

\$ _____
**LAKE ELSINORE FACILITIES FINANCING AUTHORITY
LOCAL AGENCY REVENUE REFUNDING BONDS, SERIES 2025A**

BOND PURCHASE AGREEMENT

_____, 2025

Lake Elsinore Facilities Financing Authority
130 South Main Street
Lake Elsinore, California 95965

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated, as underwriter (the “**Underwriter**”), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Bond Purchase Agreement (this “**Purchase Agreement**”) with the Lake Elsinore Facilities Financing Authority (the “**Authority**”), which upon acceptance will be binding upon the Underwriter and the Authority. The agreement of the Underwriter to purchase the Bonds (as hereinafter defined) is contingent upon the Authority purchasing all of the obligations set forth in Exhibit C hereto (collectively, the “**Local Obligations**”), and upon the Authority satisfying all of the obligations imposed upon them under this Purchase Agreement. This offer is made subject to the Authority’s acceptance by the execution of this Purchase Agreement and its delivery to the Underwriter at or before 11:59 P.M., local time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the Authority at any time prior to the acceptance hereof by the Authority. All capitalized terms used herein, which are not otherwise defined herein, shall have the meaning provided for such terms in the Official Statement (hereinafter defined) or the Indenture of Trust, dated as of June 1, 2025 (the “**Indenture**”), by and between the Authority and Wilmington Trust, National Association (“**Wilmington Trust**”), as trustee. The Local Obligations are being issued pursuant to nine separate Bond Indentures, each by and between the applicable Community Facilities District and Wilmington Trust, National Association, as trustee (collectively, the “**Local Obligations Security Documents**”).

1. Purchase, Sale and Delivery of the Bonds.

Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the Authority and the Authority hereby agrees to sell to the Underwriter all (but not less than all) of the \$_____ aggregate principal amount of the Lake Elsinore Facilities Financing Authority Local Agency Revenue Refunding Bonds, Series 2025A (the “**Bonds**”), dated the Closing Date (as hereinafter defined), bearing interest at the rates and maturing on the dates and in the principal amounts set forth in Exhibit A hereto.

The purchase price for the Bonds shall be \$_____ (being 100% of the aggregate principal amount thereof plus an original issue premium of \$_____ and less an Underwriter’s discount of \$_____). From the proceeds of the Bonds, the Authority agrees to purchase each

of the Local Obligations pursuant to the terms of the Local Obligations Purchase Agreement, dated [BPA Date] (the “**Local Obligations Purchase Agreement**”), among the Authority and the Community Facilities Districts.

The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, shall be subject to redemption, and shall be payable from the Revenues as provided in the Indenture, the Preliminary Official Statement (as hereinafter defined), and the Marks-Roos Local Bond Pooling Act of 1985, as amended, being Article 4, Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the “**Bond Law**”). The issuance of the Bonds has been duly authorized by the Authority pursuant to Resolution No. FFA 2025-____ (the “**Authority Resolution**”) adopted by the Board of Directors of the Authority on _____, 2025. The Bonds are being issued to purchase the Local Obligations.

The Local Obligations shall each be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from special taxes pledged thereto as provided in each of the Local Obligations Security Documents.

The Local Obligations are each being issued under the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “**Community Facilities District Act**”). The issuance of the Local Obligations have been duly authorized by the Community Facilities Districts, pursuant to nine separate resolutions (collectively, the “**Districts Resolutions**”) adopted by the City Council of the City of Lake Elsinore, acting as legislative body of each Community Facilities District (the “**City Council**”).

The net proceeds of the Local Obligations, along with other available funds, will be used to: (i) make deposits into nine separate escrow funds to be held by Wilmington Trust, National Association, as escrow agent (the “**Escrow Agent**”) pursuant to nine separate Escrow Agreements, each dated as of June 1, 2025 (collectively, the “**Escrow Agreements**”) for the purpose refunding and redeeming each series of the Prior Bonds (as defined in the Official Statement) and the Prior Lake Elsinore PFA Bonds (as defined in the Official Statement); (ii) purchase a municipal bond insurance policy (the “**Policy**”) issued by _____ (the “**Insurer**”) for the purpose of paying the principal of and interest on the Bonds when due; (iii) purchase a reserve policy issued by the Insurer to be credited to the Reserve Fund for the Bonds (the “**Reserve Policy**”) to satisfy 75% of the initial Reserve Requirement; (iv) fund a cash deposit to the Reserve Fund for the remaining 25% of the initial Reserve Requirement; (v) apply a portion of the debt service savings achieved through the refunding of the Prior Bonds to finance additional public facilities benefitting the property within the Community Facilities Districts; and (vi) pay the costs of issuing the Bonds.

A. The Authority acknowledges that the Underwriter is entering into this Purchase Agreement in reliance on the representations and agreements made by the Authority herein and by the Community Facilities Districts in the Local Obligation Purchase Agreement, and the Authority shall take all action necessary to enforce its rights hereunder for the benefit of the Underwriter and shall immediately notify the Underwriter if it becomes aware that any representation or agreement made by the Authority herein is incorrect in any material respect.

The Authority acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm’s-length commercial transaction between the Authority and the Underwriter; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the

Underwriter is and has been acting solely as principal and is not acting as a Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended); (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Authority or the Community Facilities Districts with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Authority or the Community Facilities Districts on other matters); (iv) the Underwriter has financial and other interests that differ from those of Authority and the Community Facilities Districts; and (v) the Authority and the Community Facilities Districts have consulted their own legal, financial and other advisors to the extent that they have deemed appropriate. Nothing in the foregoing paragraph is intended to limit the Underwriter's obligations of fair dealing under MSRB Rule G-17 of the Municipal Securities Rulemaking Board (the "**MSRB**").

The Authority acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB and acknowledges that it has engaged Urban Futures, Inc., as its municipal advisor (as defined in Securities and Exchange Commission Rule 15Ba1) (the "**Municipal Advisor**") and will rely solely on the Municipal Advisor for financial advice with respect to the Bonds.

B. Pursuant to the authorization of the Authority, the Underwriter has distributed copies of the Preliminary Official Statement dated _____, 2025, relating to the Bonds, which, together with the cover page, inside cover page and appendices thereto is herein called the "**Preliminary Official Statement**." The Authority agrees to execute and deliver a final official statement relating to the Bonds (the "**Official Statement**") which will consist of the Preliminary Official Statement with such changes as may be made thereto, with the approval of Stradling Yocca Carlson & Rauth LLP, as Bond Counsel ("**Bond Counsel**") and as Disclosure Counsel ("**Disclosure Counsel**"), and the Underwriter, and to provide copies thereof to the Underwriter as set forth in Section 2(P) hereof. The Authority hereby authorizes and requires the Underwriter to use and promptly distribute, in connection with the offer and sale of the Bonds, the Preliminary Official Statement, the Official Statement and any supplement or amendment thereto. The Authority further authorizes the Underwriter to use and distribute, in connection with the offer and sale of the Bonds, the Indenture, the Local Obligations Security Documents, this Purchase Agreement, the Escrow Agreements, the Local Obligations Purchase Agreement, and all information contained herein, and all other documents, certificates and written statements furnished by or on behalf of the Authority or the Community Facilities Districts to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

C. To assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "**Rule**"), the Authority will undertake pursuant to a Continuing Disclosure Agreement dated as of June 1, 2025 (the "**Continuing Disclosure Agreement**"), between the Authority and Spicer Consulting Group, LLC, as dissemination agent, in the form attached to the Official Statement, to provide annual reports and notices of certain enumerated events.

D. Except as the Underwriter and the Authority may otherwise agree, the Authority will deliver to the Underwriter, at the offices of Bond Counsel in Newport Beach, California, or at such other location as may be mutually agreed upon by the Underwriter and the Authority, the documents hereinafter mentioned; and the Authority will deliver to the Underwriter through the facilities of The Depository Trust Company ("**DTC**") in New York, New York, the Bonds, in definitive form (all Bonds bearing CUSIP numbers), duly executed by the Authority

and authenticated by Wilmington Trust in the manner provided for in the Indenture and the Bond Law at 8:30 a.m. California time, on [Closing Date] (the “**Closing Date**”), and the Underwriter will accept such delivery and remit the net amount described in the second paragraph of this Section 1 by wire transfer, payable in federal or other immediately available funds (such delivery and payment being herein referred to as the “**Closing**”) to Wilmington Trust as contemplated by the Indenture. The Bonds shall be in fully registered book-entry form (which may be typewritten) and shall be registered in the name of Cede & Co., as nominee of DTC.

E. The Underwriter agrees to make an initial public offering of all of the Bonds at the public offering prices (or yields) set forth on Exhibit A attached hereto. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as the Underwriter deems necessary in connection with the marketing of the Bonds, provided that the Underwriter shall not change the interest rates set forth on Exhibit A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

1. The Underwriter agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

2. Except as otherwise set forth in Exhibit A attached hereto, the Authority will treat the first price at which 10% of each maturity of the Bonds (the “**10% test**”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the Authority the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the Authority the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Bonds of that maturity or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the Underwriter’s reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Authority or Bond Counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

3. The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the “**initial offering price**”), or at the corresponding yield or yields, set forth in Exhibit A attached hereto. Exhibit A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the Underwriter represents that (i) the 10% test has been satisfied (assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Agreement) and (ii) the 10% test has not been satisfied and for which the Authority and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “**hold-the-offering-price rule**”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a

price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

a. the close of the fifth (5th) business day after the sale date;

or

b. the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Authority promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

4. The Underwriter confirms that:

a. any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

b. any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

5. The Authority acknowledges that, in making the representation set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

6. The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

a. “public” means any person other than an underwriter or a related party;

b. “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public);

c. a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

d. “sale date” means the date of execution of this Purchase Agreement by the Underwriter and the Authority.

2. Representations and Covenants of the Authority. The Authority represents and covenants to the Underwriter that:

A. The Authority is a joint exercise of powers authority, duly organized and existing under the Constitution and laws of the State of California (the “**State**”), and formed pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code (the “**JPA Act**”), with full right, power and authority to: (i) execute and deliver this Purchase Agreement, the Local Obligations Purchase Agreement, the Continuing Disclosure Agreement and the Indenture; (iii) adopt the Authority Resolution; (iv) issue, sell and deliver the Bonds to the Underwriter as provided herein; (v) purchase the Local Obligations; and (vi) carry out and consummate the transactions on its part contemplated by this Purchase Agreement, the Indenture and the Official Statement.

The Indenture, the Bonds, the Continuing Disclosure Agreement, the Local Obligations Purchase Agreement and this Purchase Agreement are collectively referred to herein as the “**Authority Documents**.”

B. By all necessary official action of the Authority, the Authority has duly authorized and approved the execution and delivery by the Authority of, and the performance by the Authority of the obligations on its part contained in, the Authority Documents, and has approved the use by the Underwriter of the Preliminary Official Statement and the Official Statement and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the parties thereto, the Authority Documents will constitute the legally valid and binding obligations of the Authority enforceable upon the Authority in accordance with their respective terms, except as enforcement may be limited by applicable bankruptcy, insolvency, debt adjustment, fraudulent conveyance or transfer, moratorium, reorganization or other laws of equitable principles of general application, or of application to municipalities or political subdivisions such as the Authority, affecting remedies or creditors’ rights generally, and to the exercise of judicial discretion in appropriate cases. The Authority has complied, and will at the Closing Date be in compliance in all material respects, with the terms of the Authority Documents that are applicable to the Authority.

C. The information in the Preliminary Official Statement and in the Official Statement relating to the Authority and the Bonds (other than statements pertaining to DTC or the book-entry system, the Insurer, the Policy, the Reserve Policy, or any information provided by the Underwriter, as to which no view is expressed), does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and, upon delivery and up to and including 25 days after the End of the Underwriting Period (as defined in paragraph (D) below), the Official Statement will be amended and supplemented so as to contain no misstatement of any material fact or omission of any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

D. Up to and including 25 days after the End of the Underwriting Period (as defined below), the Authority will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The Authority will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise materially affecting the use of

the Official Statement in connection with the offering, sale or distribution of the Bonds. As used herein, the term “End of the Underwriting Period” means the later of such time as: (i) the Bonds are delivered to the Underwriter; or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the End of the Underwriting Period shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be a written notice delivered to the Authority at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the “End of the Underwriting Period.”

E. As of the time of acceptance hereof and as of the Closing Date, except as otherwise disclosed in the Official Statement, the Authority is not, and as of the Closing Date, will not be in any material respect that would affect the Authority’s compliance with or performance under the Authority Documents, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject; and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute in any material respect a default or event of default under any such instrument; which breach, default or event could have an adverse effect on the Authority’s ability to perform its obligations under the Authority Documents; and, as of such times, except as disclosed in the Official Statement, the authorization, execution and delivery of the Authority Documents and compliance by the Authority with the provisions of each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound; nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Authority Documents.

F. At the time of acceptance hereof there is not, and as of the Closing Date, there will not be any action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an “**Action**”) pending (notice of which has been served on the Authority) or to the knowledge of the Authority threatened, in which any such Action: (i) in any way questions the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices; (ii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of Revenues (as defined in the Indenture) or any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the Authority Documents or the consummation of the transactions on the part of the Authority contemplated thereby; (iii) contests the exclusion of the interest on the Bonds from federal or state income taxation or contests the powers of the Authority which may result in any material adverse change relating to the financial condition of the Authority; or (iv) contests the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserts that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and, as of the time of

acceptance hereof, there is not, and as of the Closing Date, there will not be any basis known to the Authority for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

G. The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter, at the sole expense of the Underwriter as the Underwriter may reasonably request in order: (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds, provided; however, that the Authority will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with any such qualification in any jurisdiction.

H. The Authority Documents conform as to form and tenor to the descriptions thereof contained in the Official Statement. The Authority represents that the Bonds, when issued, executed and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the Authority, entitled to the benefits of the Indenture. The Indenture creates a valid pledge of the moneys in certain funds and accounts established pursuant to the Indenture, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

I. The Authority has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Authority is a bond issuer whose arbitrage certifications may not be relied upon.

J. Any certificate signed by any authorized officer of the Authority and delivered to the Underwriter in connection with the issuance and sale of the Bonds shall be deemed to be a representation and covenant by the Authority to the Underwriter as to the statements made therein.

K. The Revenues constituting the security for the Bonds have been duly and lawfully authorized and may be pledged under the Bond Law and other applicable laws of the State.

L. The Authority will apply the proceeds of the Bonds in accordance with the Indenture and as described in the Official Statement.

M. Between the date of this Purchase Agreement and the Closing Date, the Authority will not offer or issue any bonds, notes or other obligations for borrowed money secured by the Revenues not previously disclosed to the Underwriter.

N. Until such time as moneys have been set aside in an amount sufficient to pay all then outstanding Bonds at maturity or to the date of redemption if redeemed prior to maturity, plus unpaid interest thereon and premium, if any, to maturity or to the date of redemption if redeemed prior to maturity, the Authority will faithfully perform and abide by all of the covenants, undertakings and provisions contained in the Indenture.

O. The Authority has covenanted to comply with the Internal Revenue Code of 1986, as amended, with respect to the Bonds; and the Authority shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from any applicable State tax, of the interest on the Bonds.

P. The Preliminary Official Statement was deemed final by a duly authorized officer of the Authority prior to its delivery to the Underwriter, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of the Rule. The Authority hereby covenants and agrees that, within seven (7) business days from the date hereof, or upon reasonable written notice from the Underwriter within sufficient time to accompany any confirmation requesting payment from any customers of the Underwriter, the Authority shall cause a final printed form of the Official Statement to be delivered to the Underwriter in sufficient quantity to comply with paragraph (b)(4) of the Rule and Rules G-12, G-15, G-32 and G-36 of the MSRB.

The Authority hereby approves the preparation and distribution of the Official Statement, consisting of the Preliminary Official Statement with such changes as are noted thereon and as may be made thereto, with the approval of Bond Counsel, Disclosure Counsel and the Underwriter, from time to time prior to the Closing Date.

The Authority hereby ratifies any prior use of and authorizes the future use by the Underwriter, in connection with the offering and sale of the Bonds, of the Preliminary Official Statement, the Official Statement, this Purchase Agreement and all information contained herein, and all other documents, certificates and written statements furnished by the Authority to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

The execution and delivery of this Purchase Agreement by the Authority shall constitute a representation by the Authority to the Underwriter that the representations contained in this Section 2 are true as of the date hereof.

3. Conditions to the Obligations of the Underwriter. The obligation of the Underwriter to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations on the part of the Authority contained herein, to the accuracy in all material respects of the statements of the officers and other officials of the Authority made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the Authority of its obligations to be performed hereunder at or prior to the Closing Date and, to the following additional conditions:

A. At the Closing Date, the Authority Documents, the Authority Resolution, the Districts Resolutions, the Local Obligations Security Documents, the Local Obligations Purchase Agreement, and the Local Obligations shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and there shall have been taken in connection therewith, with the issuance of the Bonds and with the Local Obligations, and with the transactions contemplated thereby, and by this Purchase Agreement, all such actions as, in the opinion of Bond Counsel, shall be necessary and appropriate.

B. At the Closing Date, except as described in the Preliminary Official Statement, the Authority shall not be, in any respect material to the transactions referred to

herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Authority is a party or is otherwise subject or bound, and the performance by the Authority of its obligations under the Authority Documents and the Authority Resolution, and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Authority is a party or is otherwise subject or bound, in any manner that would materially and adversely affect the performance by the Authority of its obligations under the Authority Documents or the Authority Resolution.

C. The information contained in the Official Statement (other than statements pertaining to DTC or the book-entry system, the Insurer, the Policy, the Reserve Policy, or any information provided by the Underwriter, as to which no view is expressed), will be, as of the Closing Date and as of the date of any supplement or amendment thereto pursuant hereto, true and correct in all material respects and will not, as of the Closing Date or as of the date of any supplement or amendment thereto, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

D. Between the date hereof and the Closing Date, the market price or marketability, at the initial offering prices set forth on the inside cover page of the Official Statement, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall not have been materially adversely affected, in the reasonable judgment of the Underwriter (evidenced by a written notice to the Authority terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds), by reason of any of the following:

1. Legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America or recommended to the Congress by the President of the United States, the Department of the Treasury, the Internal Revenue Service, or any member of Congress, or favorably reported for passage to either House of Congress by any committee of such House to which such legislation had been referred for consideration, or a decision rendered by a court established under Article III of the Constitution of the United States of America or by the Tax Court of the United States of America, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Treasury Department of the United States of America or the Internal Revenue Service, with the purpose or effect, directly or indirectly, of imposing federal income taxation upon such interest as would be received by any owners of the Bonds beyond the extent to which such interest is subject to taxation as of the date hereof;

2. Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds or the Local Obligations, including any or all underlying

arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Indenture or the Local Obligations Security Documents are not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds or the Local Obligations, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws as amended and then in effect;

3. Any state Blue Sky or securities commission or other governmental agency or body shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto;

4. A general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction;

5. The introduction, proposal or enactment of any amendment to the Federal or California Constitution or any action by any Federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Authority, the Community Facilities Districts or their property, income, securities (or interest thereon), the validity or enforceability of Special Taxes, or the ability of the Authority to purchase the Local Obligations;

6. Any event occurring, or information becoming known which, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or in the Official Statement, or has the effect that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

7. There shall have occurred any materially adverse change in the affairs or financial condition of the Authority or the Community Facilities Districts;

8. Any national securities exchange, the Comptroller of the Currency, or any other governmental authority, shall impose as to the Bonds, the Local Obligations or obligations of the general character of the Bonds or the Local Obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

9. There shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis;

10. The purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission;

11. Any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation or interest rates) or the extension of credit by, or a charge to the net capital requirements of credit by, or a charge to net capital requirements of, underwriters shall have been established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States of America, or by Executive Order;

12. A decision by a court of the United States of America shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Purchase Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the Closing Date, including Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Trust Indenture Act of 1939, as amended;

13. The withdrawal or downgrading or the placing on credit watch with negative outlook of any rating on the Bonds by a national rating agency;

14. A material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred;

15. The commencement of any Action, as set forth in Section 2(F) hereof;

16. There shall have occurred any national or international calamity or crisis in the financial markets or otherwise of the United States or elsewhere; or

17. Any proceeding shall have been commenced or be threatened in writing by the Securities and Exchange Commission against the Community Facilities Districts or the Authority.

E. At or prior to the Closing Date, the Underwriter shall have received a counterpart original or certified copy of the following documents, in each case satisfactory in form and substance to the Underwriter:

1. The Official Statement, executed on behalf of the Authority by its Executive Director or other authorized officer;

2. The Authority Documents, duly executed and delivered by all parties thereto;

3. The Authority Resolution, together with a certificate of the Secretary of the Authority, dated as of the Closing Date, to the effect that such resolution is a true, correct and complete copy of the resolution duly adopted by the Board of Directors of the Authority;

4. The Districts Resolutions, together with a certificate dated as of the Closing Date of the City Clerk to the effect that the Districts Resolutions are true, correct and

complete copies of the resolutions duly adopted by the City Council, acting as the legislative body of the Community Facilities Districts;

5. The Local Obligations Security Documents;

6. An approving opinion for the Bonds, dated the Closing Date and addressed to the Authority, of Bond Counsel, in substantially the form included as an appendix to the Official Statement, together with a letter from such counsel, dated the Closing Date and addressed to the Underwriter and Wilmington Trust, to the effect that the foregoing opinion addressed to the Authority may be relied upon by the Underwriter and Wilmington Trust to the same extent as if such opinion were addressed to them;

7. A supplemental opinion or opinions, dated the Closing Date and addressed to the Underwriter, of Bond Counsel, to the following effect:

(i) This Purchase Agreement has been duly authorized, executed and delivered by the Authority, and constitutes the legal, valid and binding obligation of the Authority, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, moratorium or other laws affecting enforcement of creditors' rights, or by the application of equitable principles if equitable remedies are sought;

(ii) The Authority is duly organized and validly existing under the Joint Powers Act;

(iii) The Bonds conform as to form and tenor to the description thereof contained under the captions "INTRODUCTION," and "THE BONDS" in the Official Statement, and the statements contained in the Official Statement under the captions "THE BONDS," "SECURITY FOR THE BONDS," "LEGAL MATTERS – Tax Matters," "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS" in Appendix B of the Official Statement and "FORM OF BOND COUNSEL OPINION" in Appendix E of the Official Statement are accurate in all material respects insofar as such statements purport to summarize certain provisions of the Act, the Bonds, the Indenture, the applicable provisions of the United States Internal Revenue Code or Bond Counsel's opinion with respect to the Bonds; and

(iv) The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

8. An opinion, dated the Closing Date and addressed to the Authority, the Underwriter, and Wilmington Trust, of Bond Counsel, as to the effective defeasance of the Prior Bonds in form and substance acceptable to the Underwriter;

9. A certificate, dated the Closing Date and signed by the Chair of the Authority or other authorized officer, to the effect that: (i) the representations of the Authority contained herein are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) to the best knowledge of such officer, no event has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; and (iii) the Authority has in all material respects complied with the agreements and

satisfied the conditions on its part to be performed or satisfied under the Authority Documents and the Authority Resolution at or prior to the Closing Date;

10. An opinion of counsel to the Authority, dated the date of Closing and addressed to the Underwriter and the Authority, to the effect that:

(i) The Authority is a joint powers authority, duly organized and validly existing under the laws of the State of California;

(ii) The Authority Resolution was duly adopted at a regular meeting of the governing body of the Authority, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Authority Resolution is in full force and effect and has not been modified, amended, rescinded or repealed since the date of its adoption; and

(iii) Except as may be stated in the Official Statement, there is no action, suit, proceeding or investigation against the Authority before or by any court, public board or body pending (notice of which has been served on the Authority) or, to the best of such counsel's knowledge, threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the Authority, or the titles of its members and officers to their respective offices; (b) enjoin or restrain the issuance, sale and delivery of the Bonds, the collection of the Revenues or the pledge thereof; (c) in any way question or affect any of the rights, powers, duties or obligations of the Authority with respect to the Revenues or the moneys and assets pledged or to be pledged to pay the principal of, premium, if any, or interest on the Bonds; (d) in any way question or affect any authority for the issuance of the Bonds, or the validity or enforceability of the Bonds; or (e) in any way question or affect the Authority Documents, the Official Statement or the transactions contemplated by the Authority Documents, the Official Statement, or any activity regarding the Bonds;

11. A letter or letters from Disclosure Counsel, dated the Closing Date and addressed to the Authority and to the Underwriter, to the effect that, without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of their participation in conferences with representatives of the City, the Authority, the Community Facilities Districts, the Special Tax Consultant (as defined below), Wilmington Trust and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Official Statement as of its date and as of the Closing Date contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no opinion or belief need be expressed as to any financial statements or other financial, statistical or engineering data or forecasts, numbers, charts, estimates, projections, assumptions, or expressions of opinion, any information about valuation, appraisals, absorption, archeological or environmental matters, or any information about the Insurer, the Policy, the Reserve Policy, The Depository Trust Company or the book-entry-only system);

12. A transcript of all proceedings relating to the authorization, issuance, sale and delivery of the Bonds and the Local Obligations, including certified copies of the Indenture, the Local Obligations Security Documents and the resolutions of the Community Facilities Districts and the Authority relating thereto;

13. A certificate dated the Closing Date from Spicer Consulting Group, LLC (the “**Special Tax Consultant**”) for the Community Facilities Districts to the effect that: (i) with respect to each Taxing Jurisdiction (as defined in the Official Statement), the Special Tax if collected in the maximum amounts permitted pursuant to the Rate and Method of Apportionment of Special Taxes for the Taxing Jurisdiction (the “**Taxing Jurisdiction RMA**”) as of the Closing Date would generate at least 110% of the annual debt service payable with respect to the Local Obligations of the Taxing Jurisdiction, based on such assumptions and qualifications as shall be acceptable to the Underwriter; and (ii) the statements in the Official Statement provided by Special Tax Consultant concerning the Special Taxes and each Taxing Jurisdiction RMA and all information supplied by it for use in the Official Statement as of the date of the Official Statement and as of the Closing Date did not and do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading;

14. A certificate of the Municipal Advisor in form and substance satisfactory to Bond Counsel and the Underwriter, that nothing has come to the attention of the Municipal Advisor which would lead it to believe that the Preliminary Official Statement as of its date and as of the date of this Purchase Agreement and the Official Statement as of its date and as of the Closing Date contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

15. Certified copies of the general resolution of Wilmington Trust authorizing the execution and delivery of certain documents by certain officers of Wilmington Trust, which resolution authorizes the execution of the Indenture, the Local Obligations Security Documents, the Escrow Agreements and the authentication of the Bonds and the Local Obligations;

16. A certificate of Wilmington Trust, addressed to the Underwriter, the Authority and the Community Facilities Districts dated the Closing Date, to the effect that: (i) Wilmington Trust is authorized to carry out corporate trust powers, and have full power and authority to perform its duties under the Indenture, the Local Obligations Security Documents and the Escrow Agreements; (ii) Wilmington Trust is duly authorized to execute and deliver the Indenture, the Local Obligations Security Documents and the Escrow Agreements, to accept the obligations on its part created by the Indenture, the Local Obligations Security Documents and the Escrow Agreements and to authenticate the Bonds and the Local Obligations pursuant to the terms of the Indenture and the Local Obligations Security Documents, respectively; (iii) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over Wilmington Trust that has not been obtained is or will be required for the authentication of the Bonds or the Local Obligations or the consummation by Wilmington Trust of the other transactions contemplated to be performed by Wilmington Trust in connection with the authentication of the Bonds and the Local Obligations and the acceptance and performance of the obligations on its part created by the Indenture, the Local Obligations Security Documents and the Escrow Agreements; and (iv) to the best of its knowledge, compliance with the terms of the Indenture, the Local Obligations Security Documents and the Escrow Agreements will not conflict in any material respect with, or result in a violation or breach of, or constitute a default under any material agreement or material instrument to which Wilmington Trust is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over Wilmington Trust or any of its activities or properties;

17. An opinion of counsel to Wilmington Trust, dated the Closing Date, addressed to the Underwriter, the Authority and the Community Facilities Districts to the effect that Wilmington Trust is a national banking association duly organized and validly existing under the laws of the United States having full power and being qualified to enter into, accept and agree to the provisions of the Indenture, the Local Obligations Security Documents and the Escrow Agreements, and that each of such documents has been duly authorized, executed and delivered by Wilmington Trust and, assuming due execution and delivery by the other parties thereto, constitutes the legal, valid and binding obligation of Wilmington Trust enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by the application of equitable principles if equitable remedies are sought;

18. An opinion of Kutak Rock LLP, counsel for the Underwriter, dated the date of the Closing, addressed to the Underwriter in form and substance acceptable to the Underwriter;

19. A tax certificate, duly executed and delivered by the Authority;

20. A copy of the Report of Proposed Debt Issuance and Report of Final Sale for the Bonds required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 8855 of the California Government Code;

21. A letter addressed to the Underwriter, the Authority and Bond Counsel, dated the date of the Closing, from _____ (the "**Verification Agent**"), verifying the accuracy of the mathematical computations concerning the adequacy of the moneys to be deposited with the Escrow Agent to pay when due, the principal, whether at maturity or upon prior redemption, interest and redemption premium requirements of the Prior Bonds;

22. Evidence that any ratings described in the Official Statement are in full force and effect as of the Closing Date;

23. The executed Insurance Policy for Bonds, and the executed Reserve Policy issued by the Insurer;

24. A certificate of the Insurer as to the accuracy of the information in Official Statement relating to the Insurer, the Policy and the Reserve Policy;

25. An opinion of counsel to the Insurer, dated as of the date of Closing, addressed to the Underwriter and the Authority in form and substance acceptable to the Underwriter, substantially to the effect that: (i) the Insurer has been duly incorporated and is validly existing and in good standing under the laws of the state of its incorporation; and (ii) the Policy and the Reserve Policy constitute the legal, valid and binding obligations of the Insurer enforceable in accordance with their terms, subject to enforcement, bankruptcy, insolvency, reorganization, rehabilitation and other similar laws of general applicability relating to or affecting creditors' and/or claimants' rights against insurance companies and to general equity principles;

26. Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the material representations of the Authority

contained herein, and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Authority and the Community Facilities Districts at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the Authority and the Community Facilities Districts in connection with the transactions contemplated hereby and by the Local Obligations Security Documents, the Indenture and the Official Statement.

If the Authority shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds contained in this Purchase Agreement, or if the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Authority nor the Underwriter shall be under any further obligation hereunder, except that the respective obligations of the Underwriter and the Authority set forth in Section 5 hereof shall continue in full force and effect.

4. Conditions to the Obligations of the Authority.

A. The obligations of the Authority shall be subject to the satisfaction of the conditions contained in Section 3.E. of this Purchase Agreement and to the satisfaction by the Community Facilities Districts of their obligations to the Local Obligations Purchase Agreement.

B. If the Authority shall be unable to satisfy the conditions to the obligations of the Authority to purchase, accept delivery of and pay for the Local Obligations contained in the Local Obligations Purchase Agreement, or if the obligations of the Authority to purchase, accept delivery of and pay for the Local Obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Authority shall not be under any further obligation hereunder, except that the obligations set forth in Section 5 hereof shall continue in full force and effect.

5. Expenses. Whether or not the transactions contemplated by this Purchase Agreement are consummated, the Underwriter shall be under no obligation to pay (except as provided in the paragraph below), and the Authority shall pay only from the proceeds of the Bonds, or cause the Community Facilities Districts to pay out of the proceeds of the Local Obligations or any other legally available funds of the Community Facilities Districts or the Authority, but only as the Authority and such other party providing such services may agree, all expenses and costs of the Authority incident to the performance of its obligations in connection with the authorization, execution, sale and delivery of the Bonds to the Underwriter, including, without limitation, printing costs, initial fees of the Wilmington Trust, including fees and disbursements of its counsel, if any, fees and disbursements of Bond Counsel, Disclosure Counsel, the Municipal Advisor, and other professional advisors employed by the Authority, and costs of preparation, printing, signing, transportation, delivery and safekeeping of the Bonds.

The Underwriter shall pay all out-of-pocket expenses of the Underwriter, including, without limitation, advertising expenses, the California Debt and Investment Advisory Commission fee, CUSIP Services Bureau charges, regulatory fees imposed on new securities issuers and any and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds, including fees of its counsel. Any meals in connection with or adjacent to meetings, rating agency presentations, pricing activities or other transaction-related activities shall be considered an expense of the transaction and included in the expense component of the Underwriter's discount.

6. Notices. Any notice of other communication to be given to the Authority under this Purchase Agreement may be given by delivering the same in writing at its address set forth above; any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated, 2121 Avenue of the Stars, Ste. 2150, Los Angeles, California 90067, Attention: Public Finance Department.

7. Parties In Interest. This Purchase Agreement is made solely for the benefit of the Authority and Underwriter (including any successors or assignees of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof.

8. Survival of Representations. The representations of the Authority under this Purchase Agreement shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing and regardless of any investigations made by or on behalf of the Underwriter (or statements as to the results of such investigations) concerning such representations and statements of the Authority and regardless of delivery of and payment for the Bonds.

9. Entire Agreement. This Purchase Agreement, when accepted by the Authority, shall constitute the entire agreement among the Authority and the Underwriter and is made solely for the benefit of the Authority and the Underwriter (including the successors or assigns of any Underwriter). Except for Bond Counsel, no other person shall acquire or have any right hereunder by virtue hereof. All the Authority's representations, warranties and agreements in this Purchase Agreement shall remain operative and in full force and effect, regardless of (a) any investigation made by or on behalf of the Underwriter, (b) delivery of and payment for the Bonds hereunder, and (c) any termination of this Purchase Agreement.

10. Execution in Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

11. Effective. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Authority and shall be valid and enforceable as of the time of such acceptance.

12. Reliance on Representations and Warranties. The Authority hereby acknowledges that the Underwriter, in executing this Purchase Agreement and in paying for the Bonds as provided herein, is relying upon the representations and warranties of the Authority set forth herein.

13. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but this Purchase Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

14. No Prior Agreements. This Purchase Agreement supersedes and replaces all prior negotiations, agreements and understanding among the parties hereto in relation to the sale of the Bonds by the Authority.

15. Governing Law. This Purchase Agreement shall be governed by the laws of the State of California applicable to contracts made and performed in California.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

16. Effective Date. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Authority and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED**, as Underwriter

By: _____
Its: Authorized Officer

The foregoing is hereby agreed to and accepted as of the date first above written:

**LAKE ELSINORE FACILITIES
FINANCING AUTHORITY**

By: _____
Authorized Signatory

Time of Execution: _____ p.m. California time

[EXECUTION PAGE OF BOND PURCHASE AGREEMENT]

EXHIBIT A

LAKE ELSINORE FACILITIES FINANCING AUTHORITY LOCAL AGENCY REVENUE REFUNDING BONDS, SERIES 2025A

MATURITY SCHEDULE

| <u>Maturity Date</u> <u>(September 1)</u> | <u>Principal</u> <u>Amount</u> | <u>Interest</u> <u>Rate</u> | <u>Yield</u> | <u>Price</u> | <u>10% Test</u> <u>Satisfied</u> | <u>10% Test</u> <u>Used</u> | <i>Hold the</i> <i>Offering</i> <i>Price Rule</i> <u>Used</u> |
|--|---|--|---------------------|---------------------|---|--|--|
| 2025 | | | | | | | |
| 2026 | | | | | | | |
| 2027 | | | | | | | |
| 2028 | | | | | | | |
| 2029 | | | | | | | |
| 2030 | | | | | | | |
| 2031 | | | | | | | |
| 2032 | | | | | | | |
| 2033 | | | | | | | |
| 20__ ^(T) | | | | | | | |
| 20__ ^(T) | | | | | | | |
| 20__ ^(T) | | | | | | | |
| 20__ ^(T) | | | | | | | |

^(T) Term Bond.

^(C) Priced to the optional redemption date of September 1, 20__ at [par].

* At the time of execution of this Purchase Agreement and assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Agreement.

EXHIBIT B

\$ _____
**LAKE ELSINORE FACILITIES FINANCING AUTHORITY
LOCAL AGENCY REVENUE REFUNDING BONDS, SERIES 2025A**

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated ("Stifel") hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the "Bonds").

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) ***Issuer*** means the Lake Elsinore Facilities Financing Authority.

(c) ***Maturity*** means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(d) ***Public*** means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(e) ***Underwriter*** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

3. ***Bond Insurance.*** The present value of the amounts paid to obtain the Insurance Policy and the Reserve Policies (as such terms are defined in the Purchase Agreement) is less than the present value of the interest reasonably expected to be saved as a result of having such Insurance Policy and Reserve Policies, using the yield on the Bonds (including fees for the Insurance Policy and Reserve Policies) as the discount factor for this purpose

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Stifel's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds,

and by Stradling Yocca Carlson & Rauth LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED**

By:_____

Name:_____

By:_____

Name:_____

Dated: [Closing Date]

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES
(Attached)

EXHIBIT C

THE LOCAL OBLIGATIONS

- (a) City of Lake Elsinore Community Facilities District No. 2003-2 (Canyon Hills) Improvement Area A 2025 Special Tax Refunding Bonds;
- (b) City of Lake Elsinore Community Facilities District No. 2003-2 (Canyon Hills) Improvement Area B 2025 Special Tax Refunding Bonds;
- (c) City of Lake Elsinore Community Facilities District No. 2003-2 (Canyon Hills) Improvement Area C 2025 Special Tax Refunding Bonds;
- (d) City of Lake Elsinore Community Facilities District No. 2004-3 (Rosetta Canyon) Improvement Area No. 1 2025 Special Tax Refunding Bonds;
- (e) City of Lake Elsinore Community Facilities District No. 2004-3 (Rosetta Canyon) Improvement Area No. 2 2025 Special Tax Refunding Bonds;
- (f) City of Lake Elsinore Community Facilities District No. 2005-1 (Serenity) 2025 Special Tax Refunding Bonds;
- (g) City of Lake Elsinore Community Facilities District No. 2005-2 (Alberhill Ranch) Improvement Area A 2025 Special Tax Refunding Bonds;
- (h) City of Lake Elsinore Community Facilities District No. 2005-6 (City Center Townhomes) 2025 Special Tax Refunding Bonds; and
- (i) City of Lake Elsinore Community Facilities District No. 2006-2 (Viscaya) 2025 Special Tax Refunding Bonds.