (EASTVALE AREA) OF JURUPA
COMMUNITY SERVICES DISTRICT

By: /s/ Steven Popelar
Director of Finance and Administration

APPENDIX A

SUMMARY OF FISCAL AGENT AGREEMENT

The following is a summary of certain provisions of the Fiscal Agent Agreement not otherwise described in the text of this Official Statement. This summary is not intended to be definitive, and reference is made to the text of the Fiscal Agent Agreement for the complete provisions thereof.

DEFINITIONS

Unless the context otherwise requires, the terms defined in the Agreement shall, for all purposes of the Agreement, of any Supplemental Agreement, and of any certificate, opinion or other document mentioned in the Agreement, have the meanings specified therein. All references in the Agreement to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of the Agreement, and the words "herein," "hereof," "hereunder" and other words of similar import refer to the Agreement as a whole and not to any particular Article, Section or subdivision thereof.

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

"Administrative Expenses" means any or all of the following: the fees and expenses of the Fiscal Agent (including any fees or expenses of their counsel), the expenses of the Services District in carrying out its duties under the Agreement (including, but not limited to, the levying and collection of the Special Taxes) including the fees and expenses of its counsel, an allocable share of the salaries of the Services District staff directly related thereto and a proportionate amount of the Services District general administrative overhead related thereto, any amounts paid by the Services District from its general funds, including the fees and expenses of its counsel, and all other costs and expenses of the Services District, the Fiscal Agent incurred in connection with the discharge of their respective duties under the Agreement and in any way related to the administration of the District.

"Administrative Expense Fund" means the fund by that name established by the Agreement.

"Agreement" means the Agreement, as it may be amended or supplemented from time to time by any Supplemental Agreement adopted pursuant to the provisions of the Agreement.

"Annual Debt Service" means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled, and (ii) the principal amount of the Outstanding Bonds scheduled to be paid.

"Auditor" means the Auditor-Controller of the County of Riverside.

"Authorized Officer" means any officer or employee of the Services District authorized by the Board of Directors or by an Authorized Officer to undertake the action referenced in the Agreement as required to be undertaken by an Authorized Officer.

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

"Bond Counsel" means any attorney or firm of attorneys acceptable to the Services District and nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

"Bond Fund" means the fund by that name established by the Agreement.

"Bond Year" means the period beginning on the Closing Date and ending on September 1, 2022 and thereafter the period beginning on each September 2 and ending on the following September 1.

"Bonds" means, unless otherwise expressly provided, the Community Facilities District No. 31 of Jurupa Community Services District Special Tax Refunding Bonds, 2022 Series A, authorized by and at any time Outstanding pursuant to the Act and the Agreement.

"Business Day" means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in the State of California or in any state in which the Fiscal Agent has its Principal Office are authorized or obligated by law or executive order to be closed.

"Closing Date" means the date upon which there is an exchange of the Bonds for the proceeds representing payment of the purchase price of the Bonds by the Original Purchaser.

"Code" means the Internal Revenue Code of 1986, as amended.

"Costs of Issuance" means items of expense payable or reimbursable directly or indirectly by the Services District and related to the authorization, sale and issuance of the Bonds, which items of expense shall include, but not be limited to, printing costs, costs of reproducing and binding documents, including but not limited to the preliminary official statement and official statement regarding the Bonds, closing costs, filing and recording fees, initial fees and charges of the Fiscal Agent including its first annual administration fee and the fees of its counsel, expenses incurred by the Services District in connection with the issuance of the Bonds and the establishment of the District, underwriter's discount relating to the Bonds, including the fees of Bond Counsel and Disclosure Counsel, financial advisor's fees, charges for authentication, transportation and safekeeping of the Bonds and other costs, charges and fees in connection with the foregoing.

"Costs of Issuance Fund" means the fund by that name established by the Agreement.

"Debt Service" means the amount of interest and principal payable on the Bonds scheduled to be paid during the period of computation, excluding amounts payable during such period which relate to principal of the Bonds which are scheduled to be retired and paid before the beginning of such period.

"Defeasance Securities" means for, purposes of the Agreement, the following:

(i) Cash;

(ii) United States Treasury Certificates, Notes and Bonds (including State and Local Government Series - "SLGs");

(iii) Direct obligations of the United States Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities;

(iv) Resolution Funding Corporation (REFCORP) obligations; provided that only the interest component of REFCORP strips which have been stripped by request of the Federal Reserve Bank of New York in book-entry form are acceptable;

(v) Pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by Standard & Poor's; provided, however, that if the issue is only rated by Standard & Poor's (i.e., there is no Moody's rating), then the pre-refunded bonds must have been pre-refunded with cash, direct United States or United States guaranteed obligations, or "AAA" rated pre-refunded municipal bonds; and

(vi) Obligations issued by the following agencies which are backed by the full faith and credit of the United States of America:

(a) U.S. Export-Import Bank
Direct obligations or fully guaranteed certificates of beneficial ownership

(b) Federal Financing Bank

(c) General Services Administration
Participation certificates

(d) United States Maritime Administration
Guaranteed Title XI financing

(e) United States Department of Housing and Urban Development
Project notes
Local Authority Bonds
New Communities Debentures - United States government guaranteed debentures
United States Public Housing Notes and Bonds - United States government guaranteed public housing notes and bonds.

"District" means Community Facilities District No. 31 of Jurupa Community Services District, County of Riverside, State of California.

"Escrow Agent" means U.S. Bank Trust Company, National Association, acting as Escrow Agent pursuant to the Escrow Agreement.

"Escrow Agreement" means the Escrow Agreement dated as of the Closing Date to be entered into by the Services District and the Escrow Agent whereby Proceeds of the Bonds will be deposited in the Escrow Fund for the defeasance and refunding of the bonds of the Outstanding Bonds of the District.

"Escrow Fund" means the Fund by that name established under the Escrow Agreement.

"Federal Securities" means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein:

(i) Cash; and

(ii) Direct general obligations of (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America and CATS and TIGRS), or obligations, the payment of principal of and interest on which is unconditionally guaranteed by, the United States of America.

"Fiscal Agent" means U.S. Bank Trust Company National Association, the Fiscal Agent appointed by the Services District, acting as an independent fiscal agent with the duties and powers provided in the Agreement, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in the Agreement.

"Fiscal Year" means the twelve-month period extending from July 1 in a calendar year to June 30 of the succeeding year, both dates inclusive.

"Independent Financial Consultant" means a firm of certified public accountants, a financial consulting firm, a consulting engineering firm or engineer which is not an employee of, or otherwise controlled by, the Services District or the Special Tax Consultant.

"Information Services" means the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other services providing information with respect to called bonds as may be designated in a certificate of an Authorized Representative delivered to the Fiscal Agent.

"Insurance Policy" means the Municipal Bond Insurance Policy provided by the Insurer.

"Insurer" means Build America Mutual Assurance Company ("BAM"), its successors and assigns.

"Interest Account" means the account by that name established by the Fiscal Agent in the Bond Fund pursuant to the Agreement.

"Interest Payment Dates" means March 1 and September 1 of each year, commencing September 1, 2022.

"Investment Earnings" means all interest earned and any gains and losses on the investment of moneys in any fund or account created by the Agreement excluding interest earned and gains and losses on the investment of moneys in the Rebate Fund.

"Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank, N.A., at its principal office in The City of New York, New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank, N.A.) plus 5%, and (ii) the then applicable highest rate of interest on the Insured Obligations and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. In the event JPMorgan Chase Bank, N.A., ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such other bank, banking association or trust company as the Insurer, in its sole and absolute discretion, shall designate. Interest at the Late Payment Rate on any amount owing to the Insurer shall be computed on the basis of the actual number of days elapsed in a year of 360 days.

"Maximum Annual Debt Service" means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

"Moody's" shall mean Moody's Investors Service, Inc., a national rating service with offices in New York, New York.

"Officer's Certificate" means a written certificate of the Services District signed by an Authorized Officer of the Services District.

"Ordinance" means any ordinance of the Services District or resolution of the Board of Directors levying the Special Taxes.

"Original Purchaser" means the first purchaser of the Bonds from the Services District, Sitfel, Nicolaus & Company, Incorporated.

"Outstanding," when used as of any particular time with reference to the Bonds, means (subject to the provisions of the Agreement) all Bonds except:

(i) Bonds theretofore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation;

(ii) Bonds called for redemption which, for the reasons specified in the Agreement, are no longer entitled to any benefit under the Agreement other than the right to receive payment of the redemption price therefor;

(iii) Bonds paid or deemed to have been paid within the meaning of the Agreement; and

(iv) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Services District and authenticated by the Fiscal Agent pursuant to the Agreement or any Supplemental Agreement.

"Owner" means any person who shall be the registered owner of any Outstanding Bond.

"Parity Bonds" means bonds issued by the District pursuant to the Agreement, for the purpose of accomplishing the defeasance and refunding of a portion of the Outstanding Bonds pursuant to the Agreement, and that are secured by a pledge of and lien upon the Special Tax Revenues and funds pledged in the Agreement for the payment of the Bonds under the Agreement on a parity with the Outstanding Bonds.

"Permitted Investments" means:

(i) Federal Securities; and

(ii) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

(a) U.S. Export-Import Bank
Direct obligations or fully guaranteed certificates of beneficial ownership

(b) Federal Financing Bank

(c) Federal Housing Administration Debentures

(d) General Services Administration
Participation certificates

(e) Government National Mortgage Association (GNMA)
GNMA - guaranteed mortgage-backed bonds
GNMA - guaranteed pass-through obligations

(f) U.S. Maritime Administration
Guaranteed Title XI financing

(g) U.S. Department of Housing and Urban Development
Project Notes
Local Authority Bonds
New Communities Debentures - United States government guaranteed debentures
U.S. Public Housing Notes and Bonds - United States government guaranteed public housing notes and bonds;

(iii) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit United States government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

(a) Federal Home Loan Bank System
Senior debt obligations

(b) Federal Home Loan Mortgage Corporation
Participation Certificates
Senior debt obligations

(c) Federal National Mortgage Association
Mortgage-backed securities and senior debt obligations

(d) Student Loan Marketing Association
Senior debt obligations

(e) Resolution Funding Corporation (REFCORP) obligations

(f) Farm Credit System
Consolidated systemwide bonds and notes;

(iv) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by Standard & Poor's of "AAAm-G," "AAA-m" or "AA-m" and, if rated by Moody's, rated "Aaa," "Aa1" or "Aa2" by Moody's, including funds for which the Fiscal Agent or any of its affiliates provides investment management services;

(v) Unsecured certificates of deposit and time deposits (having maturities of not more than 365 days) of any bank whose short-term obligations are rated on the date of purchase "A-1+" or better by S&P and "P-1" by Moody's, and certificates of deposit (including those of the Fiscal Agent, its parent and its affiliates) secured at all times by collateral of the type that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law and which are issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated on the date of purchase "A-1" or better by S&P and Moody's;

(vi) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF;

(vii) Investment agreements with domestic or foreign banks or corporations the long-term debt or claims paying ability of which or, in the case of a guaranteed corporation, the long-term debt, or, in the case of a monoline financial guaranty insurance company, the claims paying ability or financial strength, of the guarantor is rated in at least the double A category by Standard & Poor's and Moody's; provided that, by the terms of the investment agreement:

(a) interest payments are to be made to the Fiscal Agent at times and in amounts as necessary to pay debt service on the Bonds;

(b) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven (7) days' prior notice;

(c) the investment agreement shall provide that it is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof;

(d) the Services District and the Fiscal Agent receive the opinion of domestic counsel (which opinion shall be addressed to the Services District) that such investment agreement is legal, valid, binding upon and enforceable against the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Services District;

(e) the investment agreement shall provide that if during its term

(1) the provider's rating by either Standard & Poor's or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within ten (10) days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with the applicable state and federal laws (other than by means of entries on the provider's books) to the Services District, the Fiscal Agent or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims, the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to Standard & Poor's and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) assign the investment agreement and all of its obligations thereunder to a financial institution mutually acceptable to the provider and the Services District which is rated either in the first or second highest category by Standard & Poor's and Moody's; and

(2) the provider's rating by either Standard & Poor's or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the Services District or the Fiscal Agent, within ten (10) days of receipt of such direction, repay the principal of and accrued but unpaid interest on the invested funds, in either case with no penalty or premium to the Services District or the Fiscal Agent, as appropriate; and

(f) the investment agreement shall provide and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this shall mean the Holder of the Collateral is in possession of such collateral); and

(g) the investment agreement shall provide that if during its term

(1) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Services District or the Fiscal Agent, be accelerated and amounts invested and accrued but unpaid interest thereon shall be paid to the Services District or the Fiscal Agent, as appropriate; and

(2) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc., the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be paid to the Services District or the Fiscal Agent, as appropriate;

(viii) Commercial paper rated, at the time of purchase, "Prime - 1" by Moody's and "A-1" or better by Standard & Poor's;

(ix) Bonds or notes issued by any state or municipality which are rated by Moody's or Standard & Poor's in one of the two highest rating categories assigned by them;

(x) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime - 1" or "A3" or better by Moody's and "A-1" or better by Standard & Poor's;

(xi) Repurchase agreements which satisfy the following criteria:

(a) Repurchase agreements must be between the Services District or the Fiscal Agent and a dealer bank or securities firm which is:

(1) A primary dealer on the Federal Reserve reporting dealer list which is rated "A" or better by Standard & Poor's and Moody's, or

(2) A bank rated "A" or above by Standard & Poor's and Moody's;

(b) The written agreement must include the following:

(1) Securities which are acceptable for transfer are:

(A) direct obligations of the United States government, or

(B) obligations of federal agencies backed by the full faith and credit of the United States of America (or the Federal National Mortgage Association (FNMA) or the Federal Home Loan Mortgage Corporation (FHLMC)),

(2) The collateral must be delivered to the Services District or the Fiscal Agent (if the Fiscal Agent is not supplying the collateral) or a third party acting as agent for the Fiscal Agent (if the Fiscal Agent is supplying the collateral) before or simultaneous with payment (perfection by possession of certificated securities),

(3) (A) The securities must be valued weekly, marked-to-market at current market price plus accrued interest, and

(B) The value of the collateral must be at least equal to one hundred four percent (104%) of the amount of money transferred by the Fiscal Agent to the dealer, bank or security firm under the agreement plus accrued interest. If the value of the securities held as collateral is reduced below one hundred four percent (104%) of the value of the amount of money transferred by the Fiscal Agent, then additional acceptable securities and/or cash must be provided as collateral to bring the value of the collateral to one hundred four percent (104%); provided, however, that if the securities used as collateral are those of FNMA or FHLMC, then the value of the collateral must be equal to one hundred five percent (105%) of the amount of money transferred by the Fiscal Agent; and

(c) A legal opinion must be delivered to the Services District and the Fiscal Agent that the repurchase agreement meets the requirements of California law with respect to the investment of public funds; and

(xii) The following investment pools:

(a) Local Agency Investment Fund (as set forth in Government Code Section 16429.1);

(b) Riverside County Investment Pool; and

(c) California Assessment Management Pool (CAMP).

"Principal Account" means the account by that name established by the Fiscal Agent pursuant to the Agreement.

"Principal Office" means with respect to the payment, registration, surrender, exchange or transfer of any Bond or Bonds, the principal corporate trust office or agency of the Fiscal Agent in St. Paul, Minnesota, or such other offices as the Fiscal Agent may designate.

"Priority Administrative Expense Amount" means the amount of $12,000 that will be deposited in the Administrative Expense Fund for each Fiscal Year pursuant to the Agreement.

"Proceeds," when used with reference to the Bonds, means the aggregate principal amount of the Bonds, plus accrued interest and premium, if any, less original issue discount, if any.

"Rates and Method of Apportionment of Special Tax" means the Rates and Method of Special Tax for the District.

"Rebate Certificate" means the certificate delivered by the Services District upon the delivery of the Bonds relating to Section 148 of the Code, or any functionally similar replacement certificate.

"Rebate Fund" means the fund by that name established by the Agreement.

"Record Date" means the fifteenth (15th) day of the month next preceding the applicable Interest Payment Date whether or not such day is a Business Day.

"Regulations" means the temporary and permanent regulations of the United States Department of the Treasury promulgated under the Code.

"Reserve Fund" means the fund by that name established by the Agreement.

"Reserve Requirement" equals the least of (i) ten percent (10%) of the proceeds of the sale of the Bonds, (ii) Maximum Annual Debt Service on the Bonds or (iii) 125 percent of average Annual Debt Service on the Bonds. The Reserve Requirement may be reduced on any Calculation Date.

"Resolution" means Resolution adopted by the Board of Directors on April 25, 2022.

"Securities Depositories" means The Depository Trust Company, 55 Water Street, 50th Floor, New York, New York, 10041-0099, Call Notification Department, Fax (212) 855-7232; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other securities depositories as the Services District may designate in an Officer's Certificate delivered to the Fiscal Agent.

"Services District" means Jurupa Community Services District.

"Special Taxes" or "Special Tax" means the special taxes levied by the Board of Directors on parcels of taxable property within the District pursuant to the Act and the Agreement pursuant to the Act and the Agreement to satisfy the Debt Service and Facilities Special Tax Requirement (as defined in the Rates and Method of Apportionment of Special Tax).

"Special Tax Consultant" means an engineer or financial consultant or other such person or firm with expertise in the apportionment and levy of special taxes in community facilities districts which is employed by the Services District to assist the Services District in levying the Special Taxes.

"Special Tax Fund" means the fund by that name established by the Agreement.

"Special Tax Prepayments" means amounts received by the Services District as prepayments of all or a portion of the Special Tax obligation of a parcel of property in the District.

"Special Tax Prepayments Account" means the account by that name established by the Fiscal Agent in the Bond Fund pursuant to the Agreement.

"Special Tax Revenues" means the proceeds of the Special Taxes received by the Services District, including any scheduled payments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes in the amount of said lien and interest and penalties thereon.

"Standard & Poor's" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., a national rating service with offices in New York, New York.

"Subordinate Bonds" means bonds issued by the District pursuant to the Agreement, for the purpose of accomplishing the defeasance and refunding of a portion of the Outstanding Bonds pursuant to the Agreement, and that are secured by a pledge of and lien upon the Special Tax Revenues and funds pledged in the Agreement for the payment of the Bonds subordinate to the Outstanding Bonds under the Agreement.

"Supplemental Agreement" means an agreement amending and supplementing the Agreement as permitted by the Agreement.

"Surplus Account" means the account by that name established in the Special Tax Fund by the Agreement.

"Verification Report" means a report of an Independent Financial Consultant or a Special Tax Consultant certifying the mathematical accuracy of the escrow amount of special tax requirement, as applicable, and as required under the Agreement.

ISSUANCE OF BONDS; APPLICATION OF PROCEEDS;
SPECIAL TAX FUND; ADMINISTRATIVE EXPENSE FUND;
COSTS OF ISSUANCE FUND

Special Tax Fund

(A) Creation of Special Tax Fund. There is established by the Agreement, as a separate account to be held by the Fiscal Agent, the "Community Facilities District No. 31 of Jurupa Community Services District Special Tax Bonds Special Tax Fund" to the credit of which the Services District shall deposit, within ten (10) Business Days after receipt, the Special Tax Revenues received by the Services District. By the Agreement, there is also established in the Special Tax Fund, as a separate account, to be held by the Fiscal Agent, the "Surplus Account" to the credit of which amounts shall be deposited as provided in the Agreement. Moneys in the Special Tax Fund shall be held in trust by the Fiscal Agent for the benefit of the Services District and the Owners of the Bonds, shall be disbursed as provided below and, pending disbursement, shall be subject to a lien in favor of the Owners of the Bonds.

Notwithstanding the foregoing, any amounts received by the Services District which constitute Special Tax Prepayments shall be transferred by the Services District immediately upon receipt to the Fiscal Agent for deposit by the Fiscal Agent in the Special Tax Prepayments Account established pursuant to the Agreement.

(B) Deposit of Surplus Amounts . The Fiscal Agent shall deposit in the Surplus Account the amount of such moneys specified in such Officer's Certificate for deposit in the Surplus Account which are not required for the purposes of the Agreement. The Services District shall apply the amount deposited in the Surplus Account as a credit to the annual installments of the Special Taxes for the then current Fiscal Year.

(C) Disbursements. As soon as practicable after the receipt from the Services District of any Special Tax Revenues, but no later than ten (10) Business Days after such receipt, the Fiscal Agent shall withdraw from the Special Tax Fund and deposit in the Administrative Expense Fund the Priority Administrative Expense Amount. Thereafter, on or before each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Account and the Principal Account of the Bond Fund the amounts required to pay the interest on and principal of the Bonds on such Interest Payment Date, as provided in the Agreement. If after such deposits are made to the Administrative Expense Fund, the Interest Account and the Principal Account there are funds remaining on deposit in the Special Tax Fund (including the Surplus Account), the Services District shall instruct the Fiscal Agent by a written communication from an Authorized Officer (upon which the Fiscal Agent may conclusively rely) to transfer such amount from the Special Tax Fund (including the Surplus Account) to restore the Reserve Fund to the Reserve Requirement if necessary.

On or before the March 1 Interest Payment Date in each Bond Year, if the amount of other moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on the Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account, to the extent of moneys on deposit therein and available for transfer, to and deposit such moneys in the Interest Account of the Bond Fund in an amount not to exceed the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on the Bonds which is due and payable on such Interest Payment Date. On or before the September 1 Interest Payment Date in each Bond Year, if the amount of moneys which is on deposit in the Special Tax Fund is less than the amount of the interest on and principal of the Bonds which is due on such Interest Payment Date, the Fiscal Agent shall transfer moneys from the Surplus Account, to the extent of moneys on deposit therein and available for transfer, to and deposit such moneys in the Interest Account and the Principal Account in amounts not to exceed the amount of the deficiency in the amount of other moneys which are on deposit in the Special Tax Fund, and available for transfer, to pay the full amount of the interest on and principal of the Bonds which is due and payable on such Interest Payment Date.

(D) Investment. Moneys in the Special Tax Fund shall be invested and deposited in accordance with the Agreement. Investment Earnings shall be retained in the Special Tax Fund to be used for the purposes of such accounts.

Administrative Expense Fund

(A) Creation of Administrative Expense Fund. There is established by the Agreement, as a separate account to be held by the Fiscal Agent, the "Community Facilities District No. 31 of Jurupa Community Services District Special Tax Bonds Administrative Expense Fund" to the credit of which deposits shall be made as required by the Agreement. Moneys in the Administrative Expense Fund shall be held in trust by the Fiscal Agent for the benefit of the Services District, and shall be disbursed as provided below.

(B) Disbursement. Amounts in the Administrative Expense Fund shall be withdrawn by the Fiscal Agent and paid to the Services District or its order upon receipt by the Fiscal Agent of an Officer's Certificate stating the amount to be withdrawn, that such amount is to be used to pay an Administrative Expense (or a Cost of Issuance) and the nature of such Administrative Expense (or Cost of Issuance).

Annually, not later than the last day of each Fiscal Year, the Fiscal Agent shall withdraw any amount then remaining in the Administrative Expense Fund that has not been allocated by an Officer's Certificate received by the Fiscal Agent from the Services District to pay Administrative Expenses which are expected to be incurred in the succeeding Fiscal Year prior to the receipt by the Services District of Special Tax Revenues for such succeeding Fiscal Year and transfer such amount to the Surplus Account.

(C) Investment. Subject to the provisions of the Agreement, moneys in the Administrative Expense Fund shall be invested and deposited in accordance with the Agreement. Investment Earnings shall be retained by the Fiscal Agent in the Administrative Expense Fund to be used for the purposes of such fund.

Costs of Issuance Fund

(A) Creation of Costs of Issuance Fund. There is established by the Agreement, as a separate account to be held by the Fiscal Agent, the "Community Facilities District No. 31 of Jurupa Community Services District Special Tax Bonds Costs of Issuance Fund" to the credit of which a deposit shall be made as required by the Agreement. Moneys in the Cost of Issuance Fund shall be held in trust by the Fiscal Agent and shall be disbursed as provided in the Agreement for the payment or reimbursement of Costs of Issuance.

(B) Disbursement. Amounts in the Costs of Issuance Fund shall be disbursed to pay Costs of Issuance, as set forth in a requisition containing respective amounts to be paid to the designated payees, signed by an Authorized Officer and delivered to the Fiscal Agent on the Closing Date. The Fiscal Agent shall pay all Costs of Issuance upon receipt of an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee in such requisition, or upon receipt of an Officer's Certificate requesting payment of a Cost of Issuance not listed on the initial requisition delivered to the Fiscal Agent on the Closing Date. The Fiscal Agent shall maintain the Costs of Issuance Fund for a period of ninety (90) days from the Closing Date and shall then transfer and deposit any moneys remaining therein, including any Investment Earnings thereon, to the Special Tax Fund.

(C) Investment. Moneys in the Costs of Issuance Fund shall be invested and deposited in accordance with the Agreement. Investment Earnings shall be retained by the Fiscal Agent in the Cost of Issuance Fund to be used for the purposes of such fund.

SPECIAL TAX REVENUES; BOND FUND;
RESERVE FUND

Pledge of Special Tax Revenues

The Bonds (including any Parity Bonds that may be issued) shall be secured by a first and prior pledge of and lien upon (which shall be perfected in the manner and to the extent provided in the Agreement) all of the Special Tax Revenues, except the Priority Administrative Expense Amount, all moneys on deposit in the Principal Account and the Interest Account of the Bond Fund, all moneys on deposit in the Surplus Account of the Special Tax Fund, the Special Tax Prepayments Account for the purpose of redeeming Bonds, and all moneys on deposit in the Reserve Fund. The Bonds (including any Parity Bonds that may be issued) shall be equally secured by a pledge of and lien upon the Special Tax Revenues and such moneys without priority for number, date of Bond, date of execution or date of delivery; and the payment of the interest on and principal of the Bonds (including any Parity Bonds that may be issued) and any premium upon the redemption of any thereof shall be and is secured by a first and prior pledge of and lien upon the Special Tax Revenues and such moneys. The Special Tax Revenues and all moneys on deposit in such funds and accounts are dedicated in their entirety to the payment of the principal of the Bonds (including any Parity Bonds that may be issued), and interest and any premium on, the Bonds (including any Parity Bonds that may be issued), as provided in the Agreement and in the Act, until all of the Bonds (including any Parity Bonds that may be issued) have been paid and retired or until moneys or Defeasance Securities have been set aside irrevocably for that purpose in accordance with the Agreement. If Parity Bonds are issued for the purpose of discharging the indebtedness of a portion of the Outstanding Bonds pursuant to the Agreement, the provisions of the Agreement shall apply to such Parity Bonds to the same extent and with the same effect as they apply to the Bonds.

Bond Fund

(A) Deposits. There is established by the Agreement, as a separate account to be held by the Fiscal Agent, the "Community Facilities District No. 31 of Jurupa Community Services District Special Tax Bonds Bond Fund" to the credit of which deposits shall be made as required by the Agreement and any other provision of the Agreement or the Act. Under the Agreement, there are established in the Bond Fund, as separate accounts to be held by the Fiscal Agent, the "Interest Account" and the "Principal Account." By the Agreement, there is

also established in the Bond Fund, as a separate account to be held by the Fiscal Agent, the "Special Tax Prepayments Account" to the credit of which deposits shall be made as required by the Agreement. Moneys in the Bond Fund shall be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds, shall be disbursed for the payment of the principal of, and interest and any premium on, the Bonds as provided below, and, pending such disbursement, shall be subject to a lien in favor of the Owners of the Bonds.

(B) Disbursements.

(1) Bond Fund Disbursements. Not later than five (5) Business Days before each Interest Payment Date, the Fiscal Agent shall transfer from the Special Tax Fund (including the Surplus Account) and deposit into the following respective accounts in the Bond Fund the following amounts in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Special Tax Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) Interest Account. Not later than five (5) Business Days before each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Account the amount required to cause the aggregate amount on deposit in the Interest Account to equal the amount of interest becoming due and payable on the Bonds on such date. No deposit need be made into the Interest Account on any Interest Payment Date if the amount on deposit therein is at least equal to the interest becoming due and payable on the Bonds on such date. All moneys in the Interest Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity). All amounts on deposit in the Interest Account on the first day of any Bond Year, to the extent not required to pay any interest then having become due and payable on the Outstanding Bonds, shall be withdrawn therefrom by the Fiscal Agent and transferred to the Surplus Account.

(b) Principal Account. Not later than five (5) Business Days before each Interest Payment Date which occurs on September 1, the Fiscal Agent shall deposit in the Principal Account the amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal amount of the Bonds becoming due and payable on such Interest Payment Date pursuant to the Agreement, or the redemption price of the Bonds (consisting of the principal amount thereof and any applicable redemption premium) required to be redeemed on such date pursuant to any of the provisions of the Agreement. All moneys in the Principal Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of (i) paying the principal of the Bonds at the maturity thereof, or (ii) paying the principal of and premium (if any) on any Bonds upon the redemption thereof pursuant to the Agreement. All amounts on deposit in the Principal Account on the first day of any Bond Year (i.e., September 2), to the extent not required to pay the principal of any Outstanding Bonds then having become due and payable on the Outstanding Bonds shall be withdrawn therefrom by the Fiscal Agent and transferred to the Surplus Account.

On the first Business Day following each Interest Payment Date, the Fiscal Agent shall transfer any moneys remaining on deposit in the Bond Fund (including the Interest Account and the Principal Account) other than moneys on deposit in the Special Tax Prepayments Account, to the Surplus Account.

In the event that moneys on deposit in the Special Tax Fund, including moneys on deposit in the Surplus Account, will be insufficient on any Interest Payment Date for the Fiscal Agent to deposit the required amounts in the Interest Account and the Principal Account, as provided above, the Fiscal Agent shall deposit the available funds first to the Interest Account up to the full amount required to

cause the aggregate amount on deposit therein to equal the amount of interest becoming due and payable on the Bonds on the Interest Payment Date, and shall then deposit the remaining available funds in the Special Tax Fund, including funds on deposit in the Surplus Account, to the Principal Account up to the full amount required to cause the aggregate amount on deposit therein to equal the amount, if any, of principal becoming due and payable on the Bonds on the Interest Payment Date. If, after making such deposits to the Interest Account and the Principal Account, and after transferring moneys from the Reserve Fund to such accounts, as provided in the Agreement, the amount on deposit in the Principal Account is insufficient to pay the full amount of the principal of each of the Bonds which is to be redeemed on the Interest Payment Date, the Fiscal Agent shall make a prorated payment of the principal of each of such Bonds as specified in an Officer's Certificate provided to the Fiscal Agent.

In the event that moneys on deposit in the Special Tax Fund, including moneys on deposit in the Surplus Account, will be insufficient on any Interest Payment Date for the Fiscal Agent to deposit the required amounts in the Interest Account and Principal Account as provided above, the Fiscal Agent may timely withdraw moneys from the Reserve Fund to pay Debt Service on the Bonds.

(2) Special Tax Prepayments Account Deposits and Disbursements. Within ten (10) Business Days after receiving a Special Tax Prepayment, the Services District shall deliver the amount thereof to the Fiscal Agent, together with an Officer's Certificate notifying the Fiscal Agent that the amount being delivered is a Special Tax Prepayment which is to be deposited in the Special Tax Prepayments Account. Upon receiving a Special Tax Prepayment from the Services District and such an Officer's Certificate, the Fiscal Agent shall (i) deposit the amount of the Special Tax Prepayment in the Special Tax Prepayments Account. Such an Officer's Certificate may be combined with the Officer's Certificate which the Services District is required to deliver to the Fiscal Agent pursuant to the Agreement. A portion of the moneys on deposit in the Special Tax Prepayments Account shall be transferred by the Fiscal Agent, upon receipt of an Officer's Certificate directing such transfer and specifying the amount to be transferred (upon which the Fiscal Agent may conclusively rely), to the Principal Account on the next date for which notice of the redemption of the Bonds can timely be given under the Agreement and shall be used to redeem the Bonds on the redemption date selected in accordance with the Agreement. The portion of the moneys on deposit in the Special Tax Prepayments Account representing funded interest on a portion of the Outstanding Bonds shall be transferred by the Fiscal Agent, upon receipt of an Officer's Certificate directing such transfer and specifying the amount to be transferred (upon which the Fiscal Agent may conclusively rely), to the Interest Account on or before each Interest Payment Date prior to and including the Interest Payment Date on which the redemption of such Bonds will occur. Pending such transfers, the moneys on deposit in the Special Tax Prepayments Account shall be invested in Permitted Investments of such type and at such yield as Bond Counsel may determine is necessary to preserve the exclusion of interest on the Bonds from gross income for purposes of federal income taxation. Investment Earnings from such Permitted Investments shall be retained by the Fiscal Agent in the Special Tax Prepayments Account.

(C) Investment. Moneys in the Bond Fund, including all accounts therein, shall be invested and deposited in accordance with the Agreement. Investment Earnings shall be retained in the Bond Fund, except to the extent they are required to be deposited by the Fiscal Agent in the Rebate Fund in accordance with the Agreement. Investment earnings with respect to moneys in the Special Tax Prepayments Account shall be retained therein as specified in the Agreement.

Reserve Fund

(A) Creation of Fund. There is established by the Agreement, as a separate account to be held by the Fiscal Agent, the "Community Facilities District No. 31 of Jurupa Community Services District Special Tax Bonds Reserve Fund" to the credit of which a deposit shall be made as required by the Agreement. Moneys in the Reserve Fund shall be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds as a reserve

for the payment of the principal of and interest and any premium on the Bonds and shall be subject to a lien in favor of the Owners of the Bonds.

(B) Use of Fund. Except as otherwise provided in the Agreement, all amounts on deposit in the Reserve Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Interest Account and the Principal Account of the Bond Fund in the event of any deficiency at any time in either of such accounts of the amount then required for payment of the principal of and interest and any premium on the Bonds or, in accordance with the provisions of the Agreement, for the purpose of redeeming Bonds.

(C) Transfer Due to Deficiency in Interest and Principal Accounts. Whenever transfer is made from the Reserve Fund to the Interest Account or the Principal Account due to a deficiency in either such account, the Fiscal Agent shall provide written notice thereof to the Services District.

(D) Transfer When Balance Exceeds Outstanding Bonds or Upon Final Maturity of Bonds. Whenever the balance in the Reserve Fund is equal to or exceeds the amount required to redeem or pay the Outstanding Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, the Fiscal Agent shall, upon receiving written direction from an Authorized Officer (upon which the Fiscal Agent may conclusively rely), transfer the amount in the Reserve Fund to the Interest Account and the Principal Account to be applied, on the next succeeding Interest Payment Date, to the payment and redemption, in accordance with the Agreement, as applicable, of all of the Outstanding Bonds. In the event that the amount available to be so transferred from the Reserve Fund to the Interest Account and the Principal Account exceeds the amount required to pay and redeem the Outstanding Bonds, the excess shall be transferred to the Services District to be used for any lawful purpose of the Services District. On September 2 prior to the final maturity of the Bonds on the following September 1, the Fiscal Agent shall credit the Reserve to the Bond Fund as a credit toward the payment of the principal of and interest on the Bonds.

(E) Restoration of Amounts Withdrawn From Reserve Fund. The Services District shall be obligated to restore the Reserve Fund to the Reserve Requirement from the collection of delinquent installments of the Special Taxes levied on parcels in the District for which such installments are delinquent, and penalties and interest thereon, whether by judicial foreclosure proceedings or otherwise, within five (5) Business Days following the receipt by the Services District of such delinquent installments, penalties and interest. Upon receipt of any such delinquent installments of the Special Taxes, penalties and interest, the Services District shall, notwithstanding the provisions of the Agreement, restore the Reserve Fund to the Reserve Requirement.

The Services District shall also be obligated, under the conditions and subject to the limitations specified in the Agreement, to include in the levy of the Special Taxes for the next Fiscal Year the amount required to restore the Reserve Fund to the Reserve Requirement.

(F) Transfers on Payment of Special Tax Obligations. Whenever the Services District receives a Special Tax Prepayment for a lot or parcel of property within the District, the Services District shall by an Officer's Certificate notify the Fiscal Agent thereof and of the amount by which the Reserve Fund is to be reduced and which is transferable from the Reserve Fund to the Principal Account of the Bond Fund, which amount shall be specified in the Officer's Certificate. Each such Officer's Certificate shall be accompanied by a Verification Report verifying the accuracy of the calculation of the amount to be transferred from the Reserve Fund to the Principal Account.

Payment Procedure Under the Insurance Policy

(a) In the event that principal and/or interest due on the Bonds shall be paid by the Insurer pursuant to the Insurance Policy, the Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Services District, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the Services District to the Owners shall continue to exist and shall run to the benefit of the Insurer, and the Insurer shall be subrogated to the rights of such Owners.

In the event that on the second (2nd) business day prior to any payment date on the Bonds, the Fiscal Agent has not received sufficient moneys to pay all principal of and interest on the Bonds due on such payment date, the Fiscal Agent shall immediately notify the Insurer or its designee on the same business day by telephone or electronic mail, of the amount of the deficiency. If any deficiency is made up in whole or in part prior to or on the payment date, the Fiscal Agent shall so notify the Insurer or its designee.

In addition, if the Fiscal Agent has notice that any Owner of the Bonds has been required to disgorge payments of principal of or interest on the Bonds pursuant to a final, non-appealable order by a court of competent jurisdiction that such payment constitutes an avoidable preference to such holder within the meaning of any applicable bankruptcy law, then the Fiscal Agent shall notify the Insurer or its designee of such fact by telephone or electronic mail, or by overnight or other delivery service as to which a delivery receipt is signed by a person authorized to accept delivery on behalf of the Insurer.

(b) The Fiscal Agent shall irrevocably be designated, appointed, directed and authorized to act as attorney-in-fact for holders of the Bonds as follows:

1) If there is a deficiency in amounts required to pay interest and/or principal on the Bonds, the Fiscal Agent shall (i) execute and deliver to the Insurer, in form satisfactory to the Insurer, an instrument appointing the Insurer as agent and attorney-in-fact for such Owners of the Bonds in any legal proceeding related to the payment and assignment to the Insurer of the claims for interest on the Bonds, (ii) receive as designee of the respective Owners (and not as Paying Agent) in accordance with the tenor of the Insurance Policy payment from the Insurer with respect to the claims for interest so assigned, (iii) segregate all such payments in a separate account (the "BAM Policy Payment Account") to only be used to make scheduled payments of principal of and interest on the Bonds, and (iv) disburse the same to such respective Owners; and

2) If there is a deficiency in amounts required to pay principal of the Bonds, the Fiscal Agent shall (i) execute and deliver to the Insurer, in form satisfactory to the Insurer, an instrument appointing the Insurer as agent and attorney-in-fact for such holder of the Bonds in any legal proceeding related to the payment of such principal and an assignment to the Insurer of the Bonds surrendered to the Insurer, (ii) receive as designee of the respective Owners (and not as Paying Agent) in accordance with the tenor of the Insurance Policy payment therefore from the Insurer, (iii) segregate all such payments in the BAM Policy Payment Account to only be used to make scheduled payments of principal of and interest on the Bonds, and (iv) disburse the same to such Owners.

The Fiscal Agent shall designate any portion of payment of principal on Bonds paid by the Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Bonds registered to the then current Owner, whether DTC or its nominee or otherwise, and shall issue a replacement Bonds to the Insurer, registered in the name directed by the Insurer, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Fiscal Agent's failure to so designate any payment or issue any replacement Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Bond or the subrogation or assignment rights of the Insurer.

Payments with respect to claims for interest on and principal of Bonds disbursed by the Fiscal Agent from proceeds of the Insurance Policy shall not be considered to discharge the obligation of the Services District with respect to such Bonds, and the Insurer shall become the owner of such unpaid Bonds and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of the preceding paragraphs or otherwise. The Agreement shall not be discharged or terminated unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.

Irrespective of whether any such assignment is executed and delivered, the Services District and the Fiscal Agent agree for the benefit of the Insurer that:

a) They recognize that to the extent the Insurer makes payments directly or indirectly (e.g., by paying through the Fiscal Agent), on account of principal of or interest on the Bonds, the Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the District, with interest thereon, as provided and solely from the sources stated in the Agreement and the Bonds; and

b) They will accordingly pay to the Insurer the amount of such principal and interest, with interest thereon as provided in the Agreement and the Bonds, but only from the sources and in the manner provided therein for the payment of principal of and interest on the Bonds to Owners, and will otherwise treat the Insurer as the owner of such rights to the amount of such principal and interest.

c) Additional Payments. The Services District agrees unconditionally that it will pay or reimburse the Insurer on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that the Insurer may pay or incur, including, but not limited to, fees and expenses of the Insurer's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of the Agreement ("Administrative Costs"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of the Insurer spent in connection with the actions described in the preceding sentence. The Services District agrees that failure to pay any Administrative Costs on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to the Insurer until the date the Insurer is paid in full.

Notwithstanding anything to the contrary in the Agreement, the Services District agrees to pay, solely from Special Tax Revenues, to the Insurer (i) a sum equal to the total of all amounts paid by the Insurer under the Insurance Policy ("BAM Policy Payment"); and (ii) interest on such BAM Policy Payments from the date paid by the Insurer until payment thereof in full by the Services District payable to the Insurer at the Late Payment Rate per annum (collectively, "BAM Reimbursement Amounts") compounded semi-annually. Notwithstanding anything to the contrary, including without limitation the post default application of revenue provisions, BAM Reimbursement Amounts shall be, and the Services District covenants and agrees that the BAM Reimbursement Amounts are, payable from and secured by a lien on and pledge of Special Tax Revenues pledged to the Bonds on a parity with debt service due on the Bonds.

d) Debt Service Reserve Fund. The prior written consent of the Insurer shall be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Debt Service Reserve Fund, if any. Amounts on deposit in the Debt Service Reserve Fund shall be applied solely to the payment of debt service due on the Bonds.

e) Exercise of Rights by the Insurer. The rights granted to the Insurer under the Agreement to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the holders of the Bonds and such action does not evidence any position of the Insurer, affirmative or negative, as to whether the consent of the holders of the Bonds or any other person is required in addition to the consent of the Insurer.

f) No contract shall be entered into or any action taken by which the rights of the Insurer or security for or source of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.

g) If an event of default occurs under any agreement pursuant to which any obligation of the Services District has been incurred or issued and that permits the holder of such obligation or trustee to accelerate the obligation or otherwise exercise rights or remedies that are adverse to the interest of the Owners of the Bonds or the Insurer, as the Insurer may determine in its sole discretion, then an event of default shall be deemed to have occurred under the Agreement for which the Insurer or the Fiscal Agent, at the direction of the Insurer, shall be entitle to exercise all available remedies under the Agreement, at law and in equity. For purposes of the foregoing "Obligation" shall mean any bonds, loans, certificates, installment or lease payments or similar obligations that are payable and/or secured on a parity or subordinate basis to the Bonds.

Additional Bond Insurance Provisions

(a) Notwithstanding the provisions of the Agreement, any amendments or supplements to the Agreement shall require the prior written consent of the Insurer with the exception of amendments or supplements:

i. To cure any ambiguity or formal defect or omissions or to correct any inconsistent provisions in the Agreement or in any supplement thereto, or

ii. To grant or confer upon the holders of the Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the holders of the Bonds, or

iii. To add to the conditions, limitations and restrictions on the issuance of bonds or other obligations under the provisions of the Agreement or other conditions, limitations and restrictions thereafter to be observed, or

iv. To add to the covenants and agreements of the District and the Services District in the Agreement or other covenants and agreements thereafter to be observed by the District or the Services District or to surrender any right or power therein reserved to or conferred upon the District or the Services District.

v. To issue additional parity debt in accordance with the requirements set forth in the Agreements (unless otherwise specified in the Agreement).

b) *Consent of the Insurer in Addition to Bondholder Consent*. Whenever the Agreement requires the consent of holders of Bonds, the Insurer's consent shall also be required. In addition, any amendment, supplement, modification to, or waiver of, any of the Agreement that adversely affects the rights or interests of the Insurer shall be subject to the prior written consent of the Insurer.

c) *Insolvency*. Any reorganization or liquidation plan with respect to the District or the Services District must be acceptable to the Insurer. The Fiscal Agent and each owner of the Bonds appoint the Insurer as their agent and attorney-in-fact with respect to the Bonds and agree that the Insurer may at any time during the continuation of any proceeding by or against the District or the Services District under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Fiscal Agent and each owner of the Bonds delegate and assign to the Insurer, to the fullest extent permitted by law, the rights of the Fiscal Agent and each owner of the Bonds with respect to the Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to

an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

d) *Control by the Insurer Upon Default*. Anything in the Agreement to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, the Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Bonds or the Fiscal Agent for the benefit of the holders of the Bonds under the Agreement. No default or event of default may be waived without the Insurer's written consent.

e) *The Insurer as Owner*. Upon the occurrence and continuance of a default or an event of default, the Insurer shall be deemed to be the sole owner of the Bonds for all purposes under the Agreement, including, without limitations, for purposes of exercising remedies and approving amendments.

f) *Grace Period for Payment Defaults*. No grace period shall be permitted for payment defaults on the Bonds. No grace period for a covenant default shall exceed 30 days without the prior written consent of the Insurer.

(g) *Special Provisions for Insurer Default*. If an Insurer Default shall occur and be continuing, then, notwithstanding anything in the Agreement to the contrary, (1) if at any time prior to or following an Insurer Default, the Insurer has made payment under the Insurance Policy, to the extent of such payment the Insurer shall be treated like any other holder of the Bonds for all purposes, including giving of consents, and (2) if the Insurer has not made any payment under the Insurance Policy, the Insurer shall have no further consent rights until the particular Insurer Default is no longer continuing or the Insurer makes a payment under the Insurance Policy, in which event, the foregoing clause (1) shall control. For purposes of this paragraph, "Insurer Default" means: (A) the Insurer has failed to make any payment under the Insurance Policy when due and owing in accordance with its terms; or (B) the Insurer shall (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality shall order the suspension of payments on the Insurance Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of the Insurer (including without limitation under the New York Insurance Law).

(h) *Notice and Other Information to be given to the Insurer*. The Services District will provide the Insurer with all notices and other information it is obligated to provide (i) under its Continuing Disclosure Agreement and (ii) to the holders of the Bonds or the Fiscal Agent under the Agreement. The Services District will notify the Insurer of any change in ratings on the Bonds.

The notice address of the Insurer is: Build America Mutual Assurance Company, 200 Liberty Street, 27th Floor, New York, NY 10281, Attention: Surveillance, Re: Policy No. , Telephone: (212) 235-2500, Telecopier: (212) 235-1542, Email: notices@buildamerica.com. In each case in which notice or other communication refers to an event of default or a claim on the Insurance Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

OTHER COVENANTS OF THE SERVICES DISTRICT

Punctual Payment

The Services District will punctually pay or cause to be paid the principal of and interest and any premium on the Bonds when and as due in strict conformity with the terms of the Agreement and any Supplemental Agreement to the extent that the Special Tax Revenues are available therefor, and it will faithfully observe and perform all of the conditions, covenants and requirements of the Agreement and all Supplemental Agreements and of the Bonds.

Special Obligation

The Bonds are special obligations of the Services District and the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in the Bond Fund, the Reserve Fund and the Special Tax Fund, including the Surplus Account.

Extension of Time for Payment

In order to prevent any accumulation of claims for interest after maturity, the Services District shall not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Bonds and shall not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the Services District, such claim for interest so extended or funded shall not be entitled, in case of default under the Agreement, to the benefits of the Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Against Encumbrances

The Services District shall not encumber, pledge or place any charge or lien upon any of the Special Tax Revenues or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien created in the Agreement for the benefit of the Bonds, except as permitted by the Agreement.

Books and Accounts

The Services District shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Services District in which complete and correct entries shall be made of all transactions relating to the expenditure of amounts disbursed from the Administrative Expense Fund. Such books of record and accounts shall at all times during business hours, upon reasonable notice, be subject to the inspection of the Fiscal Agent (which shall have no duty to inspect) and the Owners of not less than ten percent (10%) of the aggregate principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Protection of Security and Rights of Owners

The Services District will preserve and protect the security of the Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the delivery of any of the Bonds by the Services District, the Bonds shall be incontestable by the Services District.

Collection of Special Tax Revenues

The Services District shall comply with all requirements of the Act, including the enactment of necessary Ordinances, so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of the payment or collection of delinquent Special Taxes.

On or within five (5) Business Days of May 1 of each year, the Fiscal Agent shall provide the Services District with a notice stating the amount then on deposit in the Special Tax Fund, the Bond Fund and the Reserve Fund. The receipt of such notice by the Services District or the failure of the Fiscal Agent to give such notice shall in no way affect the obligations of the Services District under the following two paragraphs. The Fiscal Agent shall have no liability if it does not provide such notice to the Services District. Upon receipt of such notice, the Services District shall communicate with the Auditor to ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits during the preceding and then current Fiscal Year.

The Services District shall effect the levy of the Special Taxes each Fiscal Year in accordance with the Act by August 1 of each year (or such later date as may be authorized by the Act or any amendment thereof) that the Bonds are Outstanding, such that the computation of the levy is complete before the final date on which the Auditor will accept the transmission of the Special Tax amounts for the parcels within the District for inclusion on the tax roll for the Fiscal Year then beginning. Upon the completion of the computation of the amounts of the levy of the Special Taxes, the Services District shall prepare or cause to be prepared, and shall transmit to the Auditor, such data as the Auditor requires to include the levy of the Special Taxes on the tax roll. Notwithstanding the preceding provisions of this paragraph, the Board of Directors may elect, as permitted by the Act, to collect the Special Taxes to be levied for any Fiscal Year directly from the owners of the parcels of taxable property upon which the Special Taxes are levied rather than by transmitting the Special Taxes to the Auditor for collection on the tax roll; provided that, in such event, the Services District shall otherwise comply with the provisions of the Agreement.

The Services District shall fix and levy the amount of Special Taxes within the District required for the payment of the principal of and interest on any Outstanding Bonds becoming due and payable during the ensuing calendar year, including any necessary replenishment or expenditure of the Reserve Fund, and the amount estimated to be sufficient to pay the Administrative Expenses during such calendar year. In levying the Special Taxes to replenish the Reserve Fund, and if the Services District determines that such amounts were withdrawn as a result of delinquencies in the payment of Special Taxes levied on parcels in the District, the Services District shall, to the extent legally permissible, include in the levy of the Special Taxes for the following Fiscal Year, the amount necessary to restore Reserve Fund to the Reserve Requirement. The Special Taxes so levied shall not, in any event, exceed the maximum amounts provided for in the Rates and Method of Apportionment of Special Tax.

The Special Taxes shall be payable and be collected (except in the event of judicial foreclosure proceedings pursuant to the Agreement) in the same manner and at the same time and in the same installments as the general taxes on real property are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property.

The Services District will not, in collecting the Special Taxes or in processing any such judicial foreclosure proceedings, exercise any authority which it has pursuant to Sections 53340, 53344.1, 53356.1 and 53356.8 of the California Government Code in any manner which would materially and adversely affect the interests of the Bondowners and, in particular, will not permit the tender of Bonds in full or partial payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the Services District having insufficient Special Tax Revenues to pay the principal of and interest on the Bonds remaining Outstanding following such tender.

Reduction of Maximum Special Tax Rates

The Services District covenants that, to the extent that it is legally permitted to avoid doing so, it will not initiate and conduct proceedings to reduce the maximum rates of Special Taxes which are authorized to be levied on taxable parcels of property within the District (the "Maximum Rates").

The Services District further covenants that in the event an ordinance is adopted by initiative pursuant to Section 3 of Article XIII C of the California Constitution, which purports to reduce or otherwise alter the Maximum Rates, it will commence and pursue legal action seeking to preserve its ability to comply with its covenant contained in the preceding paragraph.

Further Assurances

The Services District will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Agreement, and for better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in the Agreement.

Tax Covenants

The Services District covenants that:

(A) It will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of the initial issuance and delivery of the Bonds, would have caused any of the Bonds to be "arbitrage bonds" within the meaning of Section 103(b) and Section 148 of the Code;

(B) It will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance and delivery of the Bonds, would result in loss of exclusion from gross income for purposes of federal income taxation under Section 103(a) of the Code of interest paid with respect to the Bonds;

(C) It will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance and delivery of the Bonds, would have caused any of the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code;

(D) It will comply with the Rebate Certificate as a source of guidance for achieving compliance with the Code; and

(E) In order to maintain the exclusion from gross income for purposes of federal income taxation of interest paid with respect to the Bonds, it will comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Code.

The covenants of the Services District contained in the Agreement shall survive the payment, redemption or defeasance of Bonds pursuant to the Agreement.

Covenant to Foreclose

The Services District covenants with and for the benefit of the Owners of the Bonds as follows: (i) it will order, and cause to be commenced, judicial foreclosure proceedings against properties in the District with delinquent Special Taxes in excess of $5,000 by the October 1 following the close of the Fiscal Year in which such Special Taxes were due, and (ii) it will commence judicial foreclosure proceedings against all properties in the District with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it

receives Special Taxes in an amount which is less than ninety-five percent (95%) of the total Special Taxes levied, and diligently pursue to completion such foreclosure proceedings.

Prepayment of Special Taxes

The Services District shall cause all applications of owners of property in the District to prepay and satisfy the Special Tax obligation for their property to be reviewed by the Special Tax Consultant and shall not accept any such prepayment unless such consultant certifies in writing that the total amount of the Maximum Special Tax for Debt Service and Facilities (as defined in the Rates and Method of Apportionment of Special Tax) that may be levied on Taxable Property both prior to and after the proposed prepayment is and will be at least 1.1 times the amount of Maximum Annual Debt Service on all Outstanding Bonds plus the Priority Administrative Expense Amount. For purposes of the Agreement, Taxable Property means all parcels of property in the District that are not exempt from the levy of the Special Tax pursuant to the Act or the Rates and Method of Apportionment of Special Tax.

Calculation of Prepayments

The Services District will cause all Special Tax Prepayments to be calculated to include the amount of the premium on the Outstanding Bonds that will be redeemed with the Special Tax Prepayment and negative arbitrage on the investment of the Special Tax Prepayment from the date of receipt until the Interest Payment Date upon which the Special Tax Prepayment and the amount to be transferred from the Reserve Fund to the Principal Account pursuant to the Agreement will be used to redeem Outstanding Bonds pursuant to the Agreement. The Services District will not include in any calculation of the amount of any Special Tax Prepayment for any parcel of taxable property in the District a proportionate amount of the Reserve Requirement.

**INVESTMENTS; DISPOSITION OF INVESTMENT PROCEEDS;
LIABILITY OF THE SERVICES DISTRICT**

Deposit and Investment of Moneys in Funds

Subject in all respects to the provisions of the Agreement, moneys in any fund or account created or established by the Agreement and held by the Fiscal Agent shall be invested by the Fiscal Agent in Permitted Investments, as directed pursuant to an Officer's Certificate filed with the Fiscal Agent at least two (2) Business Days in advance of the making of such investments. In the absence of any such Officer's Certificate, the Fiscal Agent shall invest any such moneys in Permitted Investments described in paragraph (iv) of the definition of Permitted Investments in the Agreement. The Fiscal Agent shall not have any responsibility for determining the legality of any Permitted Investments. The Fiscal Agent shall have no obligation to pay additional interest or maximize investment income on any funds held by it. Neither the Services District nor the Owners of the Bonds shall have any claim of any kind against the Fiscal Agent in connection with investments properly made pursuant to the Agreement. Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account, subject, however, to the requirements of the Agreement for transfer of Investment Earnings in funds and accounts.

The Fiscal Agent and its affiliates may act as sponsor, advisor, depository, principal or agent in the holding, acquisition or disposition of any investment. The Fiscal Agent shall not incur any liability for losses arising from any investments made pursuant to the Agreement. For purposes of determining the amount on deposit in any fund or account held under the Agreement, all Permitted Investments credited to such fund or account shall be valued at the cost thereof (excluding accrued interest and brokerage commissions, if any).

Subject in all respects to the provisions of the Agreement, investments in any and all funds and accounts may be commingled in a single fund for purposes of making, holding and disposing of investments, notwithstanding provisions in the Agreement for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Fiscal Agent under the Agreement, provided that the Fiscal Agent

shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in the Agreement.

The Fiscal Agent shall sell at the highest price reasonably obtainable (provided that the highest of any three bids received by the Fiscal Agent shall be deemed the highest price reasonably obtainable), or present for redemption, any investment security whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited, and the Fiscal Agent shall not be liable or responsible for any loss resulting from the acquisition or disposition of any such investment security in accordance with the Agreement.

The Services District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Services District the right to receive brokerage confirmations of security transactions as they occur, the Services District specifically waives receipt of such confirmations to the extent permitted by law. The Fiscal Agent shall furnish the Services District period cash transaction statements which include detail for all investment transactions made by the Fiscal Agent under the Agreement.

The Fiscal Agent may make any investments under the Agreement through its own bond or investment department or trust investment department, or those of its parent or any affiliate.

Rebate Fund; Rebate to the United States

By the Agreement, there is created, to be held by the Fiscal Agent, as a separate account distinct from all other funds and accounts held by the Fiscal Agent under the Agreement, the Rebate Fund. The Fiscal Agent shall, in accordance with written directions received from an Authorized Officer, deposit into the Rebate Fund moneys transferred by the Services District to the Fiscal Agent pursuant to the Rebate Certificate or moneys transferred by the Fiscal Agent from the Bond Fund or the Reserve Fund. The Rebate Fund shall be held either uninvested or invested only in Federal Securities at the written direction of the Services District. Moneys on deposit in the Rebate Fund shall be applied only to payments made to the United States, to the extent such payments are required by the Rebate Certificate. The Fiscal Agent shall, upon written request and direction of the Services District, make such payments to the United States.

The Fiscal Agent's sole responsibilities under the Agreement are to follow the written instructions of the Services District pertaining to the Agreement. The Services District shall be responsible for any fees and expenses incurred by the Fiscal Agent pursuant to the Agreement.

The Fiscal Agent shall, upon written request and direction from the Services District, transfer to or upon the order of the Services District any moneys on deposit in the Rebate Fund in excess of the amount, if any, required to be maintained or held therein in accordance with the Rebate Certificate.

Liability of Services District

The Services District shall not incur any responsibility in respect of the Bonds or the Agreement other than in connection with the duties or obligations explicitly in the Agreement or in the Bonds assigned to or imposed upon it. The Services District shall not be liable in connection with the performance of its duties under the Agreement, except for its own negligence or willful default. The Services District shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements of the Fiscal Agent in the Agreement or of any of the documents executed by the Fiscal Agent in connection with the Bonds.

In the absence of bad faith, the Services District may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Services District and conforming to the requirements of the Agreement. The Services District shall not be liable for any

error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

No provision of the Agreement shall require the Services District to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Special Tax Revenues) in the performance of any of its obligations under the Agreement, or in the exercise of and of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Services District may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Services District may consult with counsel, who may be counsel to the Services District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under the Agreement in good faith and in accordance therewith.

Whenever in the administration of its duties under the Agreement the Services District shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Agreement, such matter (unless other evidence in respect thereof be specifically prescribed in the Agreement) may, in the absence of willful misconduct on the part of the Services District, be deemed to be conclusively proved and established by a certificate of the Fiscal Agent, and such certificate shall be full warranty to the Services District for any action taken or suffered under the provisions of the Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the Services District may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Employment of Agents by Services District

In order to perform its duties and obligations under the Agreement, the Services District may employ such persons or entities as it deems necessary or advisable. The Services District shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith under the Agreement, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations and directions of such persons or entities.

THE FISCAL AGENT

Appointment of Fiscal Agent

U.S. Bank Trust Company National Association, is appointed Fiscal Agent, registrar and paying agent for the Bonds by the Agreement. The Fiscal Agent undertakes to perform such duties, and only such duties, as are specifically set forth in the Agreement, and no implied covenants or obligations shall be read into the Agreement against the Fiscal Agent.

Any company into which the Fiscal Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Fiscal Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under the Agreement, shall be the successor to the Fiscal Agent without the execution or filing of any paper or any further act, anything in the Agreement to the contrary notwithstanding.

The Services District may remove the Fiscal Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least $250,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of

condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of the Agreement, the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Insurer shall receive prior written notice of any name change of the Fiscal Agent, or the resignation or removal of the Fiscal Agent.

The Fiscal Agent may at any time resign by giving written notice to the Services District and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, the Services District shall promptly appoint a successor Fiscal Agent by an instrument in writing. Any resignation or removal of the Fiscal Agent shall become effective upon acceptance of appointment by the successor Fiscal Agent. No removal, resignation or termination of the Fiscal Agent shall take effect until a successor, meeting the requirements above or acceptable to the Insurer, shall be qualified and appointed.

If no appointment of a successor Fiscal Agent shall be made pursuant to the provisions of the Agreement within forty-five (45) days after the Fiscal Agent shall have given to the Services District written notice or after a vacancy in the office of the Fiscal Agent shall have occurred by reason of its inability to act, the Fiscal Agent, at the expense of the Services District, or any Owner may apply to any court of competent jurisdiction to appoint a successor Fiscal Agent. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Fiscal Agent.

Liability of Fiscal Agent

The recitals of facts, covenants and agreements in the Agreement and in the Bonds contained shall be taken as statements, covenants and agreements of the Services District and the District, and the Fiscal Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of the Agreement or of the Bonds, nor shall the Fiscal Agent incur any responsibility in respect thereof, other than in connection with the duties or obligations in the Agreement or in the Bonds assigned to or imposed upon it. The Fiscal Agent shall not be liable in connection with the performance of its duties under the Agreement, except for its own negligence or willful misconduct. The Fiscal Agent assumes no responsibility or liability for any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

In the absence of bad faith, the Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Fiscal Agent and conforming to the requirements of the Agreement. Except as provided above in this paragraph, the Fiscal Agent shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of the Agreement, upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of the Agreement, and the Fiscal Agent shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

The Fiscal Agent shall not be liable for any error of judgment made in good faith by the Fiscal Agent unless it shall be proved that the Fiscal Agent was negligent in ascertaining the pertinent facts.

No provision of the Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties under the Agreement, or in the exercise of any of its rights or powers.

The Fiscal Agent shall not be responsible for accounting for, or paying to, any party to the Agreement, including, but not limited to the Services District and the Owners, any returns on or benefit from funds held for payment of unredeemed Bonds or outstanding checks and no calculation of the same shall affect, or result in any offset against, fees due to the Fiscal Agent under the Agreement.

The Fiscal Agent shall be under no obligation to exercise any of the rights or powers vested in it by the Agreement at the request or direction of any of the Owners pursuant to the Agreement unless such Owners shall have offered to the Fiscal Agent reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

The Fiscal Agent may become the owner of the Bonds with the same rights it would have if it were not the Fiscal Agent.

All indemnification and releases from liability granted in the Agreement to the Fiscal Agent shall extend to the directors, officers and employees of the Fiscal Agent.

Information

The Fiscal Agent shall provide to the Services District such information relating to the Bonds and the funds and accounts maintained by the Fiscal Agent under the Agreement as the Services District shall reasonably request, including, but not limited to, quarterly statements reporting funds held and transactions by the Fiscal Agent.

Notice to Fiscal Agent

The Fiscal Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Fiscal Agent may consult with counsel, who may be counsel to the Services District, with regard to legal questions, and the advice or opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Fiscal Agent under the Agreement in good faith and in accordance therewith.

Whenever in the administration of its duties under the Agreement the Fiscal Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Agreement, such matter (unless other evidence in respect thereof be specifically prescribed in the Agreement) may, in the absence of willful misconduct on the part of the Fiscal Agent, be deemed to be conclusively proved and established by a certificate of the Services District, and such certificate shall be full warranty to the Fiscal Agent for any action taken or suffered under the provisions of the Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the Fiscal Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Compensation, Indemnification

The Services District shall pay to the Fiscal Agent from time to time reasonable compensation for all services rendered as Fiscal Agent under the Agreement, and also all reasonable expenses, charges, fees and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of its powers and duties under the Agreement, and the Fiscal Agent shall have a first priority lien therefor on any funds at any time held by it under the Agreement, and the Fiscal Agent shall pay and reimburse all expenses, charges, fees and other disbursements, including those of its attorneys, agents and employees, incurred in connection therewith from the funds held by it under the Agreement. The Services District further agrees, to the extent permitted by applicable law, to indemnify and save the Fiscal Agent, its officers, employees, directors and agents, harmless against any liabilities which it may incur in the exercise and performance of its powers and duties under the Agreement which are not due to its negligence or willful misconduct. The obligation of the

Services District under the Agreement shall survive resignation or removal of the Fiscal Agent under the Agreement and payment of the Bonds and discharge of the Agreement.

Books and Accounts

The Fiscal Agent shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries shall be made of all transactions made by it and with respect to the expenditure of amounts disbursed from the Bond Fund, the Special Tax Fund, the Administrative Expense Fund, the Reserve Fund and the Cost of Issuance Fund. Such books of record and accounts shall, upon reasonable notice, at all times during business hours be subject to the inspection of the Services District and the Owners of not less than ten percent (10%) of the aggregate principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

MODIFICATION OR AMENDMENT OF THE AGREEMENT

Amendments Permitted

(A) Subject to the provisions of the Agreement and the rights and obligations of the District and the Services District and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Agreement with either (a) the affirmative vote of the Owners at a meeting of the Owners, or (b) the written consent, without a meeting, of the Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in the Agreement. No such modification or amendment shall (i) extend the maturity of any Bond or the time for paying interest thereon, or otherwise alter or impair the obligation of the Services District on behalf of the District to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation of any pledge of or lien upon the Special Tax Revenues, or the moneys on deposit in the Special Tax Fund, the Bond Fund or the Reserve Fund, superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by the Act, the laws of the State of California or the Agreement), (iii) reduce the percentage of Bonds required for the amendment of the Agreement, or (iv) reduce the principal amount of or redemption premium on any Bond or reduce the interest rate thereon. Any such amendment may not modify any of the rights or obligations of the Fiscal Agent without its written consent. The Services District shall deliver to the Fiscal Agent an opinion of counsel that any such Supplemental Agreement entered into by the Services District and the Fiscal Agent complies with the provisions of the Agreement and the Fiscal Agent may conclusively rely on such opinion.

(B) The Agreement and the rights and obligations of the District and the Services District and the Owners may also be modified or amended at any time by a Supplemental Agreement, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(1) to add to the covenants and agreements of the Services District in the Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power reserved to or conferred upon the Services District in the Agreement;

(2) to make modifications not adversely affecting any Outstanding Bonds in any material respect;

(3) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provisions of the Agreement, or in regard to questions arising under the Agreement, as the Services District and the Fiscal Agent may deem necessary or desirable and not inconsistent with the Agreement, and which shall not adversely affect the rights of the Owners;

(4) to make such additions, deletions or modifications as may be necessary or desirable to assure compliance with Section 148 of the Code relating to required rebate of moneys to the United

States or otherwise as may be necessary to assure exclusion from gross income for federal income tax purposes of interest on the Bonds or to conform with the Regulations; or

(5) to provide for the issuance of Parity Bonds to pay and discharge the indebtedness of a portion of the Outstanding Bonds (a "Partial Discharge") pursuant to the Agreement; provided that, following the issuance of such Parity Bonds, Maximum Annual Debt Service on the Bonds that will remain Outstanding following such Partial Discharge and such Parity Bonds will not be more in any subsequent Bond Year than Maximum Annual Debt Service on the Outstanding Bonds before the issuance of such Parity Bonds.

Owners' Meetings

The Services District may at any time call a meeting of the Owners. In such event, the Services District is authorized to fix the time and place of any such meeting and to provide for the giving of notice thereof and to fix and adopt rules and regulations for the conduct of the meeting.

Procedure for Amendment with Written Consent of Owners

The Services District and the Fiscal Agent may at any time enter into a Supplemental Agreement amending the provisions of the Bonds or of the Agreement or any Supplemental Agreement, to the extent that such amendment is permitted by the Agreement, to take effect when and as provided in the Agreement. A copy of the Supplemental Agreement, together with a request to Owners for their consent thereto, shall be mailed by first class mail, postage prepaid, by the Fiscal Agent to each Owner of Bonds Outstanding, but failure to mail copies of the Supplemental Agreement and request shall not affect the validity of the Supplemental Agreement when assented to as provided in the Agreement.

Such a Supplemental Agreement shall not become effective unless there shall be filed with the Fiscal Agent the written consents of the Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding (exclusive of Bonds disqualified as provided in the Agreement) and a notice shall have been mailed as provided in the Agreement. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by the Agreement. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Fiscal Agent prior to the date when the notice provided for in the Agreement has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the Services District shall mail a notice to the Owners in the manner provided in the Agreement for the mailing of the Supplemental Agreement, stating in substance that the Supplemental Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in the Agreement (but failure to mail copies of said notice shall not affect the validity of the Supplemental Agreement or consents thereto). Proof of the mailing of such notice shall be filed with the Fiscal Agent. A record, consisting of the papers required by the Agreement to be filed with the Fiscal Agent, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Agreement shall become effective upon the filing with the Fiscal Agent of the proof of mailing of such notice, and the Supplemental Agreement shall be deemed conclusively binding (except as otherwise specifically provided in the Agreement) upon the Services District, the District and the Owners of all Bonds then Outstanding at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty (60)-day period.

Disqualified Bonds

Bonds owned or held for the account of the Services District, excepting any pension or retirement fund, shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds provided for in the Agreement, and shall not be entitled to vote upon, consent to, or participate in any action provided for in the Agreement.

Effect of Supplemental Agreement

From and after the time any Supplemental Agreement becomes effective pursuant to the Agreement, the Agreement shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under the Agreement of the Services District and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced under the Agreement subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Agreement shall be deemed to be part of the terms and conditions of the Agreement for any and all purposes.

Endorsement or Replacement of Bonds Issued After Amendments

The Services District may determine that Bonds issued and delivered after the effective date of any action taken as provided in the Agreement shall bear a notation, by endorsement or otherwise, in form approved by the Services District, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and upon presentation of his Bond for that purpose at the Principal Office of the Fiscal Agent or at such other office as the Services District may select and designate for that purpose, a suitable notation shall be made on such Bond. The Services District may determine that new Bonds, so modified as in the opinion of the Services District is necessary to conform to such action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the Principal Office of the Fiscal Agent without cost to any Owner, for like Bonds then Outstanding, upon surrender of such Bonds.

Amendatory Endorsement of Bonds

The provisions of the Agreement shall not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

MISCELLANEOUS

Discharge of Agreement.

If the Services District shall pay and discharge the entire indebtedness of all or a portion (a "Partial Discharge") of the Outstanding Bonds in any one or more of the following ways:

(A) by well and truly paying or causing to be paid the principal of and interest and any premium on such Bonds, as and when the same become due and payable;

(B) by depositing with the Fiscal Agent, in trust, at or before maturity, an amount of money which, together with the amounts then on deposit in the Bond Fund, the Special Tax Fund and the Reserve Fund, or in the event of a Partial Discharge, the appropriate portion of such amounts, as determined by the Services District and confirmed by an Independent Financial Consultant, is fully sufficient to pay all such Bonds, including all principal, interest and redemption premiums, if any; or

(C) by irrevocably depositing with the Fiscal Agent, in trust, cash or non-callable Defeasance Securities in such amount as the Services District shall determine, will, together with the interest to accrue thereon and amounts then on deposit in the Bond Fund, the Special Tax Fund and the

Reserve Fund, or in the event of a Partial Discharge, the appropriate portion of such amounts, as determined by the Services District, be fully sufficient to pay and discharge the indebtedness of all such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates, (ii) an Escrow Deposit Agreement, (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer "Outstanding" under the Agreement and (iv) a certificate of discharge of the Fiscal Agent with respect to the Bonds; each Verification Report and defeasance opinion shall be acceptable in form and substance, and addressed, to the Issuer and the Fiscal Agent.

and if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in the Agreement provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice; then, at the election of the Services District, and notwithstanding that any such Bonds shall not have been surrendered for payment, the pledge of the Special Tax Revenues and other funds provided for in the Agreement and all other obligations of the Services District and the District under the Agreement with respect to such Bonds shall cease and terminate, except the obligation of the Services District to pay or cause to be paid to the Owners of such Bonds not so surrendered and paid all sums due thereon, the obligation of the Services District to pay all amounts owing to the Fiscal Agent pursuant to the Agreement, and the obligations of the Services District pursuant to the covenants contained in the Agreement; and thereafter Special Tax Revenues shall not be payable to the Fiscal Agent with respect to such Bonds. Notice of such election shall be filed with the Fiscal Agent. The satisfaction and discharge of the Agreement as to all of the Outstanding Bonds shall be without prejudice to the rights of the Fiscal Agent to charge and be reimbursed by the Services District for the expenses which it shall thereafter incur in connection with the Agreement.

At least (three) 3 Business Days prior to any defeasance with respect to the Bonds, the Services District shall deliver to the Insurer draft copies of an escrow agreement, an opinion of bond counsel regarding the validity and enforceability of the escrow agreement and the defeasance of the Bonds, a Verification regarding the sufficiency of the escrow fund. Such opinion and Verification Report shall be addressed to the Insurer and shall be in form and substance satisfactory to the Insurer. In addition, the escrow agreement shall provide that:

1) Any substitution of securities following the execution and delivery of the escrow agreement shall require the delivery of a Verification Report, an opinion of bond counsel that such substitution will not adversely affect the exclusion (if interest on the Bonds is excludable) from gross income of the holders of the Bonds of the interest on the Bonds for federal income tax purposes and the prior written consent of the Insurer, which consent will not be unreasonably withheld.

2) The Services District will not exercise any prior optional redemption of Bonds secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds, and (ii) as a condition to any such redemption there shall be provided to the Insurer a Verification Report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption.

3) The Services District shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of the Insurer.

Any funds held by the Fiscal Agent to pay and discharge the indebtedness on such Bonds, upon payment of all fees and expenses of the Fiscal Agent, which are not required for such purpose, shall be paid over to the Services District.

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APPENDIX B

SUPPLEMENTAL INFORMATION CONCERNING JURUPA COMMUNITY SERVICES DISTRICT

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

The Jurupa Region

Jurupa Community Services District (the "Services District") encompasses an area of about 18,000 acres located in the northwestern portion of Riverside County approximately 47 miles east of the Los Angeles civic center and four miles west of downtown Riverside. The Services District serves an unincorporated area of Riverside County and the communities of the City of Eastvale and the City of Jurupa Valley.

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

Services District Organization

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

Assessed Valuation

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

The following table summarizes the assessed valuation for the Services District for Fiscal Years 2000-2001 to 2018-2019.

JURUPA COMMUNITY SERVICES DISTRICT
Assessed Valuation

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

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

Tax Levies and Delinquencies

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

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

Employment

Residents of the Services District find employment throughout the Riverside-San Bernardino-Ontario Labor Market Area. This labor market area, as defined for reporting purposes by the California Employment Development Department, has boundaries coterminous with those of Riverside and San Bernardino Counties.

The following tables set forth certain employment data for the Riverside - San Bernardino-Ontario Metropolitan Statistical Area and the County.

The following table represents the Annual Average Labor Force and Industry Employment for the period from 2017 through 2021.

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

	2017	*2018*	*2019*	*2020*	*2021*
Civilian Labor Force	2,012,900	2,045,000	2,074,500	2,088,600	2,118,200
Civilian Employment	1,909,500	1,956,800	1,989,700	1,880,500	1,961,800
Civilian Unemployment	103,400	88,200	84,800	208,100	156,400
Civilian Unemployment Rate	5.1%	4.3%	4.1%	10.0%	7.4%
Total Farm	14,500	14,500	15,400	14,100	13,900
Total Nonfarm	1,453,300	1,506,600	1,552,800	1,495,200	1,569,100
Total Private	1,202,300	1,249,400	1,291,600	1,247,200	1,325,400
Goods Producing	196,400	206,100	208,900	201,300	205,400
Mining & Logging	1,000	1,200	1,200	1,300	1,400
Construction	97,400	105,200	107,200	104,900	109,200
Manufacturing	98,000	99,800	100,600	95,100	94,800
Service Providing	1,256,900	1,300,500	1,343,800	1,293,900	1,363,700
Trade, Transportation & Utilities	363,900	379,400	395,100	406,900	443,100
Wholesale Trade	63,100	66,100	67,700	65,600	67,000
Retail Trade	180,900	181,200	180,700	168,800	177,600
Transportation, Warehousing & Utilities	119,900	132,100	146,600	172,500	198,600
Information	11,600	11,400	11,500	9,400	9,600
Financial Activities	44,700	44,600	45,000	44,100	44,900
Professional & Business Services	147,300	152,000	158,700	155,400	167,300
Educational & Health Services	226,700	239,500	250,300	248,700	253,300
Leisure & Hospitality	166,300	170,600	175,900	141,300	158,900
Other Services	45,400	45,800	46,200	40,200	43,000
Government	251,000	257,200	261,200	248,000	243,600
Total, All Industries	1,467,800	1,521,100	1,568,100	1,509,300	1,583,000

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

Source: State of California, Employment Development Department, March 2021 Benchmark.

The following table summarizes the labor force, employment and unemployment figures for the period from 2017 through 2021 for the County, the State and the nation as a whole.

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

Year and Area	*Labor Force*	*Employment*[1]	*Unemployment*[2]	*Unemployment Rate (%)*[3]
2017				
Riverside County	1,073,400	1,017,100	56,300	5.2%
State of California	19,205,300	18,285,500	919,800	4.8
United States[4]	160,320,000	153,337,000	6,982,000	4.4
2018				
Riverside County	1,091,383	1,042,675	48,692	4.5%
State of California	19,281,092	18,460,433	820,650	4.3
United States[4]	162,075,000	155,761,000	6,314,000	3.9
2019				
Riverside County	1,104,025	1,057,883	46,158	4.2%
State of California	19,408,271	18,623,000	784,375	4.0
United States[4]	163,539,000	157,538,000	6,001,000	3.7
2020				
Riverside County	1,107,700	997,700	110,000	9.9%
State of California	18,821,200	16,913,100	1,908,100	10.1
United States[4]	160,742,000	147,795,000	12,947,000	8.1
2021				
Riverside County	1,129,600	1,046,700	82,800	7.3%
State of California	18,923,200	17,541,900	1,381,200	7.3
United States[4]	161,204,000	152,581,000	8,623,000	5.3

(1) Includes persons involved in labor-management trade disputes.
(2) Includes all persons without jobs who are actively seeking work.
(3) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.
(4) Not strictly comparable with data for prior years.
Source: California Employment Development Department, March 2021 Benchmark and U.S. Department of Labor, Bureau of Labor Statistics.

Largest Employers

The following table shows the ten largest employers located in the County as of Fiscal Year ending June 30, 2021.

LARGEST EMPLOYERS
County of Riverside
(As of June 30, 2021)

Rank	*Name of Business*	*Employees*	*Type of Business*
1.	County of Riverside	22,952	County Government
2.	Amazon	10,500	Online Retailer
3.	March Air Reserve Base	9,600	Military Reserve Base
4.	University of California-Riverside	8,909	University
5.	Stater Brothers Markets	8,304	Grocery Store
6.	Moreno Valley Unified School District	6,250	School District
7.	Kaiser Permanente Riverside Medical Center	5,780	Medical Center
8.	Corona-Norco Unified School District	5,478	School District
9.	Hemet Unified School District	4,460	School District
10.	Ross Dress for Less	4,313	Retail Stores

Source: County of Riverside Comprehensive Annual Financial Report for the year ending June 30, 2021.

Personal Income

Personal Income is the income that is received by all persons from all sources. It is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance.

The personal income of an area is the income that is received by, or on behalf of, all the individuals who live in the area; therefore, the estimates of personal income are presented by the place of residence of the income recipients.

Total personal income in Riverside County increased by 27.3% between 2016 and 2020. The following tables summarize personal income for Riverside County for 2016 through 2020.

PERSONAL INCOME
Riverside County
2016-2020
(Dollars in Thousands)

Year	*Riverside County*	*Annual Percent Change*
2016	$89,644	N/A
2017	93,157	3.9%
2018	97,619	4.8
2019	102,038	4.5
2020	114,090	11.8

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The following table summarizes per capita personal income for Riverside County, California and the United States for 2016-2020. This measure of income is calculated as the personal income of the residents of the area divided by the resident population of the area.

PER CAPITA PERSONAL INCOME
Riverside County, State of California and the United States
2016-2020

Year	*Riverside County*	*California*	*United States*
2016	$37,693	$57,801	$49,890
2017	38,605	60,219	51,910
2018	39,955	63,711	54,526
2019	41,385	64,513	56,047
2020	45,834	70,192	59,510

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Taxable Sales

The table below presents taxable sales for the years 2017 through 2021 for the County of Riverside.

TAXABLE SALES
County of Riverside
2017-2021
(Dollars in Thousands)

Year	*Permits*	*Taxable Transactions*
2017	58,969	34,132,814
2018	61,433	38,919,497
2019	64,063	40,557,844
2020	69,284	42,313,474
2021	64,335	43,414,533

Source: Taxable Sales in California, California Department of Tax and Fee Administration for 2017-2021.

APPENDIX C

AMENDED AND RESTATED RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX

AMENDED AND RESTATED
RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX
FOR COMMUNITY FACILITIES DISTRICT NO. 31 (EASTVALE AREA)
OF JURUPA COMMUNITY SERVICES DISTRICT

A special tax (the "Special Tax") (defined below) shall be applicable to each Parcel (defined below) located in Community Facilities District No. 31 (Eastvale Area) of Jurupa Community Services District ("CFD No. 31"). The amount of Special Tax to be levied on a Parcel of Taxable Property in any Fiscal Year (defined below) shall be determined by the Board of Directors of Jurupa Community Services District (hereinafter the "District") acting in its capacity as the legislative body of CFD No. 31 (hereinafter the "Board of Directors"), as provided in Sections B, C and D. All of the Taxable Property in CFD No. 31 shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

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

"Administrative Expenses" means all ordinary and necessary costs and expenses of the District in administering CFD No. 31, as allowed by the Act, which shall include, without limitation, all costs and expenses arising out of or resulting from the annual levy and collection of the Special Tax and payment of debt service on the outstanding bonds of CFD No. 31, any litigation involving CFD No. 31, continuing disclosure undertakings of the District as imposed by applicable laws and regulations, communication with bondholders and normal administrative expenses (including any District overhead and salaries).

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

"Alternative Special Tax Rate" means with respect to Parcels of Developed Property classified as Residential Property the amount of $2,736 per Parcel or an amount determined pursuant to Section I, if applicable.

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

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

"CFD No. 31" means Community Facilities District No. 31 (Eastvale Area) of the District.

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

"County" means the County of Riverside, California.

"Debt Service and Facilities Special Tax Requirement" means the amount required in any Fiscal Year after taking into consideration available funds pursuant to the bond indenture: (1) to pay principal of and interest on all outstanding bonds of CFD No. 31, (2) to pay Administrative Expenses attributable to such bonds and the

levy and collection of the Special Taxes, (3) to pay costs of credit enhancement for such bonds and any amount required to be rebated to the United States with respect to such bonds, (4) to replenish the reserve fund for such bonds, and (5) to provide any amounts which the Board of Directors determines are necessary to pay the costs of the provision, construction and acquisition of the Facilities and/or to accumulate funds therefor.

"Developed Property" means, for each Fiscal Year, (i) for purposes of the levy of Special Taxes to satisfy the Debt Service and Facilities Special Tax Requirement, all Parcels of Residential Property and Non-Residential Property for which, as of March 1 preceding the Fiscal Year for which the Special Tax is being levied, a building permit has been issued which allows residential dwelling units or non-residential buildings to be constructed, or (ii) for purposes of the levy of Special Taxes to satisfy the O&M Special Tax Requirement, all Parcels for which, as of March 1 preceding the Fiscal Year for which the Special Tax is being levied, there has been recorded in the official records of the County a subdivision map, parcel map, lot line adjustment or any other similar map which subdivides (or creates) such Parcels so that building permits can be issued for construction of one or more residential dwelling units or non-residential buildings thereon.

"District" means Jurupa Community Services District.

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

"Facilities" means for CFD No. 31: (a) water system facilities, including capacity in existing facilities, and sewer system facilities, including capacity in existing facilities and sewage treatment and disposal capacity, of the District, (b) Parks and Park Improvements, (c) public school facilities of Corona-Norco Unified School District, and (d) any other improvements or facilities designated by the District, with an estimated useful life of five (5) years or longer, which are eligible for financing under the Act.

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

"Landscape" means landscape, including turf, trees, shrubs, bushes, and other cultivated vegetation which is planted and growing in, associated irrigation system facilities which are located in, and hardscape which is located in publicly owned street rights-of-way, parkways and open-space areas.

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

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

"Maximum Special Tax for O & M" means the maximum amount of Special Tax, determined pursuant to Section C that can be levied by the Board of Directors in any Fiscal Year on a Parcel of Taxable Property to satisfy the O&M Special Tax Requirement. The Maximum Special Tax for O & M shall be increased annually by the percentage increase in the Consumer Price Index (All Items) for Los Angeles – Riverside – Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or by two percent (2%), whichever is greater, on July 1, 2010 for Fiscal Year 2010-11 and on each subsequent July 1 for the Fiscal Year then commencing.

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

"Non-Residential Property" means all Parcels of Developed Property for which a building permit has been issued for the purpose of constructing a non-residential building or upon which such a building has been constructed.

"O&M Special Tax Requirement" means the amount, after taking into consideration available funds, required in any Fiscal Year to pay: (1) costs related to the ongoing Operation and Maintenance and (2) Administrative Expenses attributable to said ongoing Operation and Maintenance, as determined by the District.

"Operation and Maintenance" means the operation and maintenance of Parks and Park Improvements and Landscape.

"Parcel" means a lot or parcel which, or any portion of which, is located within the boundaries of CFD No. 31 and which is shown on the then current applicable Assessor's Parcel Map(s) with an assigned parcel number.

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

"Parks and Park Improvements" means parks and park and recreation improvements which are to be developed, constructed and installed within and in the area of CFD No. 31 and which will be owned and operated by the District for the benefit of the residents of CFD No. 31.

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

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

"Residential Property" means all Parcels of Developed Property for which a building permit has been issued for purposes of constructing one or more residential dwelling units or upon which a residential dwelling unit has been constructed.

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

"Special Tax(es)" means the Special Tax to be levied, in each Fiscal Year, on all Parcels of Taxable Property, pursuant to Sections B, C, and D, to fund both the Debt Service and Facilities Special Tax Requirement and the O&M Special Tax Requirement.

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

"Taxable Property" means all Parcels in CFD No. 31 which are not exempt from the levy of Special Taxes pursuant to the Act or Section E.

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

B. ASSIGNMENT TO DEVELOPMENT CATEGORIES AND RESIDENTIAL SIZE CLASSIFICATIONS

For each Fiscal Year (commencing with the Fiscal Year that begins in the calendar year in which the Administrator first determines that Parcels have become Developed Property), each Parcel of Taxable Property shall be categorized as either Developed Property or Undeveloped Property. Parcels of Developed Property shall further be categorized as Residential Property or Non-Residential Property. Parcels of Residential Property shall be assigned to the applicable land use classification set forth in Table 1 based on the Residential Floor Area of the residential structure located on or to be constructed on the Parcel.

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

C. MAXIMUM SPECIAL TAX

The Maximum Special Tax for Debt Service and Facilities for a Parcel of Developed Property categorized as Residential Property shall be the greater of: (i) the applicable amount set forth in Table 1 or (ii) the Alternative Special Tax Rate, and for a Parcel of Developed Property categorized as Non-Residential Property shall be the amount determined by multiplying the Net Acreage of the Parcel by the amount set forth in Table 1. The Maximum Special Tax for Debt Service and Facilities for a Parcel of Undeveloped Property shall be the amount determined by multiplying the Net Acreage of the Parcel by $14,714 per Net Acre.

Table 1
Special Tax Amounts for Developed Property

Land Use Classification	Special Tax for Debt Service and Facilities	Maximum Special Tax for O & M (Fiscal Yr. 2009-10)
Residential Size:		
Less than 2,251 SF	$2,313 per Parcel	$507 per Parcel
2,251 SF to 2,400 SF	$2,387 per Parcel	$507 per Parcel
2,401 SF to 2,550 SF	$2,506 per Parcel	$507 per Parcel
2,551 SF to 2,700 SF	$2,590 per Parcel	$507 per Parcel
2,701 SF to 2,850 SF	$2,675 per Parcel	$507 per Parcel
2,851 SF to 3,000 SF	$2,760 per Parcel	$507 per Parcel
3,001 SF to 3,150 SF	$2,834 per Parcel	$507 per Parcel
3,151 SF to 3,300 SF	$2,933 per Parcel	$507 per Parcel
3,301 SF to 3,450 SF	$3,032 per Parcel	$507 per Parcel
3,451 SF to 3,600 SF	$3,132 per Parcel	$507 per Parcel
3,601 SF to 3,750 SF	$3,274 per Parcel	$507 per Parcel
3,751 SF to 3,900 SF	$3,400 per Parcel	$507 per Parcel
Over 3,900 SF	$3,534 per Parcel	$507 per Parcel
Non-Residential Property	$14,714 per Net Acre	$2,727 per Net Acre

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

The Maximum Special Tax for O & M for Fiscal Year 2009-10 for Parcels of Developed Property shall be the amounts set forth in Table 1. The Maximum Special Tax for Fiscal Year 2009-10 for O & M for Parcels of Undeveloped Property shall be $2,727 per Net Acre.

The Maximum Special Tax for O & M for all Parcels of Developed Property and Undeveloped Property shall be increased annually by the percentage increase in the Consumer Price Index (All Items) for Los Angeles – Riverside – Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or by two percent (2%), whichever is greater, on July 1, 2010 for Fiscal Year 2010-11 and on each subsequent July 1 for the Fiscal Year then commencing.

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

D. METHOD OF APPORTIONMENT AND LEVY OF THE SPECIAL TAX

Starting with the Fiscal Year that begins in the calendar year in which the Administrator first determines that Parcels have become Developed Property and for each subsequent Fiscal Year, the Board of Directors shall determine the total amount of Special Taxes to be levied and collected in that Fiscal Year in order to satisfy the Debt Service and Facilities Special Tax Requirement and the O&M Special Tax Requirement for such Fiscal Year. The Board of Directors shall levy the Special Tax on all Parcels of Taxable Property in the following priority until it has levied the amount necessary to satisfy both the Debt Service and Facilities Special Tax Requirement and the O&M Special Tax Requirement for the Fiscal Year as follows:

(a) Debt Service and Facilities Special Tax Requirement.

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

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

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

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

(b) O&M Special Tax Requirement.

(1) First: The Special Tax for O & M shall be levied on all Parcels of Developed Property in equal percentages up to 100% of Maximum Special Tax for O & M; and

(2) Second: If additional funds are needed, the Special Tax for O & M shall be levied on all Parcels of Undeveloped Property in equal percentages up to 100% of Maximum Special Tax for O & M.

E. EXEMPTIONS

The Special Tax related to the Debt Service and Facilities Special Tax Requirement shall not be levied on up to 44.16 Net Acres of Parcels of Exempt Property in the chronological order in which such property becomes any of the following:

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

Any Parcels described in the preceding paragraph that exceed 44.16 Net Acres shall be classified as Taxable Property and be subject to the Special Tax as either Developed Property or Undeveloped Property as provided for in Sections B, C and D, unless the obligation to pay the Special Tax for any such Parcel is prepaid pursuant to Section H.

The Special Tax related to the O&M Special Tax Requirement shall not be levied upon any Parcels of Exempt Property described in items 1 through 5 above.

F. MANNER OF COLLECTION

The Special Taxes shall be collected in the same manner and at the same time as ad valorem property taxes and shall be subject to the same penalties, and the same procedure, sale and lien priority in case of delinquency as is provided for ad valorem taxes; provided, however, that the District may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 31.

G. DURATION OF SPECIAL TAX LEVIES

Pursuant to Section 53321(d) of the Government Code of the State of California, the tax year after which no further Special Tax shall be levied or collected with respect to any Parcel to satisfy the Debt Service and Facilities Special Tax Requirement shall be Fiscal Year 2047-48.

All Parcels of Taxable Property shall continue to be subject to the levy and collection of the Special Tax to satisfy the O&M Special Tax Requirement as long as the District operates and maintains Parks and Park Improvements and Landscape within and for the benefit of the residents within CFD No. 31.

H. PREPAYMENT

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

"CFD Facilities Amount" means the amount of $12,000,000 expressed in 2009 dollars, which shall increase on January 1, 2010 and on each January 1 thereafter, by the percentage increase in Construction Index since the preceding January 1, or such lesser amount (i) as shall be determined by the Administrator to be sufficient to provide for the construction and acquisition of all of the public facilities, or (ii) as shall be determined by the Board of Directors at the time of the adoption of a covenant that CFD No. 31 will not issue any additional bonds.

"Construction Fund" means a fund or account established by the Indenture to hold funds which are to be used to pay costs associated with the construction and acquisition of public facilities for CFD No. 31.

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

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

"Future Facilities Costs" means the amount determined by subtracting from the CFD Facilities Amount (i) the amount available in the Construction Fund to pay the costs of the construction and acquisition of public facilities, and (ii) the estimated amount of income that will be earned from the investment of such available amount prior to the date upon which the prepayment is to be made.

"Indenture" means the bond indenture, fiscal agent agreement or resolution pursuant to which the bonds of CFD No. 31 are issued and which establishes a construction or improvement fund into which proceeds of the sale of the bonds are deposited to pay for the construction and acquisition of public facilities for CFD No. 31.

"Outstanding Bonds" means all bonds of CFD No. 31 that have been issued and which will remain outstanding after the first date following the current Fiscal Year on which interest on or interest on and principal of such bonds will be paid, excluding bonds to be redeemed on a later date with Prepayment Amounts (as defined below) for other Parcels for which the Special Tax Obligation for Debt Service and Facilities has been prepaid.

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

1. Prepayment in Full

The Special Tax Obligation for Debt Service and Facilities may only be prepaid and permanently satisfied for a Parcel of Developed Property, a Parcel of Undeveloped Property for which a building permit has been issued, or a Parcel of Church Property, Park and Open Space Property, Property Owners' Association Property or Public School Property that is not Exempt Property. The Special Tax Obligation for Debt Service and Facilities for a Parcel may be fully prepaid and the obligation of the Parcel to pay the Special Tax permanently satisfied as described herein; provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to the Parcel at the time of prepayment. An owner of a Parcel intending to prepay the Special Tax Obligation for Debt Service and Facilities for the Parcel shall provide the Administrator with written notice of the owner's intent to prepay, and within fifteen (15) days of receipt of such notice, the Administrator shall notify such owner of the amount of a non-refundable deposit to cover the cost to be incurred by the District and CFD No. 31 in determining the Prepayment Amount for the Parcel. Within thirty (30) days of receipt of such non-refundable deposit, the Administrator shall notify the owner of the Prepayment Amount for the Parcel. Prepayment must be made not later than sixty (60) days prior to any redemption date for any bonds which will be redeemed with the Prepayment Amount.

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

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

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

Paragraph No.:

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

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

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

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

5. Determine the Future Facilities Costs.

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

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

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

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

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

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

12. Determine the amount of the reserve fund credit (the "*Reserve Fund Credit"*) which shall be the lesser of: (a) the amount, if any, by which the "Reserve Requirement" (as defined in the Indenture), will be reduced as a result of the redemption of Outstanding Bonds with the Prepayment

Amount (the "Reduced Reserve Requirement") or (b) the amount (which shall not be less than zero) derived by subtracting the Reduced Reserve Requirement from the amount which will be on deposit in the Reserve Fund for the Outstanding Bonds on the prepayment date.

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

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

Upon receipt of the Prepayment Amount, the Board of Directors shall cause the appropriate notice to be recorded in compliance with the Act to acknowledge that the Special Tax Obligation for Debt Service and Facilities for the prepaying Parcel has been prepaid and satisfied and to cancel the Special Tax lien securing payment of Special Taxes for the Debt Service and Facilities Special Tax Requirement.

Notwithstanding the foregoing, no Prepayment shall be allowed for any Parcel unless the total amount of the Maximum Special Taxes for Debt Service and Facilities that may be levied on Taxable Property (excluding Parcels of Property Owners' Association Property, Public School Property and Church Property that are Taxable Property), both before and after expected buildout of the property in CFD No. 31, as then approved by the County, after the proposed Prepayment would be at least equal to the sum of (i) an amount equal to 110 percent of maximum annual debt service on all Outstanding Bonds, as determined by the Administrator, a financial advisor or a special tax consultant, at the option of the Administrator, plus (ii) Administrative Expenses in the amount of $40,000.

2. Partial Prepayment

An owner of not less than fifteen (15) Parcels of Developed Property classified as Residential Property may partially prepay the Special Tax Obligation for Debt Service and Facilities for all such Parcels. The owner of a Parcel of Undeveloped Property (i) for which a tentative subdivision map that will subdivide the Parcel into not less than fifteen (15) Parcels has been approved by the County, (ii) that will be classified as Residential Property and (iii) for which a building permit has been issued, may partially prepay the Special Tax Obligation for Debt Service and Facilities for not less than fifteen (15) of such Parcels. The amount of the Partial Prepayment shall be calculated pursuant to Section H.1 as modified by the following formula:

$$PP = P_E \times F$$

These terms have the following meaning:

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

The owner of such Parcels who desires to partially prepay the Special Tax Obligation for Debt Service and Facilities shall notify the Administrator of (i) the owner's intent to partially prepay the Special Tax Obligation for Debt Service and Facilities and, (ii) the percentage by which the Special Tax Obligation for Debt Service and Facilities for all such Parcels will be prepaid, and within fifteen (15) days of receipt of such notice, the

Administrator shall notify such owner of the amount of a non-refundable deposit determined to cover the costs to be incurred by the District and CFD No. 31 in determining the amount of the Partial Prepayment for such Parcels. Within thirty (30) days of receipt of such non-refundable deposit, the Administrator shall notify the owner of the Partial Prepayment amount applicable to each of such Parcels. A Partial Prepayment must be paid not later than sixty (60) days prior to the redemption date for any Outstanding Bonds which will be redeemed with the Partial Prepayment.

Upon receipt of a Partial Prepayment of the Special Tax Obligation for Debt Service and Facilities for any such Parcels, the Administrator shall (i) allocate the amount of the Partial Prepayment pursuant to Paragraph 14 of Section H.1 and (ii) note on the records of CFD No. 31 that there has been a Partial Prepayment of the Special Tax Obligation for Debt Service and Facilities for such Parcels and that the amount of Special Taxes which shall continue to be levied on such Parcels pursuant to Section D shall be reduced based on the percentage (1.00 - F) of the remaining Special Tax Obligation for Debt Service and Facilities for such Parcels.

Notwithstanding the foregoing, no Partial Prepayment shall be allowed for any Parcel unless the total amount of the Maximum Special Taxes for Debt Service and Facilities that may be levied on Taxable Property (excluding Parcels of Property Owners' Association Property, Public School Property and Church Property that are Taxable Property), both before and after expected buildout of the property in CFD No. 31, as then approved by the County, after the proposed Partial Prepayment would be at least equal to the sum of (i) an amount equal to 110 percent of maximum annual debt service on all Outstanding Bonds, as determined by the Administrator, a financial advisor or a special tax consultant, at the option of the Administrator, plus (ii) Administrative Expenses in the amount of $40,000.

I. CHANGES TO TENTATIVE TRACTS

The Alternative Special Tax Rate has been established based on the land use configurations shown on the subdivision map for Tentative Tract Nos. 31826 and 31826-1. In the event any portion of Tract Nos. 31826 or 31826-1 is modified by the County, the Alternative Special Tax Rate for all Parcels of Developed Property in such tract, or the portion thereof which is modified, which are classified as Residential Property shall be determined (i) by multiplying the total square footage of the Parcel or Parcels in such tract or in the modified portion thereof by $0.3378 per square foot, and (ii) by dividing the product thus obtained by the number of lots in such tract or in the modified portion thereof.

APPENDIX D

FORM OF BOND COUNSEL OPINION

[Closing Date]

Board of Directors
Jurupa Community Services District
11201 Harrel Street
Jurupa Valley, California 91752

Re: $9,490,000 Community Facilities District No. 31 (Eastvale Area) of Jurupa Community Services District Special Tax Refunding Bonds, 2022 Series A

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Community Facilities District No. 31 (Eastvale Area) of Jurupa Community Services District, County of Riverside, State of California (the "District"), of $9,490,000 aggregate principal amount of the Community Facilities District No. 31 (Eastvale Area) of Jurupa Community Services District Special Tax Bonds, 2022 Series A (the "Bonds"). The Bonds are issued pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Act"), a resolution adopted by the Board of Directors of Jurupa Community Services District (the "Services District") on April 25, 2022 (the "Resolution"), and a Fiscal Agent Agreement, dated as of June 1, 2022 (the "Agreement"), between the Services District and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent").

We have examined the Act, the Resolution, the Agreement and certified copies of the proceedings taken for the issuance and sale of the Bonds. As to questions of fact which are material to our opinions, we have relied upon the representations of the Services District contained in the Agreement, and in certificates of its authorized officers which have been delivered to us for the purpose of supplying such facts, without having undertaken to verify the accuracy of any such representations by independent investigation.

Based upon such examination, we are of the opinion, as of the date hereof, that the proceedings referred to above have been taken in accordance with the laws and the Constitution of the State of California, and that the Bonds, having been issued in duly authorized form and executed by the proper officials and delivered to and paid for by the purchaser thereof, and the Agreement, having been duly authorized and executed by the proper officials, constitute the legally valid and binding obligations of the District enforceable in accordance with their terms subject to the qualifications specified below. Except where funds are otherwise available, as may be permitted by law, the Bonds are payable, as to both principal and interest, solely from certain special taxes to be levied and collected within the District and other funds available therefor held under the Agreement.

The Internal Revenue Code of 1986, as amended (the "Code"), sets forth certain investment, rebate and related requirements which must be met subsequent to the issuance and delivery of the Bonds for the interest on the Bonds to be and remain exempt from federal income taxation. Noncompliance with such requirements could cause the interest on the Bonds to be subject to federal income taxation retroactive to the date of issuance of the Bonds. Pursuant to the Agreement, the Services District has covenanted to comply with the requirements of the Code and applicable regulations promulgated thereunder.

We are of the opinion that, under existing statutes, regulations, rulings and court decisions, and assuming compliance by the Services District with the aforementioned covenants, the interest on the Bonds is excluded from gross income for purposes of federal income taxation and is exempt from personal income taxation imposed by the State of California. We are further of the opinion that interest on the Bonds is not an item of tax preference for purposes of calculating the federal alternative minimum. Although interest on the Bonds is excluded from gross income for purposes of federal income taxation, the accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these tax consequences will depend on the recipient's particular tax status or other items of income or deduction. We express no opinion regarding any such consequences.

The opinions expressed herein may be affected by actions which may be taken (or not taken) or events which may occur (or not occur) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or occur or are not taken or do not occur.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Agreement may be subject to bankruptcy, insolvency, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted, and their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Respectfully submitted,

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement"), dated as of June 1, 2022, is executed and delivered by Jurupa Community Services District (the "Services District") for and on behalf of Community Facilities District No. 31 (Eastvale Area) of Jurupa Community Services District (the "Issuer") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

SECTION 1. Definitions.

Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

"Annual Report" means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

"Annual Filing Date" means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with EMMA.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"Audited Financial Statements" means the financial statements (if any) of the Services District for the prior Fiscal Year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

"Bonds" means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice required to be submitted to EMMA under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Services District and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

"Disclosure Representative" means the General Manager, the senior member of the Services District or his or her designee, or such other person as the Services District shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C., acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Services District pursuant to Section 9 hereof.

"EMMA" shall mean the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at *www.emma.msrb.org*, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission in the future.

"Failure to File Event" means the Services District's failure to file the Annual Report on or before the Annual Filing Date.

"Fiscal Agent" means the institution identified as such in the document under which the Bonds were issued.

"Holder" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

"Information" means the Annual Financial Information, the Audited Financial Statements (if any) the Notice Event notices, and the Voluntary Reports.

"Notice Event" means an event listed in Sections 4(a) of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Official Statement" means that Official Statement prepared by the Services District in connection with the Bonds, as listed on Exhibit A.

"Voluntary Report" means the information provided to the Disclosure Dissemination Agent by the Services District pursuant to Section 7.

SECTION 2. <u>Provision of Annual Reports</u>.

(a) The Services District shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Fiscal Agent, not later than 30 days prior to the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to EMMA not later than April 1 following the end of each Fiscal Year of the Services District (unless the Services District's Fiscal Year end is no longer June 30, then 270 days after the end of each Fiscal Year), or the next business day if such day is not a business day, commencing with the Fiscal Year ending June 30, 2022. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Services District of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification) no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Services District will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent to send a notice to the MSRB in a timely manner in the manner prescribed by the MSRB.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Services District irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to EMMA.

(d) If Audited Financial Statements of the Services District are prepared but not available prior to the Annual Filing Date, the Services District shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certificate, together with a copy for the Fiscal Agent, for filing with EMMA.

(e) The Disclosure Dissemination Agent shall:

(i) upon receipt, promptly file each Annual Report received under Section 2(a) with EMMA;

(ii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with EMMA;

(iii) The Services District shall notify the Dissemination Agent not more than eight (8) Business Days after the following events, and the Dissemination Agent shall file a notice with EMMA not more than ten (10) Business Days after the following events:

1. principal and interest payment delinquencies;

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

3. unscheduled draws on credit enhancements reflecting financial difficulties;

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

5. adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds;

6. defeasances;

7. tender offers;

8. rating changes;

9. bankruptcy, insolvency, receivership or similar proceedings; and

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

liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(iv) Additionally, the Services District shall provide the Dissemination Agent, and the Dissemination Agent shall promptly file with EMMA, notice of the occurrence of any of the following events with respect to the Bonds, if material:

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

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

3. appointment of a successor or additional trustee or the change of the name of a trustee;

4. nonpayment related defaults;

5. modifications to the rights of Owners of the Bonds;

6. notices of redemption;

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

8. incurrence of a financial obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(v) provide the Services District evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Services District may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Fiscal Agent (if any) and EMMA, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

SECTION 3. <u>Content and Form of Annual Reports</u>.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Services District, including the following:

(i) the principal amount of the Bonds outstanding as of September 30 of each year;

(ii) the balance in each fund under the Fiscal Agent Agreement as of the September 30 preceding the filing of the Annual Report, including the Reserve Fund thereunder and a statement of the Reserve Requirement;

(iii) a summary of the Special Taxes levied within the Issuer, the assessed value of such land, as shown on the assessment roll of the Riverside County Assessor last equalized prior to the September 30 next preceding the Annual Report Date, and a calculation of the assessed value-to-lien ratio within the Issuer based on such assessed value and the principal amount of the Bonds outstanding described in (i) above, in substantially the form set forth in Table 4 of the Official Statement;

(iv) any changes to the Rates and Method of Apportionment of Special Tax approved or submitted to the electors for approval prior to the filing of the Annual Report;

(v) the status of any foreclosure actions being pursued by the Services District with respect to delinquent Special Taxes;

(vi) information regarding the percentage of delinquency, if any, in the collection of Special Taxes levied on property in the Issuer for the Fiscal Year preceding the Annual Filing Date in substantially the form set forth in Table 7 of the Official Statement; and

(vii) any information not already included under (i) through (vi) above that the Services District is required to file in its annual report to the California Debt and Investment Advisory Commission pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended.

In addition to any of the information expressly required to be provided under paragraph (a) of this Section, the Services District shall provide such further information, if any, as may be necessary to make the specifically required statements set forth in clauses (i) to (vi), in the light of the circumstances under which they were made, not misleading.

(b) Audited Financial Statements (if any) prepared in accordance with generally accepted accounting principles as prescribed for governmental units by the Governmental Accounting Standards Board ("GAAP") will be included in the Annual Report; provided, however, that the Services District may from time to time, if required by federal or state legal requirements, modify the basis upon which its financial statements are prepared. If Audited Financial Statements (if any) are not available by the time the Annual Report is required to be filed, the Annual Report shall contain any unaudited financial statements of the Services District in a format similar to the Audited Financial Statements (if any), and the Audited Financial Statements (if any) shall be provided pursuant to Section 2(d) when they become available.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Services District is an "obligated person" (as defined by the Rule), which have been previously filed with each of EMMA or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Services District will clearly identify each such document so incorporated by reference.

SECTION 4. <u>Reporting of Notice Events</u>.

(a) Pursuant to the provisions of this Section 4, the Services District shall give, or cause to be given, notice to the Dissemination Agent of the occurrence of any of the following events with respect to the Bonds, not more than eight (8) Business Days after the following events, and the Dissemination Agent shall provide notice to EMMA not more than ten (10) Business Days after the following events:

1. principal and interest payment delinquencies;

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

3. unscheduled draws on credit enhancements reflecting financial difficulties;

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

5. adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds;

6. defeasances;

7. tender offers;

8. rating changes;

9. bankruptcy, insolvency, receivership or similar proceedings; and

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

10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 4, the Services District shall give, or cause to be given, notice to the Dissemination Agent, of the occurrence of any of the following events with respect to the Bonds, if material:

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

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

3. appointment of a successor or additional trustee or the change of the name of a trustee;

4. nonpayment related defaults;

5. modifications to the rights of Owners of the Bonds;

6. notices of redemption;

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

8. incurrence of a financial obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

The occurrence of any of the events described in Section 4(a) and (b) above constitutes a Notice Event. The Services District shall notify the Disclosure Dissemination Agent promptly, and in no event later than eight (8) Business Days, in writing upon the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (d). Such notice shall be accompanied with the text of the disclosure that the Services District desires to make, the written authorization of the Services District for the Disclosure Dissemination Agent to disseminate such information to EMMA, and the date the Services District desires for the Disclosure Dissemination Agent to disseminate the information to EMMA.

(c) The Disclosure Dissemination Agent is under no obligation to notify the Services District or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within five business days of receipt of such notice, instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (d), together with the text of the disclosure that the Services District desires to make, the written authorization of the Services District for the Disclosure Dissemination Agent to disseminate such information to EMMA, and the date the Services District desires for the Disclosure Dissemination Agent to disseminate the information to EMMA.

(d) If the Disclosure Dissemination Agent has been instructed by the Services District as prescribed in subsection (a), (b) or (c)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with EMMA, and, with respect to Notice Events set forth in subsection (a), such Notice Events shall be filed with EMMA no later than ten (10) Business Days from the date of such event.

For purposes of the events identified in subparagraphs (a)(10) and (b)(8) under this Section 5, the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule and a continuing disclosure undertaking has been entered into.

SECTION 5. <u>CUSIP Numbers</u>.

Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, notices of Notice Events, and Voluntary Reports filed pursuant to Section 7(a), the Services District shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations.

The Services District acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Services District, and that the failure of the Disclosure Dissemination Agent to so advise the Services District shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The Services District acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Reports.

(a) The Services District may instruct the Disclosure Dissemination Agent to file information with EMMA, from time to time pursuant to a Certification of the Disclosure Representative accompanying such information (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the Services District from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice, in addition to that required by this Disclosure Agreement. If the Services District chooses to include any information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement, the Services District shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice.

SECTION 8. Termination of Reporting Obligation.

The obligations of the Services District and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Services District is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent.

The Services District has appointed DAC as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Services District may, upon thirty days written notice to the Disclosure Dissemination Agent and the Fiscal Agent, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Services District or DAC, the Services District agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Services District shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Services District.

SECTION 10. Remedies in Event of Default.

In the event of a failure of the Services District or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with

this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Services District has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Services District and shall not be deemed to be acting in any fiduciary capacity for the Services District, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Services District's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Services District has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Services District at all times.

THE SERVICES DISTRICT AGREES TO INDEMNIFY AND SAVE THE DISCLOSURE DISSEMINATION AGENT AND ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY LOSS, EXPENSE AND LIABILITIES WHICH THEY MAY INCUR ARISING OUT OF OR IN THE EXERCISE OR PERFORMANCE OF THEIR POWERS AND DUTIES HEREUNDER, INCLUDING THE COSTS AND EXPENSES (INCLUDING ATTORNEYS FEES) OF DEFENDING AGAINST ANY CLAIM OF LIABILITY, BUT EXCLUDING LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S NEGLIGENCE OR WILLFUL MISCONDUCT.

The obligations of the Services District under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, with prior written notice to the Services District, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and neither of them shall incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The fees and expenses of such counsel shall be payable by the Services District.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver.

Notwithstanding any other provision of this Disclosure Agreement, the Services District and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel qualified in federal securities laws acceptable to both the Services District and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of

the Rule; provided neither the Services District or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Services District. No such amendment shall become effective if the Services District shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries.

This Disclosure Agreement shall inure solely to the benefit of the Services District, the Fiscal Agent of the Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law.

This Disclosure Agreement shall be governed by the laws of the State of California.

SECTION 15. Counterparts.

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

The Disclosure Dissemination Agent and the Services District have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C., as
Disclosure Dissemination Agent

By:_____
Name:_____
Title:_____

JURUPA COMMUNITY SERVICES DISTRICT ON
BEHALF OF COMMUNITY FACILITIES DISTRICT NO. 31
(EASTVALE AREA) OF THE JURUPA COMMUNITY
SERVICES DISTRICT,
as Issuer

By:_____
Name:_____
Its:_____

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer	Community Facilities District No. 31 (Eastvale Area) of Jurupa Community Services District
Obligated Person(s)	Community Facilities District No. 31 (Eastvale Area) of Jurupa Community Services District
Name of Bond Issue:	$9,490,000 Community Facilities District No. 31 (Eastvale Area) of Jurupa Community Services District, Special Tax Bonds, 2022 Series A
Date of Issuance:	June 8, 2022
Date of Official Statement	May 5, 2022

CUSIP Number:	48210CEA2	CUSIP Number:	48210CEK0
CUSIP Number:	48210CEB0	CUSIP Number:	48210CEL8
CUSIP Number:	48210CEC8	CUSIP Number:	48210CEM6
CUSIP Number:	48210CED6	CUSIP Number:	48210CEN4
CUSIP Number:	48210CEE4	CUSIP Number:	48210CEP9
CUSIP Number:	48210CEF1	CUSIP Number:	48210CEQ7
CUSIP Number:	48210CEG9	CUSIP Number:	48210CER5
CUSIP Number:	48210CEH7	CUSIP Number:	48210CES3
CUSIP Number:	48210CEJ3		

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APPENDIX F

DTC AND THE BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, premium, if any, accreted value and interest on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC to the District which the District believes to be reliable, but the District and the Underwriter do not and cannot make any independent representations concerning these matters and do not take responsibility for the accuracy or completeness thereof. Neither the DTC, Direct Participants, Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each annual maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited through the facilities of DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at *www.dtcc.com*.

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

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual

Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

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

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

A Bond Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Fiscal Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Fiscal Agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Fiscal Agent's DTC account.

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

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

THE FISCAL AGENT, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES TO OWNERS ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OF SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

APPENDIX G

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $_____ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _____

Risk Premium: $_____
Member Surplus Contribution: $ _____
Total Insurance Payment: $_____

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

SPECIMEN

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: _____
Authorized Officer

SPECIMEN

Notices (Unless Otherwise Specified by BAM)

Email:
claims@buildamerica.com
Address:
200 Liberty Street, 27th floor
New York, New York 10281
Telecopy:
212-962-1524 (attention: Claims)

SPECIMEN

CALIFORNIA

ENDORSEMENT TO

MUNICIPAL BOND INSURANCE POLICY

NO.

This Policy is not covered by the California Insurance Guaranty Association established pursuant to Article 15.2 of Chapter 1 of Part 2 of Division 1 of the California Law.

Nothing herein shall be construed to waive, alter, reduce or amend coverage in any other section of the Policy. If found contrary to the Policy language, the terms of this Endorsement supersede the Policy language

IN WITNESS WHEREOF, BUILDAMERICA MUTUAL ASSURANCE COMPANY has caused this policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By

_____

Authorized Officer

SPECIMEN

Mixed Sources
Product group from well managed forests, controlled sources and recycled wood or fiber.

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