PRELIMINARY OFFICIAL STATEMENT DATED JUNE __, 2025

NEW ISSUE - BOOK-ENTRY ONLY **NO RATING**

In the opinion of Norton Rose Fulbright US LLP, Los Angeles, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming compliance with certain covenants in the documents pertaining to the 2025 Bonds and requirements of the Internal Revenue Code of 1986, as described herein, interest on the 2025 Bonds is not included in the gross income of the owners thereof for federal income tax purposes. In the further opinion of Bond Counsel, interest on the 2025 Bonds is not treated as an item of tax preference for purposes of the federal alternative minimum tax on individuals. Bond Counsel is also of the opinion that, under existing law, interest on the 2025 Bonds is exempt from personal income taxes of the State of California. See "TAX MATTERS" herein.

STATE OF CALIFORNIA COUNTY OF SAN BERNARDINO

$[18,760,000]*
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1
(EL RANCHO VERDE)
SPECIAL TAX BONDS
SERIES 2025

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

This cover page and the inside cover page contain certain information for general reference only. Such information is not a summary of this issue. City of Rialto Community Facilities District No. 2020-1 (El Rancho Verde) (the "District") has not and does not contemplate making an application to any rating agency for the assignment of a rating to the 2025 Bonds. Investors must read the entire Official Statement, including the sections entitled "SPECIAL RISK FACTORS" and "CONCLUDING INFORMATION – No Ratings on the 2025 Bonds" to obtain information essential to making an informed investment decision with respect to the 2025 Bonds.

The City of Rialto Community Facilities District No. 2020-1 (El Rancho Verde) Special Tax Bonds, Series 2025 (the "2025 Bonds") are being issued and delivered to (i) finance certain capital facilities of the City of Rialto (the "City") and the West Valley Water District, including capital fees, (ii) fund a deposit to the 2023 Reserve Account, and (iii) pay the costs of issuing the 2025 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and PLAN OF FINANCE" herein. The 2025 Bonds are authorized pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, and pursuant to a Fiscal Agent Agreement, dated as of October 1, 2023, as supplemented by a First Supplemental Fiscal Agent Agreement, dated as of July 1, 2025 (as supplemented, the "Fiscal Agent Agreement"), each between the City of Rialto Community Facilities District No. 2020-1 (El Rancho Verde) (the "District") and U.S. Bank Trust Company, National Association, as Fiscal Agent (the "Fiscal Agent"). The 2025 Bonds are limited obligations of the District payable solely from annual Special Taxes (as defined herein) to be levied on taxable land within the District and from certain other funds pledged under the Fiscal Agent Agreement, all as further described herein. The Special Taxes are to be levied according to the Rate and Method of Apportionment of Special Tax approved by the City Council of the City and the qualified electors within the District. See "THE DISTRICT –Rate and Method of Apportionment of Special Taxes" herein. The City Council of the City is the legislative body of the District.

Interest on the 2025 Bonds will be payable semiannually on each March 1 and September 1, commencing September 1, 2025. Individual purchases may initially be made in principal amounts of $5,000 or any integral multiple thereof and will be in book-entry form only. The 2025 Bonds are issuable in fully registered form and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC").

The 2025 Bonds are subject to optional redemption, mandatory redemption from prepayments, and mandatory sinking fund redemption prior to maturity as set forth herein. See "THE 2025 BONDS – Redemption" herein.

The District has previously issued under the Fiscal Agent Agreement its Special Tax Bonds, Series 2023 (the "2023 Bonds," and together with the 2025 Bonds, the "Bonds"). The 2025 Bonds will be secured by and payable from Special Taxes on a parity with the 2023 Bonds. Subject to certain conditions, additional obligations may be issued by the District on a parity basis with the Bonds solely for the purpose of refunding all or a portion of the Bonds. See "THE 2025 BONDS – Additional Bonds for Refunding Purposes Only."

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE DISTRICT (EXCEPT AS PLEDGED IN THE FISCAL AGENT AGREEMENT), THE CITY, THE COUNTY OF SAN BERNARDINO, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE 2025 BONDS. EXCEPT FOR THE SPECIAL TAXES, NO OTHER REVENUES OR TAXES ARE PLEDGED TO THE PAYMENT OF THE 2025 BONDS. THE 2025 BONDS ARE NOT GENERAL OR SPECIAL OBLIGATIONS OF THE CITY NOR GENERAL OBLIGATIONS OF THE DISTRICT, BUT ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM SPECIAL TAXES AND AMOUNTS HELD UNDER THE FISCAL AGENT AGREEMENT AS MORE FULLY DESCRIBED HEREIN.

Maturity Schedule
(see inside front cover page)

The 2025 Bonds are offered when, as and if issued, subject to the approval as to their legality by Norton Rose Fulbright US LLP, Bond Counsel. Certain legal matters will be passed on for the District by Norton Rose Fulbright US LLP, Disclosure Counsel, for the District and the City by Burke, Williams and Sorensen, LLP, as City Attorney, and for the Underwriter by Kutak Rock LLP, Irvine, California, as counsel to the Underwriter, and for the landowner by its counsel. It is anticipated that the 2025 Bonds will be available for delivery in book-entry form on or about July __, 2025.

[PIPER SANDLER LOGO]

Dated: June ___, 2025

* Preliminary, subject to change.

$[18,760,000]*
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1
(EL RANCHO VERDE)
SPECIAL TAX BONDS
SERIES 2025

MATURITY SCHEDULE

$________________ Serial Bonds

Base CUSIP† No. _________

Maturity Date September 1	Principal Amount	Interest Rate	Reoffering Yield	CUSIP† Suffix

$___________ ____% Term Bonds due September 1, 20__, Yield ____% CUSIP† No. _______

* Preliminary, subject to change.

† 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 © 2025 CUSIP Global Services. All rights reserved. The CUSIP numbers are not intended to create a database and do not serve in any way as a substitute for CUSIP service. CUSIP numbers have been assigned by an independent company not affiliated with the District and are included solely for the convenience of the registered owners of the 2025 Bonds. None of the District, the City, the Underwriter or the Municipal Advisor are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable 2025 Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2025 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance and other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2025 Bonds.

CITY COUNCIL
OF THE CITY OF RIALTO, CALIFORNIA

Legislative Body of the

CITY OF RIALTO COMMUNITY FACILITIES DISTRICT NO. 2020-1
(El Rancho Verde)

Joe Baca Sr., *Mayor*
Ed Scott, *Mayor Pro Tem*
Andy Carrizales, *Councilmember*
Karla Perez, *Councilmember*
Edward Montoya Jr., *Councilmember*

CITY OFFICIALS

Tanya Williams, *City Manager*
Tim Sullivan*, Assistant City Manager*
Edward J. Carrillo, *Treasurer*
Barbara McGee, *City Clerk*
Scott Williams, *Director of Finance*
Eric Vail, *City Attorney*

PROFESSIONAL SERVICES

MUNICIPAL ADVISOR

Fieldman, Rolapp & Associates, Inc.
Irvine, California

BOND COUNSEL AND DISCLOSURE COUNSEL

Norton Rose Fulbright US LLP
Los Angeles, California

FISCAL AGENT

U.S. Bank Trust Company, National Association
San Francisco, California

SPECIAL TAX CONSULTANT & CFD ADMINISTRATOR

Webb Municipal Finance, LLC
Riverside, California

APPRAISER
Stephen G. White, MAI
Fullerton, California

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GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the offer and sale of the 2025 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not to be construed as a contract with the purchasers of the 2025 Bonds.

Estimates and Forecasts. This Official Statement contains statements which, to the extent they are not recitations of historical fact, constitute "forward-looking statements," within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. In this respect, such forward-looking statements are generally identified by the use of words "estimate," "project," "plan," "budget," "anticipate," "expect," "intend," or "believe" or the negative thereof or other variations thereon or comparable terminology.

The achievement of certain results or other expectations contained in such forward-looking statements involves known or unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to be significantly different than those expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, uncertainties relating to economic conditions, the effect of changes in the amounts and timing of receipt of revenues, the availability and sufficiency of Special Taxes, change in circumstances adversely affecting the projected use of proceeds, and risks involving pertinent court decisions. The District does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based change. Potential investors are cautioned that such statements are only predictions and that actual events or results may differ materially. In evaluating such statements, potential investors should specifically consider the various factors which could cause actual events or results to differ materially from those indicated by such forward-looking statements.

Limit of Offering. No dealer, broker, salesperson or other person has been authorized by the District or the City to give any information or to make any representations in connection with the offer or sale of the 2025 Bonds other than those contained herein and if given or made, such other information or representation must not be relied upon as having been authorized by the District or the City, the Municipal Advisor 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 2025 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

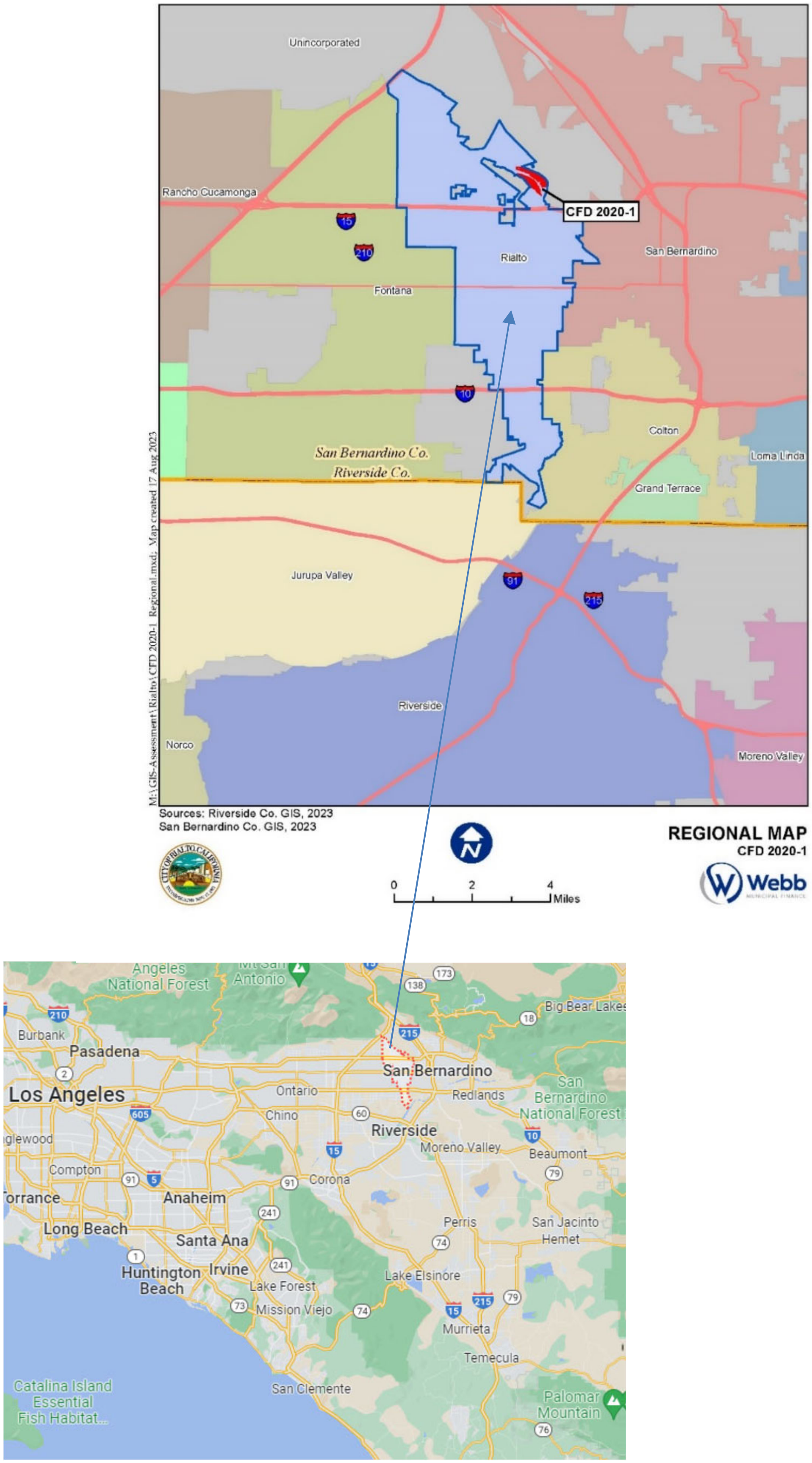
Involvement of Underwriter. The Underwriter has provided the following statement for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the Federal Securities Laws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

The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District or the City or any other entity described or referenced herein since the date hereof. All summaries of the documents referred to in this Official Statement 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.

Stabilization of Prices. In connection with this offering, the Underwriter may overallot or effect transactions which stabilize or maintain the market price of the 2025 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the 2025 Bonds to certain dealers and others at prices lower than the public offering prices set forth on the inside front cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

THE 2025 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXCEPTION FROM THE REGISTRATION REQUIREMENTS CONTAINED IN SUCH ACT. THE 2025 BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

VICINITY MAP



$[18,760,000]*
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1
(El Rancho Verde)
SPECIAL TAX BONDS
SERIES 2025

This Official Statement, which includes the cover page, table of contents and appendices hereto, is provided to furnish information in connection with the sale, issuance and delivery of City of Rialto Community Facilities District No. 2020-1 (El Rancho Verde) Special Tax Bonds, Series 2025, in the principal amount of $[18,760,000] (the "2025 Bonds").*

INTRODUCTION

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 contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. All references herein to any document are qualified by the terms of such document in its entirety. A full review should be made of the entire Official Statement. The offering of the 2025 Bonds to potential investors is made only by means of the entire Official Statement.

Purpose of Official Statement

The purpose of this Official Statement, which includes the cover page, table of contents and appendices hereto (the "Official Statement"), is to provide information concerning the sale of $[18,760,000]* aggregate principal amount of the City of Rialto Community Facilities District No. 2020-1 (El Rancho Verde) Special Tax Bonds, Series 2025 (the "2025 Bonds"). Capitalized terms used but not defined herein shall have the meanings set forth in the Fiscal Agent Agreement, dated as of October 1, 2023, as supplemented by a First Supplemental Fiscal Agent Agreement, dated as of July 1, 2025 (as supplemented, the "Fiscal Agent Agreement"), each by and between the City of Rialto Community Facilities District No. 2020-1 (El Rancho Verde) (the "District") and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"). See APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE FISCAL AGENT AGREEMENT" herein.

Authority for Issuance and Use of Proceeds

The 2025 Bonds are authorized by and are being issued by the District pursuant to certain resolutions adopted by the City Council of the City of Rialto, California, acting as the legislative body of the District (the "City Council'), the Fiscal Agent Agreement, and in accordance with the Mello-Roos Community Facilities Act of 1982, as amended, constituting Chapter 2.5 (commencing with Section 53311) Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"). See "THE 2025 BONDS – Authority for Issuance" herein.

Proceeds of the 2025 Bonds will be used to (i) finance certain capital facilities of the City of Rialto (the "City") and the West Valley Water District (the "Water District"), including capital fees, (ii) make a deposit to the 2023 Reserve Account for the 2023 Bonds (as defined herein) and the 2025 Bonds, and (iii) pay the costs of issuing the 2025 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "PLAN OF FINANCE."

* Preliminary, subject to change.

The City

The City is located in the western portion of the County of San Bernardino (the "County"), approximately 60 miles east of the City of Los Angeles and just west of the City of San Bernardino. The City was incorporated in 1911, and is organized as a general law city with a Council-Manager form of government. The City encompasses an area of approximately 22 square miles and, as of January 1, 2025, had an estimated population of approximately 105,565 as reported by the California Department of Finance. For certain information regarding the City and the County, see "APPENDIX A –INFORMATION RELATING TO THE CITY OF RIALTO AND SAN BERNARDINO COUNTY."

The 2025 Bonds are not a debt of the City in any respect.

The District and 2023 Bonds

The District was formed and established by the City on July 14, 2020 pursuant to the Act, following a public hearing by the City Council, as legislative body of the District, and a landowner election which authorized the incurrence of bonded indebtedness and approved the levy of special taxes. On September 13, 2022, the qualified electors of the District approved modifications to the District eliminating the designation of improvement areas within the District, modifying the boundaries of the District to eliminate certain nontaxable property, increasing the maximum bonded indebtedness for the District from $40,000,000 to $50,000,000 (the "Bonds") and approving the levy of a modified facilities special tax (the "Special Taxes" or "Special Tax A"), and a modified services special tax ("Special Tax B"). The Special Tax B is not pledged to the 2025 Bonds.

On October 11, 2023, under the Fiscal Agent Agreement, the District issued the first series of Bonds in the principal amount of $16,840,000, the District's Special Tax Bonds, Series 2023 (the "2023 Bonds"). The 2025 Bonds in the principal amount of $[18,760,000]* are the second series of Bonds to be issued by the District. The 2025 Bonds will be secured by and payable from Special Taxes levied by the District on a parity with the 2023 Bonds. At a later date, additional series of Bonds may be issued on a parity with the Bonds solely for the purpose of refunding the 2023 Bonds or the 2025 Bonds. See "THE 2025 BONDS – Authority for Issuance."

The District consists of a recently developed master-planned community known as "River Ranch" which is planned to consist of 776 detached single-family homes in six neighborhoods on an approximately 183-acre site located along River Ranch Parkway, at the northeast edge of the City. District boundaries are at the end of Country Club Drive, ¼ mile northeast of Riverside Avenue, and several blocks north of Highland Avenue and the 210 Freeway. The River Ranch development features a park near the entrance to the community, extensive walking trails, a dogpark and community play area, a recreation center with clubhouse, pool, splash park, fire pits, outdoor kitchen as well as adjacent parks with a basketball court, tot lots and a playground.

There are six different product types of detached homes in five (5) separate tax rate zones (the "Zones") within the District: The Cove (small lot/condominium plan – Zone 5), Blueridge (Zone 2) which is closed out, Ridgewater (Zone 3), Summerbrooke (Zone 3), Edgestone (Zone 1) and Stonecreek (Zone 4) which is also closed out.

The first builder sales of completed homes closed in November 2022 in the Blueridge, Ridgewater and Summerbrooke product types, with first closings in the other product types following thereafter. As of June 1, 2025 there were a total of [683] closed builder sales, and there were [42] pending builder sales that were scheduled to close from June through July 2025.

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* Preliminary, subject to change.

Property Ownership

As of April 4, 2025, the date of value for the Appraisal, the ownership of the lots upon which the 776 homes have been or are anticipated to be constructed was as follows: Lennar Homes of California, LLC (the "Developer") owned a total of 115 lots (comprised of 30 completed and unclosed (including 4 model homes), 49 under construction, and 36 finished lots) and individual homeowners owned 661 completed homes. As of June 1, 2025, the Developer owned a total of ___ lots (comprised of __ completed and unclosed (including 4 model homes), ___ under construction and __ finished lots) and individual homeowners owned [683] completed homes. The Developer has estimated buildout of the River Ranch development by February 2026. For more detailed information about the Developer and the development plans for the property in the District, see "THE DISTRICT - Property Ownership and Development Status."

Security and Sources of Payment of the 2025 Bonds

The 2025 Bonds, the 2023 Bonds and any additional series of refunding Bonds are secured by a first pledge of all of the Special Taxes and other amounts deposited in the Special Tax Fund (except for moneys to be deposited in the Administrative Expense Account, and amounts in the Reserve Accounts which secure specific Series of Bonds). See "SECURITY FOR THE 2025 BONDS" and APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE FISCAL AGENT AGREEMENT." "Special Taxes" is defined in the Fiscal Agent Agreement to mean the special tax requirement for facilities authorized to be levied by the District on parcels within the District in accordance with the Resolution of Change, the Act and the voter approval obtained at the September 13, 2022 modification election within the District and any additional special taxes authorized to be levied by the District from time to time that are pledged by the District to the repayment of the Bonds, together with the proceeds collected from the sale of property pursuant to the foreclosure provisions of the Fiscal Agent Agreement for the delinquency of such Special Taxes remaining after the payment of all the costs related to such foreclosure actions, including, but not limited to, all legal fees and expenses, court costs, consultant and title insurance fees and expenses.

The 2025 Bonds were sized based on at least 110% coverage from the Special Taxes generated by Developed Property within the District (consisting of 776 lots, all of which have been issued building permits as of April 4, 2025), at Assigned rates pursuant to the Rate and Method (as defined herein), net of administrative costs, taking into account debt service of the 2023 Bonds. The Special Taxes are levied on current and future designated Developed Property at 100% of the Assigned rates for the first thirty years, with surplus amounts paying for pay-as-you-go authorized facilities.

The Special Taxes are levied by the District and collected by the San Bernardino County Treasurer-Tax Collector in the same manner and at the same time as *ad valorem* property taxes. The District has covenanted in the Fiscal Agent Agreement to cause foreclosure proceedings to be commenced and prosecuted against parcels with delinquent Special Taxes under certain circumstances. For a more detailed description of the foreclosure covenant see "SECURITY FOR THE 2025 BONDS - Covenant to Commence Foreclosure Proceedings." There is no assurance that the property within the District can be sold for the appraised or assessed values described herein, or for a price sufficient to pay the principal of and interest on the 2025 Bonds in the event of a default in payment of Special Taxes by the current landowners or future landowners within the District. See "SPECIAL RISK FACTORS — Appraised and Assessed Valuations; Value-to-Lien Ratios" and APPENDIX G — "APPRAISAL REPORT" herein.

Reserve Account for the 2025 Bonds and Related Parity Bonds

As additional security for the 2023 Bonds and the 2025 Bonds and any additional series of Bonds which constitute Related Parity Bonds (as defined below), the Fiscal Agent Agreement provides for the establishment of the 2023 Reserve Account within the Special Tax Fund in the amount of the 2023 Reserve Requirement. As of the date of issuance of the 2025 Bonds, the 2023 Reserve Requirement will be fully funded in the amount of

$2,539,637.50.* Proceeds of the 2025 Bonds in the amount of $1,280,700.01* will be added to the amount already on deposit in the 2023 Reserve Account of $1,248,937.49.* The 2023 Reserve Requirement is defined in the Fiscal Agent Agreement to mean, as of any date of calculation, an amount equal to the least of (i) 10% of the issue price of the 2023 Bonds and Related Parity Bonds (as defined pursuant to section 148 of the Internal Revenue Code of 1986 (the "Code")), or (ii) Maximum Annual Debt Service on the Outstanding 2023 Bonds and Related Parity Bonds, or (iii) 125% of the average Annual Debt Service of the Outstanding 2023 Bonds and Related Parity Bonds, as determined by the District, provided, however that in no event shall the amount calculated exceed the amount on deposit in the 2023 Reserve Account on the date of issuance of the 2023 Bonds (if they are the only Bonds covered by the 2023 Reserve Account) or the most recently issued series of Related Parity Bonds (if any Related Parity Bonds are covered by the 2023 Reserve Account) except in connection with any increase associated with the issuance of Related Parity Bonds. Related Parity Bonds is defined as any series of Bonds for which (y) proceeds or funds are deposited into the 2023 Reserve Account so that the balance therein is equal to the 2023 Reserve Requirement following issuance of such series of Bonds and (z) the related Supplemental Fiscal Agent Agreement specifies that the 2023 Reserve Account shall act as a reserve for the payment of the principal of, and interest and any premium on, such series of Bonds.

The 2025 Bonds constitute Related Parity Bonds under the Fiscal Agent Agreement. See "SECURITY FOR THE BONDS – Special Tax Fund – 2023 Reserve Account."

Appraisal Report

An appraisal of a portion of the taxable property within the District, dated April 18, 2025 (the "Appraisal Report"), was prepared by Stephen G. White, MAI, Fullerton, California (the "Appraiser") in connection with issuance of the 2025 Bonds. The purpose of the Appraisal Report was to ascertain the "as is" market value of the fee simple estate as of the April 4, 2025 date of value of the appraisal of the taxable properties within the District with assessed valuations of less than $250,000. These properties comprise 355 of the 776 total residential lots that are being developed by the Developer within the six separate product types, which consisted cumulatively of 244 detached single-family homes owned by individual homeowners, 26 completed homes owned by the Developer, 49 homes under construction owned by the Developer, and 36 finished lots or vacant lots owned by the Developer. The remaining 421 lots with assessed valuations of over $250,000, are valued at the Fiscal Year 2024-25 assessed values and owned by individual homeowners, along with four completed model homes owned by the Developer.

Subject to the assumptions and limitations contained in the Appraisal Report, the Appraiser estimated that the fee simple interest in the 355 appraised lots, subject to the lien of the Special Taxes, had an estimated aggregate value of $167,660,000. The assessed value for the remaining 421 lots is $253,141,326. The combined appraised and assessed values of the 776 lots is $420,801,326.

The overall aggregate value-to-lien ratio based on the estimated appraised and assessed values reported in the Appraisal Report, and the estimated 18,760,000 of the 2025 Bonds of $[18,760,000]* and outstanding 18,760,000 of the 2023 Bonds in the amount of $16,840,000, for a total 18,760,000 of $_____________, is 12.13 to 1.*

There is no assurance that the property within the District can be sold for the appraised or assessed values described herein, or for a price sufficient to pay the principal of and interest on the 2025 Bonds in the event of a default in payment of Special Taxes by the current landowner or future landowners within the District. See "SPECIAL RISK FACTORS — Appraised and Assessed Valuations; Value-to-Lien Ratios" and APPENDIX G — "APPRAISAL REPORT" herein.

* Preliminary, subject to change.

Additional Series of Bonds for Refunding Purposes Only

At the September 13, 2022 modification election, the qualified electors authorized the District to incur bonded indebtedness in one or more series in an amount not to exceed $50,000,000. The 2023 Bonds in the principal amount of $16,840,000 was the first series of Bonds to be issued by the District. The 2025 Bonds in the principal amount of $[18,760,000]* is the second series of Bonds to be issued by the District. The District has covenanted in the First Supplemental Fiscal Agent Agreement to only issue additional series of Bonds on a parity with the 2025 Bonds for the purpose of refunding all or a portion of the 2023 Bonds, the 2025 Bonds or other parity refunding bonds. See "THE 2025 BONDS – Additional Series of Bonds for Refunding Purposes Only" herein.

Other taxes and/or special assessments with liens equal in priority to the continuing lien of the Special Taxes, including special taxes levied within the District by the Rialto Unified School District CFD No. 2019-1, may also be levied in the future on the property within the District which could adversely affect the willingness of the owners of the taxable parcels within the District to pay the Special Taxes when due and decrease the value-to-lien ratios of parcels in the District. See "SPECIAL RISK FACTORS—Parity Taxes and Special Assessments" herein.

Risk Factors

Investment in the 2025 Bonds involves risks that may not be appropriate for some investors. See "SPECIAL RISK FACTORS" for a discussion of certain risk factors which should be considered, in addition to the other matters set forth in this Official Statement, in considering the investment quality of the 2025 Bonds.

Continuing Disclosure

In order to assist the Underwriter in complying with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time, the District has covenanted to provide certain financial information and operating data and notices of certain enumerated events relating to the District. See "CONTINUING DISCLOSURE" herein.

Miscellaneous

The summaries of and references to all documents, statutes, reports and other instruments referred to herein do not purport to be complete, comprehensive or definitive, and each such summary and reference is qualified in its entirety by reference to each such document, statute, report or other instrument. Included in this Official Statement are summaries of certain provisions of the Fiscal Agent Agreement and the Appraisal Report. Copies of the Fiscal Agent Agreement and the Appraisal Report are available for inspection at the offices of the City, and copies of such documents will be provided by the City upon request and payment of duplication costs. See also APPENDIX G — "APPRAISAL REPORT" herein.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds from the sale of the 2025 Bonds will be deposited into the following funds and accounts established under the Fiscal Agent Agreement:

SOURCES	
Principal Amount of 2025 Bonds	
Plus/Less: Net Original Issue Premium/Discount	
Less: Underwriter's Discount	
Total Sources	
USES	
Acquisition and Construction Fund	
Costs of Issuance Account (1)	
2023 Reserve Account (2)	
Total Uses	

(1) Includes printing costs, appraisal costs, filing and recording fees, fees and charges of the Fiscal Agent and its legal counsel, expenses incurred by the City in connection with the issuance of the 2025 Bonds, legal fees and charges, including bond counsel and disclosure counsel, and financial advisor's fees, and other costs, charges and fees in connection with the foregoing.

(2) Amount required to be added to the amount on deposit in the 2023 Reserve Account to equal to the 2023 Reserve Requirement with respect to the 2023 Bonds and the 2025 Bonds as of the date of delivery of the 2025 Bonds.

PLAN OF FINANCE

A portion of the proceeds of the 2025 Bonds will be used to finance certain capital facilities for the City and the Water District, including certain capital facilities fees relating to public facility improvements serving properties within the District and elsewhere in the City. Such eligible facilities, fees and estimated costs are set forth in the following table.

Description of Financed Capital Facilities & Fees	Estimated Amount
City of Rialto Development Impact Fees	
General Facilities	$ 768,240
Police Facilities	675,120
Fire Facilities	325,920
Library Facilities	194,000
Street Facilities	54,320
Wastewater Collection	1,117,440
Wastewater Treatment	1,603,270
Traffic Impact	799,280
Regional Traffic Facilities	2,741,608
Subtotal Eligible Development Impact Fees:	**$ 8,279,198**

City of Rialto Improvements	
Street Improvements (Spine Rd)	$ 3,197,729
Water Improvements	816,930
Offsite Design, Planning, and Engineering	401,466
Street Improvements - PA 2 & 3	2,317,818
Street Improvements - PA 5 & 6	2,719,707
Street Improvements - PA 1 & 4	2,240,260
Onsite Design, Planning, and Engineering	727,778
Subtotal Eligible City Improvements:	**$12,421,688**
Total City of Rialto	**$20,700,886**
West Valley Water District Fees	
Water System Connection Fee	$ 9,495,672
Backbone Meters	643,709
Fire Flow Charge	929,648
Subtotal Eligible Fees:	**$11,069,029**
West Valley Water District Improvements	
Backbone - 30" waterline, 12" Waterline	$ 3,340,776
Intract Water Improvements - PA 2 & 3	2,989,560
Intract Water Improvements - PA 5 & 6	2,463,940
Intract Water Improvements - PA 1 & 4	3,046,052
Design, Planning, and Engineering (15%)	932,711
Subtotal Eligible City Improvements:	**$12,773,040**
Total West Valley Water District	**$23,842,069**
Total Eligible Facilities	**$44,542,955**

Source: Lennar Homes of California, LLC.

Proceeds of the 2023 Bonds, including interest earnings, funded approximately $15.9 million of the improvements and capital improvement fees listed above. All proceeds of the 2023 Bonds in the Acquisition and Construction Fund have been spent. A portion of the 2025 Bonds will be used to finance approximately $[18.5] million of City capital improvement fees, City backbone street improvements and Water District connection fees.

THE 2025 BONDS

General

The 2025 Bonds will be dated the date of their delivery and will mature in the amounts and on the dates set forth on the cover page of this Official Statement. The 2025 Bonds will be issued in fully registered form in denominations of $5,000 each or any integral multiple of $5,000.

The 2025 Bonds will bear interest at the annual rates set forth on the cover page of this Official Statement, payable semiannually on each March 1 and September 1, commencing September 1, 2025 (each, an "Interest Payment Date"). Interest will be calculated on the basis of a 360-day year composed of twelve 30-day months.

Principal of and interest on the 2025 Bonds (including the final interest payment upon maturity or earlier redemption), is payable by check of the Fiscal Agent mailed by first class mail to the registered Owner thereof at such registered Owner's address as it appears on the registration books maintained by the Fiscal Agent at the close of business on the Record Date preceding the Interest Payment Date, or by wire transfer made on such Interest

Payment Date upon written instructions of any Owner of $1,000,000 or more in aggregate principal amount of 2025 Bonds delivered to the Fiscal Agent prior to the applicable Record Date, which instructions will continue in effect until revoked in writing, or until such 2025 Bonds are transferred to a new Owner. Each 2025 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless: (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such date of authentication, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from the Closing Date.

The principal of the 2025 Bonds and any premium on the 2025 Bonds are payable in lawful money of the United States of America upon surrender of the 2025 Bonds at the Principal Office of the Fiscal Agent.

Authority for Issuance

District Proceedings. The 2025 Bonds are the first series of Bonds to be issued by the District and are authorized and issued pursuant to the Act and the Fiscal Agent Agreement. In addition, as required by the Act, the City Council has taken the following actions with respect to establishing and modifying the District and authorizing issuance of the 2025 Bonds:

> *Resolutions of Intention*: On June 9, 2020, the City Council adopted a resolution stating its intention to establish the District and to authorize the levy of a special tax therein. On the same day the City Council adopted a resolution stating its intention to incur indebtedness for the purpose of financing the Facilities.
>
> *Resolution of Formation*: Following a noticed public hearing, the City Council adopted, on July 14, 2020, a resolution (the "Resolution of Formation") which established the District and authorized the levy of a special tax within the District.
>
> *Resolution of Necessity and Calling Election*. On July 14, 2020, the City Council adopted a resolution declaring the necessity to incur bonded indebtedness in an amount not to exceed $20,000,000 for each improvement area within the District and calling an election by the landowners within the District for the same date on the issues of the levy of the Special Tax, the incurring of bonded indebtedness and the establishment of an appropriations limit.
>
> *Landowner Election and Declaration of Results*: On July 14, 2020, an election was held in which the qualified landowner electors within the District approved a ballot proposition authorizing the issuance of bonds in the not to exceed amount of $20,000,000 for each improvement area within the District to finance the construction of the Facilities, the levy of a special tax and the establishment of an appropriations limit for the District. On July 14, 2020, the City Council adopted a resolution under which the City Council approved the canvass of the votes and declared the District to be fully formed with the authority to levy the Special Taxes, to incur the bonded indebtedness and to have the established appropriations limit.
>
> *Special Tax Lien and Levy*: A Notice of Special Tax Lien for the District was recorded in the real property records of San Bernardino County on August 5, 2020.
>
> *Ordinance Levying Special Taxes*: On July 28, 2020, the City Council adopted an ordinance authorizing the levy of the Special Tax within the District.
>
> *Resolution of Consideration*: On August 9, 2022, the City Council adopted a resolution stating its intention to (i) eliminate of the designation of improvement areas within the District; (ii) modify the original rates and methods of apportionment to consolidate into one rate and method of apportionment and increase certain special tax rates; (iii) increase the maximum bonded indebtedness for the District to not to exceed

$50,000,000 within the District; (iv) modify the boundaries of the District to eliminate certain nontaxable property; and (v) revise the appropriations limit for the District.

Resolution Calling Election. On September 13, 2022, the City Council adopted a resolution calling an election by the landowners within the District for the same date on the above changes to the District.

Landowner Election on Change and Declaration of Results: On September 13, 2022, an election was held in which the qualified landowner electors within the District approved the above changes to the District. On September 13, 2022, the City Council adopted a resolution of change under which the City Council approved the canvass of the votes and declared the changes approved with the authority to levy the modified Special Taxes, and to incur the bonded indebtedness in an amount not to exceed $50,000,000.

Amended and Restated Special Tax Lien and Levy: A Notice of Special Tax Lien for the District was recorded in the real property records of San Bernardino County on October 22, 2022.

Ordinance Levying Special Taxes: On September 27, 2022, the City Council repealed the previously adopted ordinance and adopted an ordinance authorizing the levy of the modified Special Tax within the District.

Resolution Authorizing Issuance of the 2025 Bonds: On June ___, 2025, the City Council adopted a resolution approving issuance of the 2025 Bonds in an amount not to exceed $21,000,000 for the District.

City's Goals and Policies. As required by the Act, the City adopted Goals and Policies for Community Facilities Districts in November 2005, which were supplemented by its Debt Issuance and Management Policy adopted in August 2017 (the "Goals and Policies"). The Goals and Policies establish an order of priority for projects to be financed by community facilities districts and certain credit quality requirements for bonds issued by community facilities districts and improvement areas therein, namely a 3:1 ratio of property value to the lien of the 2025 Bonds and other public indebtedness secured by a lien on real property currently existing against the properties to be taxed. Property value may be based on an appraisal or on assessed values as indicated on the county assessor's tax roll.

The Goals and Policies also require that, for residential property, the maximum annual special tax, together with ad valorem property taxes, and all other special assessments or special taxes collected or to be collected on the annual tax bill for each developed parcel at the time of bond issuance, may not exceed 2% of such parcel's projected assessed value. The 2025 Bonds are expected to comply with the Goals and Policies.

Debt Service Schedule

The following table presents the annualized debt service on the 2023 Bonds and the 2025 Bonds (including sinking fund payments), assuming there are no early redemptions.

		2025 BONDS			
Year Ending September 1	2023 Bonds Debt Service	Principal	Interest	Total Principal and Interest	TOTAL DEBT SERVICE
2025(1)	$ 916,437.50				
2026	936,437.50				
2027	955,437.50				
2028	973,437.50				
2029	990,437.50				
2030	1,011,437.50				
2031	1,031,187.50				
2032	1,054,687.50				
2033	1,076,687.50				
2034	1,097,187.50				
2035	1,116,187.50				
2036	1,138,687.50				
2037	1,164,437.50				
2038	1,188,187.50				
2039	1,209,937.50				
2040	1,234,687.50				
2041	1,232,187.50				
2042	1,233,687.50				
2043	1,233,937.50				
2044	1,232,937.50				
2045	1,232,962.50				
2046	1,236,337.50				
2047	1,232,787.50				
2048	1,232,587.50				
2049	1,235,462.50				
2050	1,236,137.50				
2051	1,234,612.50				
2052	1,235,887.50				
2053	1,234,687.50				
2054	1,236,012.50				
2055	1,232,250.00				
2056	1,235,612.50				
2057	1,235,525.00				
2058	1,231,987.50				
2059	--				
2060	--				
Total	$39,311,100.00				

(1) Debt service due on September 1, 2025 is expected to be paid from Special Taxes collected during Fiscal Year 2024-25.
Source: Underwriter

Redemption

Optional Redemption.* The 2025 Bonds maturing on or after September 1, 20__ are subject to redemption prior to maturity at the option of the District on any date, on or after September 1, 20__, as a whole or in part, by lot, from any available source of funds at the following redemption prices (expressed as a percentage of the principal amount of 2025 Bonds to be redeemed), together with accrued interest thereon to the date fixed for redemption:

Redemption Dates	Redemption Prices
September 1, 20__ through August 31, 20__	103%
September 1, 20__ through August 31, 20__	102%
September 1, 20__ through August 31, 20__	101%
September 1, 20__ and any day thereafter	100%

Special Mandatory Redemption from Special Tax Prepayments. The 2025 Bonds are subject to mandatory redemption prior to maturity on any Interest Payment Date, on or after September 1, 2025, as a whole or in part, in a manner determined by the District from prepayments of Special Taxes at the following redemption prices (expressed as a percentage of the principal amount of 2025 Bonds to be redeemed), together with accrued interest thereon to the date fixed for redemption:

Redemption Dates	Redemption Prices
September 1, 2025 and each March 1 and September 1 through and including March 1, 20__	103%
September 1, 20__ and March 1, 20__	102%
September 1, 20__ and March 1, 20__	101%
September 1, 20__ and each March 1 and September 1 thereafter	100%

In connection with such redemption, the District may also apply amounts in the 2023 Reserve Account which will be in excess of the 2023 Reserve Requirement as a result of such Special Tax prepayment to redeem 2025 Bonds as set forth above.

Mandatory Sinking Fund Redemption. The Term 2025 Bonds maturing on September 1, 20__, on September 1, 20__ and on September 1, 20__ are subject to mandatory redemption, in part by lot, on September 1 in each year commencing September 1, 20__ with respect to the Term 2025 Bonds maturing on September 1, 20__, commencing September 1, 20__ with respect to the Term 2025 Bonds maturing on September 1, 20__, and commencing September 1, 20__ with respect to the Term 2025 Bonds maturing on September 1, 20__, from the Sinking Fund Payments that have been deposited into the Redemption Account at a redemption price equal to the principal amount thereof to be redeemed, without premium, plus accrued interest thereon to the date of redemption as set forth in the following schedule; provided, however, that (i) in lieu of redemption thereof, the Term 2025 Bonds may be purchased by the District and tendered to the Fiscal Agent, and (ii) if some but not all of the Term 2025 Bonds have been redeemed, the total amount of all future Sinking Fund Payments will be reduced by the aggregate principal amount of the Term 2025 Bonds so redeemed, to be allocated among such Sinking Fund

* Preliminary, subject to change.

Payments on a pro rata basis (as nearly as practicable) in integral multiples of $5,000 as determined by the District in a written notice to the Fiscal Agent.

Term 2025 Bonds Maturing on September 1, 20__

Redemption Date (September 1)	Principal Amount
(maturity)	

Term 2025 Bonds Maturing on September 1, 20__

Redemption Date (September 1)	Principal Amount
(maturity)	

Term 2025 Bonds Maturing on September 1, 20__

Redemption Date (September 1)	Principal Amount
(maturity)	

Selection of 2025 Bonds for Redemption. If less than all of the 2025 Bonds Outstanding are to be redeemed, the portion of any 2025 Bond of a denomination of more than $5,000 to be redeemed shall be in the principal amount of $5,000 or an integral multiple thereof. In selecting portions of such 2025 Bonds for redemption, the Fiscal Agent shall treat such 2025 Bonds as representing that number of 2025 Bonds of $5,000 denominations which is obtained by dividing the principal amount of such 2025 Bonds to be redeemed in part by $5,000. The Fiscal Agent shall promptly notify the District in writing of the 2025 Bonds, or portions thereof, selected for redemption.

Notice of Redemption. When 2025 Bonds are due for redemption, the Fiscal Agent shall give notice, in the name of the District, of the redemption of such 2025 Bonds. At least 20 days but no more than 60 days prior to the redemption date, the Fiscal Agent shall mail a copy of the notice of redemption, by first class mail, postage prepaid, to the respective Owners thereof at their addresses appearing on the Bond Register. The actual receipt by the Owner of any 2025 Bond or the original purchaser of any 2025 Bond of notice of such redemption shall not be a condition precedent to redemption, and neither the failure to receive nor any defect in such notice shall affect the validity of the proceedings for the redemption of such 2025 Bonds, or the cessation of interest on the redemption date. A certificate by the Fiscal Agent that notice of such redemption has been given as herein provided shall be conclusive as against all parties and the Owner shall not be entitled to show that he or she failed to receive notice of such redemption.

If at the time of mailing of any notice of optional redemption there has not been deposited with the Fiscal Agent moneys sufficient to redeem all the 2025 Bonds called for redemption, such notice shall state that it is subject to the deposit of the redemption moneys with the Fiscal Agent not later than the opening of business on the redemption date and will be of no effect unless such moneys are so deposited.

Partial Redemption of 2025 Bonds. Upon surrender of any 2025 Bond to be redeemed in part only, the District shall execute and the Fiscal Agent shall authenticate and deliver to the Bondowner, at the expense of the District, a new 2025 Bond or 2025 Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the 2025 Bonds surrendered, with the same interest rate and the same maturity.

Effect of Notice and Availability of Redemption Money. Notice of redemption having been duly given, as provided in the Fiscal Agent Agreement, and the amount necessary for the redemption having been made available for that purpose and being available therefor on the date fixed for such redemption:

(1) The 2025 Bonds, or portions thereof, designated for redemption shall, on the date fixed for redemption, become due and payable at the redemption price thereof as provided in the Fiscal Agent Agreement, anything in the Fiscal Agent Agreement or in the 2025 Bonds to the contrary notwithstanding;

(2) Upon presentation and surrender thereof at the office of the Fiscal Agent, the redemption price of such 2025 Bonds shall be paid to the Owners thereof;

(3) As of the redemption date the 2025 Bonds, or portions thereof so designated for redemption shall be deemed to be no longer Outstanding and such 2025 Bonds, or portions thereof, shall cease to bear further interest; and

(4) As of the date fixed for redemption no Owner of any of the 2025 Bonds, or portions thereof so designated for redemption, shall be entitled to any of the benefits of the Fiscal Agent Agreement or any Supplemental Fiscal Agent Agreement, or to any other rights, except with respect to payment of the redemption price and interest accrued to the redemption date from the amounts so made available.

Book-Entry Only System

The Depository Trust Company ("DTC") will act as securities depository for the 2025 Bonds. The 2025 Bonds will be issued as fully-registered securities registered initially in the name of Cede & Co. (DTC's partnership nominee). One fully-registered bond will be issued for the 2025 Bonds of each maturity and each interest rate, in the initial aggregate principal amount of such maturity of such series. See APPENDIX E – "BOOK-ENTRY ONLY SYSTEM."

Additional Series of Bonds for Refunding Purposes

In addition to the 2023 Bonds and the 2025 Bonds, the District may issue additional Series of Bonds on a parity with the 2025 Bonds solely for the purpose of refunding all or a portion of the 2023 Bonds, the 2025 Bonds or any parity bonds . Any such Series will constitute Bonds under the Fiscal Agent Agreement and will be secured by a lien on the Special Taxes (other than the Special Taxes to be deposited into the Administrative Expense Account of the Special Tax Fund) and funds pledged for the payment of the Bonds thereunder on a parity with all other Bonds Outstanding under the Fiscal Agent Agreement. The 2023 Reserve Account secures the 2023 Bonds and the 2025 Bonds and any additional Related Parity Bonds. The District may issue such additional Series subject to the following specific conditions precedent:

(a) <u>Compliance</u>. The District will be in compliance with the Fiscal Agent Agreement and all Supplemental Fiscal Agent Agreements or will be in compliance immediately following the issuance of such Series.

(b) Purpose. The purposes for which such Series of Bonds are to be issued; provided, that the proceeds of the sale of such Series of Bonds will be applied only for the purpose of providing funds to (A) refund any Bonds issued under the Fiscal Agent Agreement, (B) pay capitalized interest on such Series of Bonds, (C) pay Costs of Issuance incurred in connection with the issuance of such Series of Bonds, and (D) make any deposit to the 2023 Reserve Account or establish and fund a separate Reserve Account required pursuant to the Fiscal Agent Agreement;

(c) Same Payment Dates. The Supplemental Fiscal Agent Agreement providing for the issuance of such Series will provide that interest thereon shall be payable on Interest Payment Dates, and principal thereof shall be payable on September 1 in any year in which principal is payable on such Series (provided that there shall be no requirement that any Series pay interest on a current basis).

(d) Separate Funds; Reserve Account Deposit. The Supplemental Fiscal Agent Agreement may provide for a separate Reserve Account securing such Series at a reserve requirement to be specified in the Supplemental Fiscal Agent Agreement, or, if the Supplemental Fiscal Agent Agreement specifies that the 2023 Reserve Account will act as a reserve for the payment of the principal of, and interest and any premium on, such Series of Bonds (constituting Related Parity Bonds), the Supplemental Fiscal Agent Agreement will provide for an amount to be deposited into the 2023 Reserve Account of the Special Tax Fund so that the balance on deposit in the 2023 Reserve Account is increased to an amount at least equal to the 2023 Reserve Requirement following the issuance of such Series of Bonds; and an amount at least equal to the 2023 Reserve Requirement will thereafter be maintained in the 2023 Reserve Account. Such deposit will be made as provided in the Supplemental Fiscal Agent Agreement providing for the issuance of such additional Series and may be made from the proceeds of the sale of such additional Series or from other funds.

(e) Certificates. The District will deliver to the Fiscal Agent a Certificate of Authorized Representative of the District certifying that the conditions precedent to the issuance of such Series set forth in paragraphs (a) through (d) above have been satisfied.

(f) Opinion. An Opinion of Bond Counsel to the effect that execution of the Supplemental Fiscal Agent Agreement has been duly authorized by the District in accordance with the Fiscal Agent Agreement and that such Series, when duly executed by the District and authenticated and delivered by the Fiscal Agent, will be valid and binding obligations of the District.

The 2025 Bonds constitute an additional series of Bonds and Related Parity Bonds under the Fiscal Agent Agreement, the proceeds of which will be used to fund new projects for the District and not for refunding purposes. Accordingly the District has complied with requirements (a) through (f) above, including a deposit of $1,280,700.01* from the proceeds of the 2025 Bonds, which when added to the amount on deposit in the 2023 Reserve Account of $1,248,937.49* equals the 2023 Reserve Account Requirement of $2,539,637.50,* as well as the following additional requirements under the Fiscal Agent Agreement:

(a) Aggregate Value-to-Lien. The aggregate CFD Value of all Taxable Property shall be at least three (3) times the sum of: (i) the aggregate principal amount of all Bonds then Outstanding, plus (ii) the aggregate principal amount of the additional Series proposed to be issued, plus (iii) the aggregate principal amount of any fixed assessment liens on the parcels in the CFD subject to the levy of Special Taxes, plus (iv) a portion of the aggregate principal amount of any and all other community facilities district bonds then outstanding and payable at least partially from special taxes to be levied on parcels of land within the CFD (the "Other District Bonds") equal to the aggregate outstanding principal amount of the Other District Bonds multiplied by a fraction, the numerator of which is the amount of

* Preliminary, subject to change.

special taxes levied for the Other District Bonds on parcels of land within the CFD subject to the Special Taxes, and the denominator of which is the total amount of special taxes levied for the Other District Bonds on all parcels of land against which such special taxes are levied to pay the Other District Bonds based upon information from the most recent available Fiscal Year. CFD Value is defined in the Fiscal Agent Agreement as the value established by appraisal, assessed value or both of property subject to the special tax. See "APPENDIX C - SUMMARY OF CERTAIN PROVISIONS OF THE FISCAL AGENT AGREEMENT" herein for the complete definition.

(b) Aggregate Coverage. For each Fiscal Year after issuance of the proposed Series, the maximum amount of the Special Taxes that may be levied for such Fiscal Year under the Ordinance, the Fiscal Agent Agreement and any Supplemental Fiscal Agent Agreement on all parcels then classified as Taxable Property or to be classified as Taxable Property in the subsequent Fiscal Year not then delinquent in the payment of any prior or current years' Special Taxes, less the Administrative Expense Requirement for each respective Fiscal Year, shall be at least 110% of the total Annual Debt Service of the then Outstanding Bonds and the proposed Series of Bonds for each Bond Year that commences in each such Fiscal Year.

The District may also issue any other bonds or otherwise incur debt secured by a pledge of the Special Taxes (other than the Special Taxes to be deposited into the Administrative Expense Account of the Special Tax Fund) which are subordinate to the pledge securing the 2023 Bonds and the 2025 Bonds.

SECURITY FOR THE 2025 BONDS

Pledge of Special Taxes

General. The Special Taxes are the primary security for repayment of the 2025 Bonds and the 2023 Bonds. The 2025 Bonds and the 2023 Bonds are secured by a first pledge of the Special Taxes and all moneys deposited in the Special Tax Fund (except for moneys to be deposited in the Administrative Expense Account and Reserve Accounts other than the 2023 Reserve Account). The Special Taxes and all moneys deposited into these funds (except as otherwise provided in the Fiscal Agent Agreement) are dedicated to the payment of the principal of, and interest and any premium on, the 2025 Bonds as provided in the Fiscal Agent Agreement and in the Act until all of the 2025 Bonds have been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose under the Fiscal Agent Agreement. The Administrative Expense Requirement is defined to mean for any Fiscal Year an amount equal to $30,000 for Fiscal Year 2023-24 escalating by two percent per each Fiscal Year thereafter.

So long as any Bonds issued under the Fiscal Agent Agreement are Outstanding, the District has covenanted in the Fiscal Agent Agreement to levy the Special Tax in an amount sufficient, together with other amounts on deposit in the Special Tax Fund and available for such purpose, to pay (1) the principal of and interest on the Bonds when due, (2) the Administrative Expenses, and (3) any amounts required to replenish the 2023 Reserve Account of the Special Tax Fund to the 2023 Reserve Requirement or to replenish any other reserve account to the reserve requirement established under a Supplemental Fiscal Agent Agreement.

The Special Taxes will be levied by the District and collected by the San Bernardino County Treasurer-Tax Collector in the same manner and at the same time as *ad valorem* property taxes. In the event that the Special Taxes are not received when due, the only sources of funds available to pay the debt service on the 2025 Bonds are amounts held by the Fiscal Agent in the Special Tax Fund (other than the Administrative Expenses), including amounts held in the 2023 Reserve Account therein, and foreclosure proceeds resulting from the sale of delinquent parcels if and when available. In the event that delinquencies occur in the receipt of the Special Taxes within the District in any Fiscal Year, the District may increase its Special Tax levy in the following Fiscal Year up to the maximum amount permitted under the Rate and Method of Apportionment of Special Taxes (the "Rate and

Method") except for the 10% limit on residential properties. Although the Special Tax levy may be increased, Special Taxes resulting from the increased levy will not become available to cure any delinquencies until actually collected. In addition, an increase in the Special Tax levy may adversely affect the ability or willingness of property owners to pay their Special Taxes. See "THE DISTRICT– Rate and Method of Apportionment of Special Taxes" herein for a description of the District's procedures for levying Special Taxes, and "SPECIAL RISK FACTORS" herein.

Special Taxes. The Fiscal Agent Agreement defines "Special Taxes" as the special tax requirement for facilities authorized to be levied by the District on parcels within the District in accordance with the Resolution of Formation, the Act and the voter approval obtained at the September 13, 2022 modification election in the District and any additional special taxes authorized to be levied by the District within the District from time to time that are pledged by the District to the repayment of the Bonds, together with the proceeds collected from the sale of property pursuant to the foreclosure provisions of the Fiscal Agent Agreement for the delinquency of such Special Taxes remaining after the payment of all the costs related to such foreclosure actions, including, but not limited to, all legal fees and expenses, court costs, consultant and title insurance fees and expenses.

Limited Obligation. ALL OBLIGATIONS OF THE DISTRICT UNDER THE FISCAL AGENT AGREEMENT AND THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE CITY OR THE DISTRICT, BUT ARE LIMITED OBLIGATIONS, PAYABLE SOLELY FROM THE SPECIAL TAX REVENUES AND THE FUNDS PLEDGED THEREFORE UNDER THE FISCAL AGENT AGREEMENT. THE FAITH AND CREDIT OF THE CITY, THE DISTRICT OR THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF IS NOT PLEDGED TO THE PAYMENT OF THE BONDS.

Special Tax Fund

Pursuant to the Fiscal Agent Agreement, there is established a "Special Tax Fund" to be held and maintained by the Fiscal Agent. In the Special Tax Fund, there is further established and created an Interest Account (and one or more Capitalized Interest Subaccounts therein), a Principal Account, a Redemption Account, one or more Reserve Accounts and an Administrative Expense Account.

The amounts on deposit in the foregoing funds will be held by the Fiscal Agent, and the Fiscal Agent shall invest and disburse the amounts in such funds and accounts in accordance with the provisions of the Fiscal Agent Agreement and shall disburse investment earnings thereon in accordance with the provisions of the Fiscal Agent Agreement.

The District will, on each date on which it receives Special Taxes, transfer the Special Taxes to the Fiscal Agent for deposit in the Special Tax Fund to be held in accordance with the terms of the Fiscal Agent Agreement. The Fiscal Agent will transfer the amounts on deposit in the Special Tax Fund on the dates and in the amounts set forth in the Fiscal Agent Agreement in the following order of priority:

(1) The Administrative Expense Account of the Special Tax Fund;

(2) The Interest Account of the Special Tax Fund;

(3) The Principal Account of the Special Tax Fund;

(4) The Redemption Account of the Special Tax Fund;

(5) Each Reserve Account of the Special Tax Fund;

(6) The Surplus Special Tax Account of the Acquisition and Construction Fund; and

(7) The Surplus Fund.

Administrative Expense Account. Upon receipt of Special Taxes from the District for deposit in the Special Tax Fund, the Fiscal Agent will transfer from the Special Tax Fund and deposit in the Administrative Expense Account of the Special Tax Fund an amount equal to the Administrative Expense Requirement for the Bond Year, to be disbursed by the Fiscal Agent to pay Administrative Expenses. Moneys in the Administrative Expense Account are not pledged to the repayment of the Bonds.

Interest Account and Principal Account. Upon receipt of Special Taxes from the District for deposit in the Special Tax Fund, the principal of and interest due on the Bonds until maturity, other than principal due upon redemption, shall be paid by the Fiscal Agent from the Principal Account and the Interest Account of the Special Tax Fund, respectively. At least five Business Days prior to each March 1 and September 1, the Fiscal Agent shall make the following transfers from the Special Tax Fund first to the Interest Account and then to the Principal Account; provided, however, that to the extent that deposits have been made in the Interest Account or the Principal Account from the proceeds of the sale of an issue of the Bonds, or otherwise, the transfer from the Special Tax Fund need not be made; and provided, further, that, if amounts in the Special Tax Fund are inadequate to make the foregoing transfers, then any deficiency shall be made up by an immediate transfer from the applicable Reserve Account:

(1) To the Interest Account, an amount such that the balance in the Interest Account five Business Days prior to each Interest Payment Date shall be equal to the installment of interest due on the Bonds on said Interest Payment Date and any installment of interest due on a previous Interest Payment Date which remains unpaid. Moneys in the Interest Account shall be used for the payment of interest on the Bonds as the same become due.

(2) To the Principal Account, an amount such that the balance in the Principal Account five Business Days prior to September 1 of each year, shall be at least equal the principal payment due on the Bonds maturing on such September 1 and any principal payment due on a previous September 1 which remains unpaid. Moneys in the Principal Account shall be used for the payment of the principal of such Bonds as the same become due at maturity.

Redemption Account. On each September 1 on which a Sinking Fund Payment is due, after the deposits have been made to the Interest Account and the Principal Account of the Special Tax Fund, the Fiscal Agent shall next transfer into the Redemption Account of the Special Tax Fund from the Special Tax Fund the amount needed to make the balance in the Redemption Account five Business Days prior to each September 1 equal to the Sinking Fund Payment due on any Outstanding Bonds on such September 1; provided, however, that, if amounts in the Special Tax Fund are inadequate to make the foregoing transfers, then any deficiency shall be made up by an immediate transfer from the applicable Reserve Account, if funded. Moneys so deposited in the Redemption Account shall be used and applied by the Fiscal Agent to call and redeem Term Bonds in accordance with the Sinking Fund Payment schedule set forth in the Fiscal Agent Agreement or any Supplemental Fiscal Agent Agreement.

All prepayments of Special Taxes shall be deposited in the Redemption Account to be used to redeem Bonds on the next date for which notice of redemption can timely be given.

2023 Reserve Account. Moneys in the 2023 Reserve Account shall be used solely for the purpose of paying the principal of, including Sinking Fund Payments, and interest on any 2023 Bonds and Related Parity Bonds, including the 2025 Bonds, when due in the event that the moneys in the Interest Account and the Principal Account of the Special Tax Fund are insufficient therefor or moneys in the Redemption Account of the Special Tax Fund are insufficient to make a Sinking Fund Payment when due. If the amounts in the Interest Account, the Principal Account or the Redemption Account of the Special Tax Fund are insufficient to pay the principal of, including Sinking Fund Payments, or interest on any 2023 Bonds and Related Parity Bonds, including the 2025

Bonds, when due, the Fiscal Agent shall withdraw from the 2023 Reserve Account for deposit in the Interest Account, the Principal Account or the Redemption Account of the Special Tax Fund, as applicable, moneys necessary for such purposes.

Whenever moneys are withdrawn from the 2023 Reserve Account, after making the required transfers under the Fiscal Agent Agreement, the Fiscal Agent shall transfer to the 2023 Reserve Account from available moneys in the Special Tax Fund, or from any other legally available funds which the District elects to apply to such purpose, the amount needed to restore the amount of such 2023 Reserve Account to the 2023 Reserve Requirement. Moneys in the Special Tax Fund shall be deemed available for transfer to the 2023 Reserve Account only if the Fiscal Agent determines that such amounts will not be needed to make the deposits required to be made to the Interest Account, the Principal Account or the Redemption Account of the Special Tax Fund. If amounts in the Special Tax Fund or otherwise transferred to replenish the 2023 Reserve Account are inadequate to restore the 2023 Reserve Account to the 2023 Reserve Requirement, then the District shall include the amount necessary to restore fully the 2023 Reserve Account to the 2023 Reserve Requirement in the next annual Special Tax levy to the extent of the maximum permitted Special Tax rates.

Prepayment of Special Taxes

Under the Rate and Method, the owner of a parcel may voluntarily prepay the Special Tax obligation for a parcel in whole or in part. Any voluntary prepayment of Special Taxes will result in a special mandatory redemption of the Bonds. See “THE BONDS—Redemption—Special Mandatory Redemption from Special Tax Prepayments” and “SPECIAL RISK FACTORS – Extraordinary Redemption From Prepaid Special Taxes.”

Covenant to Commence Foreclosure Proceedings

The District covenants in the Fiscal Agent Agreement that it will determine or cause to be determined, no later than March 1 and August 1 of each year, whether or not any owners of the property within the District are delinquent in the payment of Special Taxes and, if such delinquencies exist, the District will order and cause to be commenced no later than April 15 (with respect to the March 1 determination date) or September 1 (with respect to the August 1 determination date), foreclosure proceedings and diligently prosecute, an action in the superior court to foreclose the lien of any Special Taxes or installment thereof not paid when due, provided, however, that the District shall not be required to order the commencement of foreclosure proceedings if (i) the total Special Tax delinquency in the District for such Fiscal Year is less than five percent (5%) of the total Special Tax levied in such Fiscal Year, or (ii) the amount in the 2023 Reserve Account is equal to the 2023 Reserve Requirement and the amount in any reserve account established for Bonds that are not Related Parity Bonds is equal to its applicable reserve requirement. Notwithstanding the foregoing, if the District determines that any single property owner in the District is delinquent in the payment of four (4) or more installments of the Special Tax, then it will diligently institute, prosecute and pursue foreclosure proceedings against such property owner. Commencement of any judicial foreclosure proceedings includes the District’s efforts to collect the delinquent Special Taxes by sending subsequent notice of delinquency and a demand for immediate payment thereof.

There could be a default or a delay in payments to the owners of the 2025 Bonds pending prosecution of foreclosure proceedings and receipt by the District of foreclosure sale proceeds, if any, and subsequent transfer of those proceeds constituting Special Taxes to the Special Tax Fund.

Under the Act, the City has the power to use a foreclosure judgment to purchase the subject property by credit bid at foreclosure sale, in which event the City would have no obligation to pay such credit bid for 24 months.

Notwithstanding any provision of the Act or other law of the State to the contrary, in connection with any foreclosure related to delinquent Special Taxes, the Fiscal Agent Agreement authorizes the District to do the following:

(1) The District may credit bid at any foreclosure sale, without any requirement that funds be set aside in the amount so credit bid, in the amount specified in the Act, or such lesser amount as provided in the Fiscal Agent Agreement or otherwise under the Act.

(2) The District may use amounts in the Surplus Fund to pay costs of foreclosure of delinquent Special Taxes in accordance with the Fiscal Agent Agreement.

IN THE EVENT FORECLOSURE OR FORECLOSURES ARE NECESSARY, THERE MAY BE A DELAY IN PAYMENTS TO BOND OWNERS PENDING PROSECUTION OF THE FORECLOSURE PROCEEDINGS AND RECEIPT BY THE DISTRICT OF THE PROCEEDS OF THE FORECLOSURE SALE; IT IS ALSO POSSIBLE THAT NO BID FOR THE PURCHASE PRICE OR APPLICABLE PROPERTY WOULD BE RECEIVED AT THE FORECLOSURE SALE. SEE "SPECIAL RISK FACTORS." NOTWITHSTANDING ANY OTHER PROVISION OF THE FISCAL AGENT AGREEMENT TO THE CONTRARY, THE CITY IS NOT OBLIGATED TO ADVANCE AVAILABLE FUNDS FROM THE CITY TREASURY TO CURE ANY DEFICIENCY IN THE SPECIAL TAX FUND ESTABLISHED UNDER THE FISCAL AGENT AGREEMENT.

Value-to-Lien Ratios

The Bonds are secured by Special Taxes which may include amounts realized upon foreclosure sale of delinquent parcels. Therefore, the ability of the District to meet debt service on the Bonds may depend on the ability of delinquent parcels to generate sufficient proceeds upon foreclosure sale to pay delinquent Special Taxes.

The combined appraised and assessed values of the parcels within the District is $420,801,326, as of April 4, 2025, which is 12.13* times the aggregate principal amount of the 2023 Bonds and the 2025 Bonds issued and 10.17* times the aggregate total direct and overlapping debt within the District, including the 2023 Bonds and the 2025 Bonds and overlapping general obligation debt. See "THE DISTRICT – Appraised and Assessed Value-to-Lien Ratios" and "- Direct and Overlapping Governmental Obligations" herein. See also, "APPENDIX G – APPRAISAL REPORT."

No Obligation of the City Upon Delinquency

The City is under no obligation to transfer any funds of the City into the Special Tax Fund or any other funds or accounts under the Fiscal Agent Agreement for the payment of the principal of or interest on the 2025 Bonds if a delinquency occurs in the payment of any Special Taxes.

Although the Act authorizes the District to cause a foreclosure action to be commenced and diligently prosecuted to completion, the Act does not impose on the District or the City any obligation to purchase or acquire any parcel of property sold at a foreclosure sale if there is no other purchaser at such sale. Notwithstanding the above, the City does have the ability to use the foreclosure judgment to purchase the property by credit bid at a foreclosure sale, in which case the City would have no obligation to pay such credit bid for 24 months.

Other Indebtedness and Obligations

At the September 13, 2022 modification election, the qualified electors authorized the District to incur Bonds in an amount not to exceed $50,000,000. The 2025 Bonds constitutes the second and final series of the total authorization of $50,000,000 of Bonds, other than Bonds issued to refund all or a portion of the 2023 Bonds, the 2025 Bonds or other parity refunding bonds. At a later time, additional Series of Bonds may be issued on a

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* Preliminary, subject to change.

parity with the 2025 Bonds solely for the purpose of refunding the 2023 Bonds, the 2025 Bonds or other parity refunding bonds.

The properties within the District are subject to annual special taxes for services for the District ("Special Tax B"). For the 2024-25 Fiscal Year, the Special Tax B was $351.23 per Residential Unit. Special Tax B shall be increased by the lesser of the percent change in the Consumer Price Index or three percent (3%) for each Fiscal Year after Fiscal Year 2023-24. Undeveloped Property is not subject to Special Tax B. The Special Tax B is not pledged to the 2025 Bonds.

The properties in the District are subject to other existing authorized indebtedness payable from taxes and assessments that may be levied. Existing authorized indebtedness is shown in Table 8 under "THE DISTRICT – Direct and Overlapping Debt and Other Obligations" herein.

Additionally, parcels within the District are subject to a special tax levied and collected by Rialto Unified School District CFD No. 2019-1. [For Fiscal Year 2023-24, the assigned tax ranged from $563 to $841 per dwelling unit.] This special tax contains an annual escalator of 2% per year. The Rialto Unified School District CFD No. 2019-1 is authorized to issue up to $12 million of special tax bonds secured by the special tax revenues generated by such community facilities district. The Developer estimates that at full buildout of the River Ranch Project, the property within the District will also bear 100% of the total special taxes levied by Rialto Unified School District CFD No. 2019-1. The special taxes levied by Rialto Unified School District CFD No. 2019-1 are parity liens on any parcel of property taxed by both the District and Rialto Unified School District CFD No. 2019-1.

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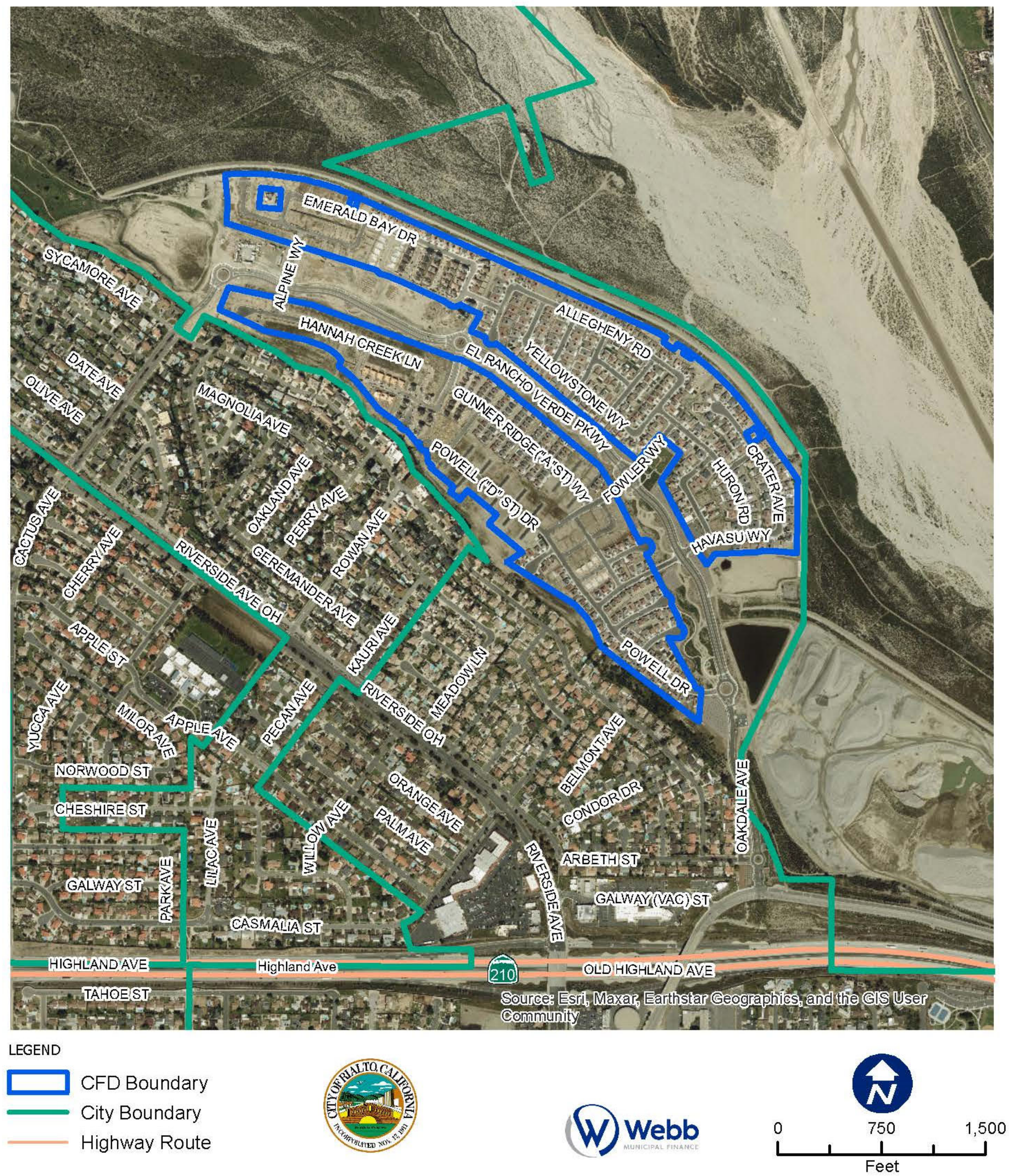
LOCATION MAP

COMMUNITY FACILITIES DISTRICT NO. 2020-1

CITY OF RIALTO



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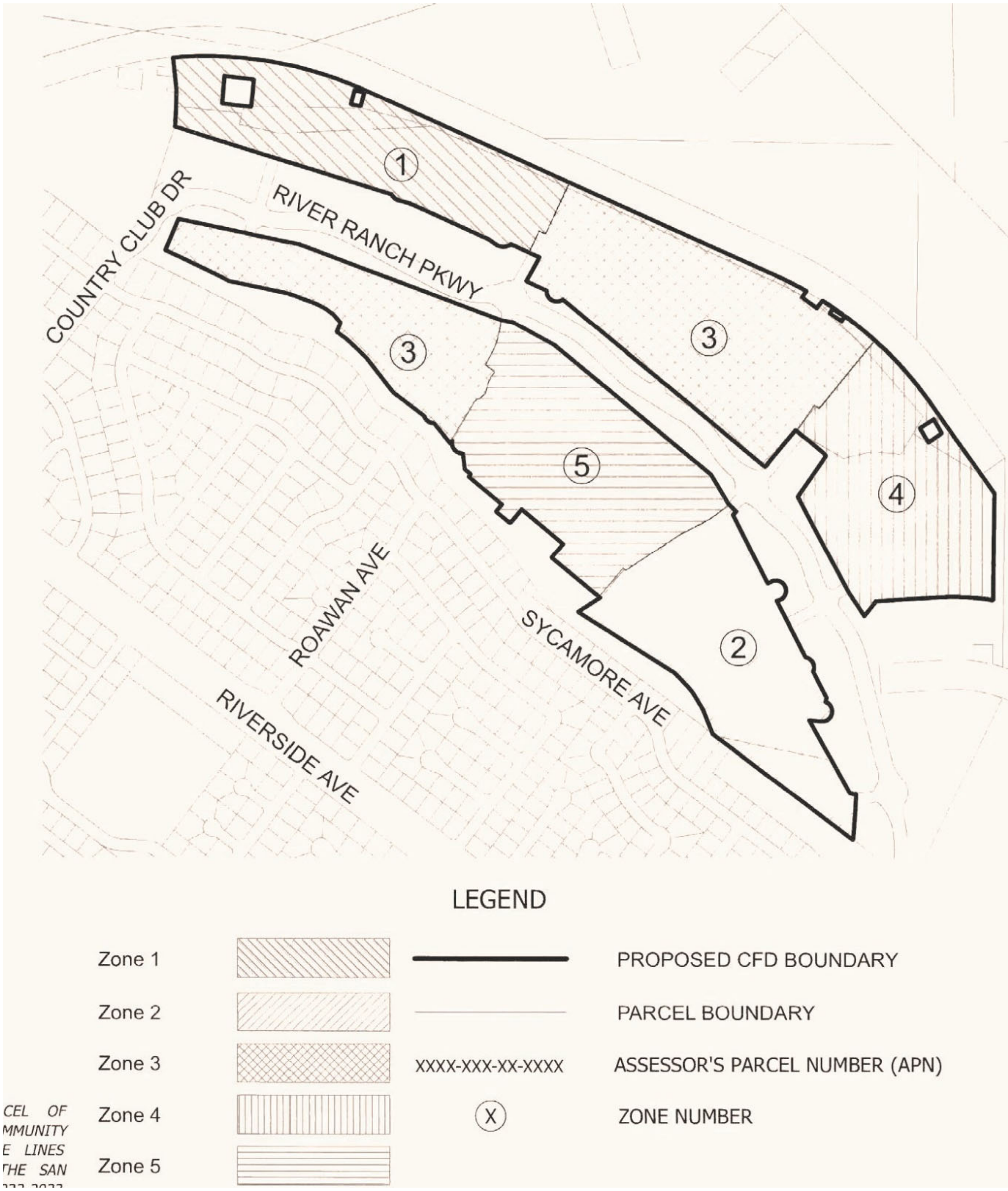
ZONES


COUNTRY CLUB DR
RIVER RANCH PKWY
ROAWAN AVE
RIVERSIDE AVE
SYCAMORE AVE
1
2
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3
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LEGEND
Zone 1
Zone 2
Zone 3
Zone 4
Zone 5
PROPOSED CFD BOUNDARY
PARCEL BOUNDARY
XXXX-XXX-XX-XXXX
ASSESSOR'S PARCEL NUMBER (APN)
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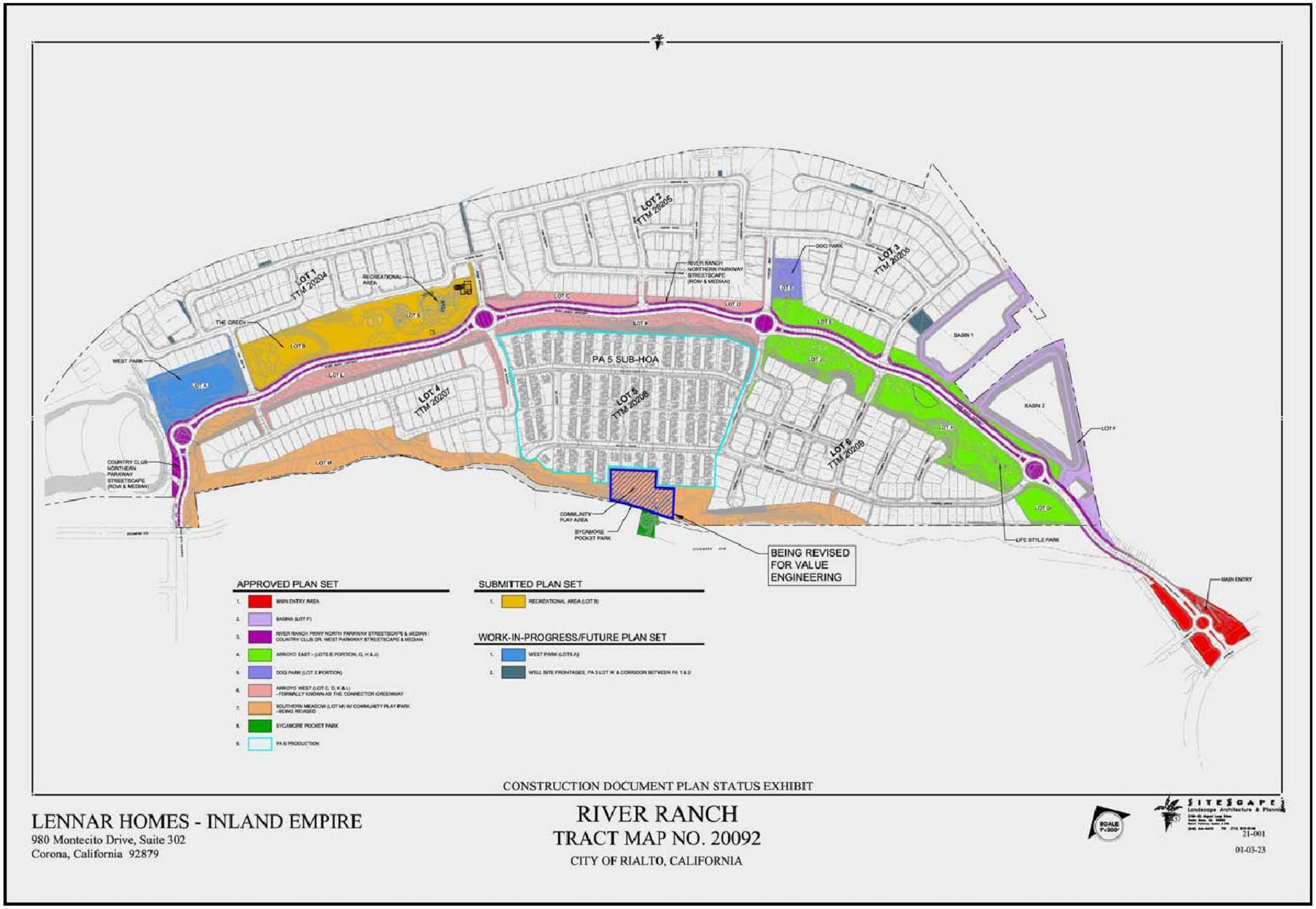

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VICINITY MAP

COMMUNITY FACILITIES DISTRICT NO. 2020-1
OF THE CITY OF RIALTO (EL RANCHO VERDE)

THE DISTRICT

General

Description and Location. The District consists of an approximately 183-acre newly developed master-planned community known as "River Ranch" which at buildout will consist of 776 detached single-family homes among six neighborhoods. The development is located along River Ranch Parkway, at the northeast edge of the City with boundaries at the end of Country Club Drive, ¼ mile northeast of Riverside Avenue, and several blocks north of Highland Avenue and the 210 Freeway.

Immediate Surroundings. River Ranch is located at the north edge of the urban area of Rialto with a mix of nearby residential neighborhoods, with school, religious and commercial uses farther south toward the 210 Freeway, and open space and sand/gravel/industrial uses to the north as part of the expansive Lytle Creek/Cajon Wash through this area.

To the south/southwest of River Ranch and extending to the north side of Riverside Drive are various neighborhoods of single family homes built from the 1950's through the mid 1980's, with a few newer custom or rebuilt homes. The homes generally range in size from 1,500 square feet to approximately 3,000 square feet, with a few larger estate homes ranging up to 6,500 square feet. Across Riverside Dr. and extending south to the north side of the 210 Freeway are large areas of single family neighborhoods, as well as two elementary school campuses and one middle school campus in Rialto Unified School District, and a large church property. The nearest shops and retail for River Ranch are located in commercial centers on both sides of Riverside Drive at the 210 Freeway and include a market, quick serve and fast food restaurants, service commercial and office.

To the northwest of the northerly part of River Ranch is much open space and vacant land including a water storage facility for West San Bernardino County Water District. This area, comprising 571 acres, was annexed into the City in July 2016 and is part of the Lytle Creek Ranch Specific Plan which also includes River Ranch development. Lytle Creek and Cajon Wash extend along the north and east sides of the River Ranch development, with more than 1,200 acres of this area preserved in perpetuity as part of the Cajon Creek Conservation Bank established by Vulcan Materials Company. The area is managed as wildlife habitat and provides protected habitat for many plant, bird and mammal species. Vulcan Materials Company operates various mining and quarry sites along the Cajon Wash, including the approximate 100-acre site adjacent to the southeast of the southerly part of the River Ranch development.

The River Ranch community is located within the boundaries of the Rialto Unified School District. The neighborhood is served by Hughbanks Elementary School, Kolb Middle School and Carter High School.

See APPENDIX A – "INFORMATION RELATING TO THE CITY OF RIALTO AND SAN BERNARDINO COUNTY" for certain demographic information on the City and the County.

Property Ownership and Development Status

The following information regarding the ownership and planned development of the property in the District has been provided by the Developer for use in this Official Statement and has not been independently confirmed or verified by the District or the Underwriter. Neither the District nor the Underwriter makes any representation as to the accuracy or adequacy of this information or the absence of any material change after the date of this Official Statement. There may be material adverse changes in this information after the date of this Official Statement.

As the proposed land development progresses and homes are sold, it is expected that the ownership of the land within the District will become more diversified. No assurance can be given that development of the land *within the District will occur in the timeframe currently projected or in the configuration or intensity described herein, or that the Developer will or will not retain ownership of any of the land within the District.*

The 2025 Bonds and the Special Taxes are not personal obligations of any landowners, including the Developer, and, in the event that a landowner defaults in the payment of the Special Taxes, the District may proceed with judicial foreclosure but has no direct recourse to the assets of any landowner. As a result, other than as provided herein, no financial statements or information is, or will be, provided about the Developer or any other landowners. The 2025 Bonds are secured solely by the Special Taxes and other amounts pledged under the Fiscal Agent Agreement on a parity with the 2023 Bonds. See "SECURITY FOR THE 2025 BONDS" and "SPECIAL RISK FACTORS" in this Official Statement.

Lennar Homes

The River Ranch project will be developed by Lennar Homes of California, LLC, a California limited liability company (previously defined as the "Developer"), which is based in Irvine, California. The Developer has been in the business of developing residential real estate communities in California since 1996. The Developer is wholly-owned by U.S. Home, LLC, a Delaware limited liability ("U.S. Home"). U.S. Home is wholly-owned by Lennar Corporation, which is based in Miami, Florida. Founded in 1954, Lennar Corporation completed its initial public offering in 1971 and listed its common stock on the New York Stock Exchange in 1972. Lennar Corporation's Class A and Class B common stock are listed on the New York Stock Exchange under the symbols "LEN" and "LEN.B." respectively. Lennar Corporation is one of the largest homebuilders in the United States based on home sales revenues and net earnings, and operates under a number of brand names, including Lennar Homes of California, LLC and U.S. Home. Lennar Corporation primarily develops residential communities both within the Lennar Corporation family of builders and through consolidated and unconsolidated partnerships in which Lennar Corporation maintains an interest.

Lennar Corporation is subject to the informational requirements of the Exchange Act and in accordance therewith files reports, proxy statements and other information with the SEC. Such filings, particularly the Annual Report on Form 10-K and its most recent Quarterly Report on Form 10-Q, set forth, among other things, certain data relative to the consolidated results of operations and financial position of Lennar Corporation and its consolidated subsidiaries, including the Developer, as of such dates.

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

Copies of Lennar Corporation's Annual Report and related financial statements, prepared in accordance with generally accepted accounting standards, are available from Lennar Corporation's website at www.lennar.com.

The internet addresses referenced in the paragraphs above are included for reference purposes only and the information on these internet sites are not a part of this Official Statement and are not incorporated by reference into this Official Statement. No representation is made in this Official Statement as to the accuracy or adequacy of the information contained on these internet sites.

Development Plan

The River Ranch development is planned to consist of 776 detached single-family homes among six neighborhoods: The Cove (small lot/condominium plan), Blueridge (closed out), Ridgewater, Summerbrooke, Edgestone and Stonecreek (also closed out). River Ranch features the Arroyo Lifestyle Park near the entrance to the community, extensive walking trails, a dogpark and community play area, a recreation center with clubhouse, pool, splash park, fire pits, outdoor kitchen as well as adjacent parks with a basketball court, tot lots and a playground.

There will be a monthly HOA assessment on all product lines to cover maintenance of all amenities for the overall community, and, for The Cove, an additional amount for maintenance of the private streets and shared driveways.

The first builder sales of completed homes closed in November 2022 in the Blueridge, Ridgewater and Summerbrooke product types, with first closings in the other product types following thereafter. As of June 1, 2025 there were a total of [683] closed builder sales, and there were [42] pending builder sales that were scheduled to close from June through July 2025.

The following table describes the development status as of June 1, 2025, and includes all of the lots in the District.

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TABLE 1
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1 (EL RANCHO VERDE)

DEVELOPMENT STATUS
(AS OF JUNE 1, 2025) *[All numbers to be updated as of June 1]*

Plan	*Sq. Feet*	*Number of Units*	*Units With Closed Escrows to Individual Homeowners*	*Completed Units (Not Closed)*[(1)]	*Units Under Construction*	*Units in Escrow with Individual Homeowners*	*Semi- or Near-finished Lots*
The Cove							
Plan 1	1,577	51	38	2	5	0	6
Plan 2	1,606	52	39	2	6	2	5
Plan 3	1,705	50	36	2	7	1	5
Plan 4	1,937	52	38	3	6	4	5
Subtotal		205	151	9	24	7	21
Blueridge							
Plan 1	1,547	33	33	0	0	0	0
Plan 2	1,705	33	33	0	0	0	0
Plan 3	1,843	34	34	0	0	0	0
Plan 4	2,064	34	34	0	0	0	0
Subtotal		134	134	0	0	0	0
Ridgewater							
Plan 1	1,792	18	18	0	0	0	0
Plan 2	2,064	56	47	5	4	1	0
Plan 3	2,203	60	53	4	3	4	0
Plan 4	2,590	18	14	2	2	2	0
Subtotal		152	132	11	9	7	0
Summerbrooke							
Plan 1	1,950	17	17	0	0	0	0
Plan 2	2,091	30	28	0	0	0	2
Plan 3	2,238	28	27	0	0	0	1
Subtotal		75	72	0	0	0	3
Edgestone							
Plan 1	2,253	46	33	2	6	7	5
Plan 2	2,547	50	37	5	4	5	4
Plan 3	2,700	40	28	3	6	6	3
Subtotal		136	98	10	16	18	12
Stonecreek							
Plan 1	2,140	17	17	0	0	0	0
Plan 2	2,809	14	14	0	0	0	0
Plan 3	3,325	20	20	0	0	0	0
Plan 4	4,122	23	23	0	0	0	0
Subtotal		74	74	0	0	0	0
TOTALS		776	**661**	30	**49**	**32**	36

(1) Includes 4 model homes owned by the Developer.

Source: Lennar Homes of California, LLC.

The estimated base pricing range of the units within each plan, as well as the construction start date and projected closeout date for all 776 units in the Project is set forth in Table 2 below.

TABLE 2
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1 (EL RANCHO VERDE)

ESTIMATED BASE PRICING AND CLOSEOUT
(AS OF JUNE 1, 2025) ***[All numbers to be updated as of June 1]***

Plan	*Number of Units*	*Base Home Price Range*	*Construction Start Date*	*Estimated Closeout Date*
The Cove	205	$524,480 – $587,640	July 2022	February 2026
Blueridge	134	Closed Out	April 2022	October 2024
Ridgewater	152	$679,550 - $731,289	April 2022	June 2025
Summerbrooke	75	$572,900 - $627,657	March 2022	October 2025
Edgestone	136	$653,485 - $688,455	April 2023	December 2025
Stonecreek	74	Closed Out	May 2022	October 2024
TOTAL	776			

Source: Lennar Homes of California, LLC.

Required Infrastructure. All backbone streets, sewer, water, and storm drain improvements required to build-out all 776 lots has been completed. The internal streets, sewer, water, and storm drain improvements have been completed for each planning area.

As of June, 1, 2025, the Developer has completed all infrastructure (pending final local agency acceptance and completion of punch list items) except for the landscaping of the Western Park and the capping of the streets in Edgestone, both of which are anticipated to be completed by the end of July 2025. The Developer has completed construction of, and the HOA has accepted, the community club house and community parks.

Per the CalFire Fire Hazard Severity Zone map, the portions of River Ranch lying northerly/northeasterly of River Ranch Parkway are designated as moderate and high Fire Hazard Severity Zones.. All mitigation has been completed where homeowners complied, and all continuing construction as of September 2023 was and will be WUI/Chapter 7 compliant. Some of the homes were constructed without meeting the required guidelines for property located in high fire zones, but the Developer is retrofitting all of the previously-built homes whose owners have permitted such retrofitting to satisfy the California Residential Code Section R337 (Materials and Construction Methods for Exterior Wildfire Exposure). All new home construction will comply with these guidelines. In addition, all landscaping material and spacing also meets these guidelines, and all permanent power lines are underground. Although identified in high fire areas, homeowners have not had any problems in obtaining fire insurance to date.

Entitlement Status. Other than certificates of occupancy and other permits required in the normal course of home construction, all discretionary entitlements required to complete the development and sales of homes in the District have been received.

The District is located within the Lytle Creek Ranch Specific Plan, within an approximate 183-acre portion of Neighborhood 2. Tentative Tract Map No. 20092 was approved by the City Council on September 10, 2019 to create six developable lots to facilitate a 776-lot residential subdivision. The more specific approvals for the residential development are by the final maps for Tract Nos. 20204, 20205, 20206, 20207, 20208 and 20209 which were recorded from March 31, 2022 through May 3, 2023. In addition, the Condominium Plans for The Cove were recorded from September 29, 2022 through March 24, 2023.

Conditions of Approval. All conditions of approval required for the issuance of building permits within the project have been satisfied, and none of the remaining infrastructure improvements are required to be completed as a condition of receiving building or occupancy permits. As of June 1, 2025, all 776 building permits have been issued.

Except as described in this Official Statement and except for those consents, permits, authorizations, certifications and approvals of governmental entities required in the ordinary course of development, the Developer has no actual knowledge of any impediment to construction or obtaining land use entitlements which could be reasonably expected to have a material adverse effect on its ability to complete the planned development of its property within the District as described in the Official Statement.

Financing Plan. As of June 1, 2025, the Developer had expended approximately $____ million in land acquisition, improvements, home construction costs, and other development costs (excluding interest) related to the River Ranch project. As of June 1, 2025, the Developer anticipates expending an additional approximately $___ million in development, home construction, and marketing costs for the River Ranch project.

To date, the Developer has financed its land acquisition, site development and home construction costs related to its property in the District through internally generated funds. The Developer believes that such funding sources will be sufficient to complete its proposed development in the District as described herein. No assurance can be given that amounts necessary to fund the remaining planned development of the Developer's property within the District will be available when needed. Neither the Developer nor any other entity or person is under any legal obligation of any kind to expend funds for the development of the Developer’s property in the District. Any contributions by the Developer or any other entity or person to fund the costs of such development are entirely voluntary. If and to the extent the aforementioned sources are inadequate to pay the costs to complete the Developer's planned development within the District, the remaining portions of such development may not be completed.

Although the Developer expects to have sufficient funds available to complete its planned development in the District commensurate with the development timing described in this Official Statement, there can be no assurance that amounts necessary to finance the remaining development and home construction costs will be available from the Developer or any other source when needed. Neither the Developer, nor any of its related entities are under any legal obligation of any kind to expend funds for the development of and construction of homes on its property in the District, or the payment of *ad valorem* property taxes or the Special Taxes. Any contributions by the Developer to fund the costs of such development are entirely voluntary.

If and to the extent that internal funding, including but not limited to home sales revenues, are inadequate to pay the costs to complete the planned development by the Developer within the District and other financing by the Developer is not put into place, there could be a shortfall in the funds required to complete the planned development by the Developer in the District, and the remaining portions of the Developer’s project in the District may not be completed.

Rate and Method of Apportionment of Special Taxes

The following is a synopsis of the provisions of the Rate and Method. This synopsis does not purport to be comprehensive and should be read in conjunction with the complete text of the Rate and Method, including its attachments, which is attached hereto as "APPENDIX D – RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX." All capitalized terms not defined in this section have the meanings set forth in APPENDIX D.

Each Fiscal Year, each Assessor's Parcel within the boundaries of the District shall be classified as Taxable Property or Exempt Property. In addition, all Taxable Property within the District shall be classified as Developed Property, Approved, Undeveloped Property, or Provisional Property, and all such Taxable Property shall be subject to the levy of Special Taxes in accordance with the Rate and Method. Furthermore, each Assessor's Parcel of Developed Property shall be classified according to its applicable Land Use Class according to its applicable Zone and land use type based on its Building Square Footage as applicable.

For each Fiscal Year, the CFD Administrator shall calculate the Special Tax Requirement for Facilities and levy Special Tax A on all Taxable Property in accordance with the following steps:

<u>Step 1</u>: The Special Tax A shall be levied Proportionately on all Assessor's Parcels of Developed Property up to 100% of the applicable Assigned Special Tax A to satisfy the Special Tax Requirement for Facilities;

<u>Step 2</u>: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after Step 1 has been completed, the Special Tax A shall be levied Proportionately on all Assessor's Parcels of Approved Property up to 100% of the Maximum Special Tax A for Approved Property;

<u>Step 3</u>: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after Step 1 has been completed, the Special Tax A shall be levied Proportionately on all Assessor's Parcels of Undeveloped Property up to 100% of the Maximum Special Tax A for Undeveloped Property;

<u>Step 4</u>: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then the Special Tax A amount determined in Step 1 shall be increased Proportionately on all Assessor's Parcels of Developed Property up to 100% of the Maximum Special Tax A for Developed Property; and

<u>Step 5</u>: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first four steps have been completed, then the Special Tax A shall be levied Proportionately on all Assessor's Parcels of Provisional Property up to 100% of the Maximum Special Tax A for Provisional Property.

In the event Building Permits have been issued prior to May 1st of the previous Fiscal Year for one or more Residential Units on a single Assessor's Parcel causing such Assessor's Parcel to be classified as Developed Property, and the County has not yet assigned final Assessor's Parcel Number(s) to such Residential Unit(s) in accordance with the Final Map applicable to such Assessor's Parcel, then the amount of the Special Tax A levy on such Assessor's Parcel shall be determined as follows: (1) the CFD Administrator shall first determine an amount of the Maximum Special Tax A for such Assessor's Parcel, based on the classification of such Assessor's Parcel as Undeveloped Property; (2) the amount of the Special Tax A and levy for the Residential Units on such Assessor's Parcel for which Building Permits have been issued shall be determined based on the Assigned Special Tax A for Developed Property, and such amount shall be levied as Developed Property in accordance with Step 1 above; and (3) the amount of the Special Tax A on the Taxable Property in such Assessor's Parcel not subject to the Special Tax A levy in clause (2) shall be equal to (A) the percentage of the Maximum Special Tax A rate levied on all other Undeveloped Property pursuant to Step 2 above multiplied by the total of the amount determined in clause (1), less (B) the amount determined in clause (2).

Notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel of Developed Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor's Parcel within the District.

Special Tax A shall be levied for a period not to exceed fifty (50) Fiscal Years commencing with Fiscal Year 2023-24, provided however that the Special Tax A may cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined that all required interest and principal payments on Outstanding Bonds have been paid.

Beginning in Fiscal Year 2023-24, the Special Tax in the amount of $871,880 was levied on 307 parcels within the District. In Fiscal Year 2024-25, the Special Tax in the amount of $858,641.10 was levied on 630 parcels within the District.

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TABLE 3
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1 (EL RANCHO VERDE)
ASSIGNED SPECIAL TAXES

Land Use	Residential Floor Area	No. of Units/Parcels(1)	Fiscal Year 2025-26 Assigned Special Tax Per Unit(2)	Projected Fiscal Year 2025-26 Special Tax Per Unit	Total Projected Fiscal Year 2025-26 Special Tax Levy(3)	Percent of Total
Zone 1						
Residential Property	Less than 2,301 sq. ft.	42	$2,757	$2,757	$115,797	5.44%
Residential Property	2,301 sq. ft. to 2,450 sq. ft.	0	$0	$0	$0	0.00%
Residential Property	2,451 sq. ft. to 2,600 sq. ft.	44	$2,851	$2,851	$125,431	5.90%
Residential Property	Greater than 2,600 sq. ft.	44	$2,898	$2,898	$127,491	5.99%
Zone 2						
Residential Property	Less than 1,800 sq. ft.	65	$2,487	$2,487	$161,626	7.60%
Residential Property	1,800 sq. ft. or Greater	66	$2,741	$2,741	$180,936	8.51%
Zone 3						
Residential Property	Less than 2,500 sq. ft.	164	$2,814	$2,814	$461,542	21.70%
Residential Property	2,500 sq. ft. or Greater	59	$2,950	$2,950	$174,023	8.18%
Zone 4						
Residential Property	Less than 2,701 sq. ft.	26	$2,955	$2,955	$76,823	3.61%
Residential Property	2,701 sq. ft. to 2,950 sq. ft.	14	$3,074	$3,074	$43,041	2.02%
Residential Property	2,951 sq. ft. to 3,200 sq. ft.	0	$0	$0	$0	0.00%
Residential Property	3,201 sq. ft. to 3,450 sq. ft.	20	$3,314	$3,314	$66,273	3.12%
Residential Property	3,451 sq. ft. to 3,700 sq. ft.	0	$0	$0	$0	0.00%
Residential Property	3,701 sq. ft. to 3,950 sq. ft.	0	$0	$0	$0	0.00%
Residential Property	Greater than 3,950 sq. ft.	23	$3,673	$3,673	$84,470	3.97%
Approved Property	N/A	4	$20,119	$0	$0	0.00%
Zone 5						
Residential Property	Less than 1,701 sq. ft.	103	$2,424	$2,424	$249,686	11.74%
Residential Property	1,701 sq. ft. to 1,900 sq. ft.	50	$2,507	$2,507	$125,368	5.89%
Residential Property	Greater than 1,900 sq. ft.	52	$2,591	$2,591	$134,711	6.33%
Totals		**776**			**$2,127,217**	**100.00%**

(1) For parcels of Residential Property, reflects the number of units developed or under development as of April 4, 2025. For parcels of Approved Property reflects the number of parcels as of April 4, 2025.
(2) For parcels of Approved Property, the Maximum Special Tax per Acre is shown.
(3) Includes the debt service requirement of the 2023 and 2025 Bonds, the Fiscal Year 2025-26 administrative expense requirement of $31,212, and an adjustment to increase the Special Tax levy equal to 100% of the Assigned Special Tax rate for Developed Property.
Source: Webb Municipal Finance, LLC

Estimated Maximum Special Tax Proceeds and Debt Service Coverage

The Rate and Method is structured to produce Special Tax revenues from the Assigned Special Tax A net of Administrative Expense Requirement, which, when applied to the projected debt service on the 2025 Bonds, is anticipated to result in a debt service coverage ratio of at least 110% for the anticipated life of the 2023 Bonds and the 2025 Bonds. The following table shows the estimated debt service coverage for the 2023 Bonds and the 2025 Bonds for Fiscal Year 2025-26.

TABLE 4
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1 (EL RANCHO VERDE)

ESTIMATED DEBT SERVICE COVERAGE

Bond Year Ending (September 1)	Maximum Facilities Special Tax(1)	Less: Priority Administrative	Net Total Assigned Facilities Special Tax	Est. Bonds Debt Service for 2023 Bonds and 2025 Bonds	Coverage from Net Total Assigned Special Tax(1)
2026	$2,139,036	$31,212	$2,107,824	$970,056	110.56%

(1) Coverage has been calculated based on the total Assigned Special Taxes for the 776 parcels which all constitute Developed Property as of April 4, 2025. The actual special tax levy for FY 2025-26 will be calculated to include debt service costs, the Fiscal Year 2025-26 administrative expense requirement of $31,212, and an adjustment to increase the Special Tax levy equal to 100% of the Assigned Special Tax rate for all Developed Property as of May 1, 2025.

Source: Webb Municipal Finance, LLC. Estimated Bonds debt service provided by Piper Sandler & Co.

Pursuant to Section 53321(d) of the Act, the special tax levied against any assessor's parcel for which an occupancy permit for private residential use has been issued shall not be increased as a consequence of delinquency or default by the owner of any other assessor's parcel within the district by more than 10% above the amounts that would have been levied in that fiscal year had there never been any such delinquencies or defaults. As a result, it is possible that the District may not be able to increase the tax levy to the Assigned Special Tax in all years. However, subject to the limitations on the District's ability to levy the necessary amount of Special Taxes as imposed by Section 53321(d) of the Act, the District can levy Special Taxes on Undeveloped Property to make up all or a portion of such shortfall.

Appraised and Assessed Property Value

The information below is only a summary of certain information contained in the Appraisal Report. The Appraisal Report is reprinted herein as Appendix G. The information below is qualified in its entirety by the complete Appraisal Report. The District makes no representation as to the accuracy or completeness of the Appraisal Report.

The Appraisal Report. The 2025 Bonds are secured by Special Taxes which may include amounts realized upon foreclosure sale of delinquent parcels. Therefore, the ability of the District to meet debt service on the 2025 Bonds may depend on the ability of delinquent parcels to generate sufficient proceeds upon foreclosure sale to pay delinquent Special Taxes. The City commissioned Stephen G. White, MAI, Fullerton, California (the "Appraiser") to ascertain the "as is" market value of the fee simple estate of the taxable properties within the District with assessed valuations of less than $250,000. These properties comprise 355 of the 776 total residential lots that are being developed by the Developer within the six separate product types. The remaining 421 lots with assessed valuations of over $250,000, are valued at the Fiscal Year 2024-25 assessed values and are owned by individual homeowners, along with four completed model homes owned by the Developer.

As of the date of value for the Appraisal Report (April 4, 2025), for the 355 lots to be appraised, 244 detached single-family homes were owned by individual homeowners, 26 completed homes were owned by the Developer, 49 homes under construction were owned by the Developer, and 36 finished lots or vacant lots were owned by the Developer. The Appraiser estimated that, as of the April 4, 2025 date of value of the Appraisal Report, the "as is" market value of the fee simple estate (subject to the lien of the Special Taxes) of such 355 lots was $167,660,000.

The remaining 421 lots with assessed valuations of over $250,000, are valued at the Fiscal Year 2024-25 assessed values and are owned by individual homeowners, along with four completed model homes owned by the Developer. The assessed value for the 421 lots is $253,141,326.

The combined appraised and assessed values of the 776 lots is $420,801,326, which is approximately 12.13* times the aggregate principal amount of the 2025 Bonds. Below is a table summarizing the components of the values allocated to the taxable property within the six product types within the District as detailed in the Appraisal Report.

* Preliminary, subject to change.

TABLE 5
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1 (EL RANCHO VERDE)
APPRAISED AND ASSESSED VALUE SUMMARY
(As of April 4, 2025)

Product Type	No. of Lots	Assessed Value	Appraised Value
The Cove			
Individual Owners (completed-closed homes)	151	$41,988,907	$34,170,000
Lennar Ownership (completed-unclosed homes)	9	0	3,780,000
Lennar Ownership (homes under construction)	24	0	3,720,000
Lennar Ownership (vacant lots)	21	0	2,440,000
	205	$41,988,907	$44,110,000
Blueridge			
Individual Owners (completed-closed homes)	134	$49,315,000	$24,200,000
Ridgewater			
Individual Owners (completed-closed homes)	132	$45,263,390	$36,580,000
Lennar Ownership (completed-unclosed homes)	11	1,405,245	4,500,000
Lennar Ownership (homes under construction)	9	0	2,160,000
	152	$46,668,635	$43,240,000
Summerbrooke			
Individual Owners (completed-closed homes)	72	$43,600,270	$580,000
Lennar Ownership (vacant lots)	3	0	330,000
	75	$43,600,270	$910,000
Edgestone			
Individual Owners (completed-closed homes)	98	$16,575,167	$42,780,000
Lennar Ownership (completed-unclosed homes)	10	664,248	4,000,000
Lennar Ownership (homes under construction)	16	0	3,480,000
Lennar Ownership (vacant lots)	12	0	1,820,000
	136	$17,239,415	$52,080,000
Stonecreek			
Individual Owners (completed-closed homes)	74	$54,329,099	$3,120,000
TOTALS	776	$253,141,326	$167,660,000

Source: County of San Bernardino and Appraisal Report.

An updated Appraisal Report has not been requested by the City or the District or completed by the Appraiser since the original date of value. On the date of issuance of the 2025 Bonds, the Appraiser will certify that the Appraiser is aware that acts and events may have occurred since the date of value of the Appraisal Report which could result in both positive and negative effects on the market value of the appraised property. However, the Appraiser has not performed additional research or valuation analysis specific to the subject property since the date of the Appraisal Report. The Appraisal Report's value estimates reflect certain assumptions set forth in the Appraisal Report including that all costs reported by the Developer are accurate, including but not limited to the remaining impact fees and lot costs. Any variance in costs could impact the value conclusions reported in the Appraisal Report. For a full description of the assumptions relied upon by the Appraiser, as well as a description of the valuation methodology, see APPENDIX G – "APPRAISAL REPORT." The Appraisal Report was prepared in accordance with and subject to the requirements of The Appraisal Standards for Land Secured Financing as published by the

California Debt and Investment Advisory Commission, the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute. See APPENDIX G – “APPRAISAL REPORT.”

Value-to-Lien Ratios

The tables below show the projected aggregate value to burden ratio for the 776 lots that were the subject of the Appraisal Report based on either the appraised values or assessed values set forth in the Appraisal Report and the principal amount of the 2025 Bonds. The following value-to-lien ratios only represent estimated averages for the taxable property within the District. No assurance can be given that the amounts shown in these tables will conform to those ultimately realized in the event of a foreclosure action following delinquency in the payment of the Special Taxes.

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TABLE 6
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1 (El Rancho Verde)
APPRAISED AND ASSESSED VALUE-TO-LIEN RATIOS BY PROPERTY OWNER
(As of April 4, 2025)

Property Owner[(1)]	Parcel Count	Maximum Special Tax	Percent of Maximum Special Tax	Projected Fiscal Year 2025-26 Special Tax Levy [(2)]	Percent of Projected Fiscal Year 2025-26 Special Tax Levy	Total Assessed /Appraised Value[(3)]	2023 Bonds and 2025 Bonds[(4)]	Aggregate Value-to-Lien Ratio
Individual Homeowners								
Completed	**661**	**$2,025,308**	**85.44%**	**$1,830,428**	**86.05%**	**$392,501,833**	**$29,841,441**	**13.15:1**
Lennar Homes of California, LLC								
Completed	30	$92,727	3.91%	$82,748	3.89%	$14,349,493	$1,349,043	10.64:1
Under Construction	49	$144,930	6.11%	$130,825	6.15%	$9,360,000	$2,132,840	4.39:1
Vacant Lot	36	$107,549	4.54%	$83,216	3.91%	$4,590,000	$1,356,676	3.38:1
Lennar Homes of California, LLC Subtotal	**115**	**$345,206**	**14.56%**	**$296,790**	**13.95%**	**$28,299,493**	**$4,838,559**	**5.85:1**
Totals	**776**	**$2,370,514**	**100.00%**	**$2,127,217**	**100.00%**	**$420,801,326**	**$34,680,000**	**12.13:1**

(1) Based upon ownership information and development status as of April 4, 2025.
(2) Includes the debt service requirement of the 2023 and 2025 Bonds, the Fiscal Year 2025-26 administrative expense requirement of $31,212, and an adjustment to increase the Special Tax levy equal to 100% of the Assigned Special Tax rate for Developed Property.
(3) Assessed/Appraised Valuation is as of April 4, 2025. As indicated in the Appraisal Report, Appraised Value was used for 355 parcels with assessed valuations less than $250,000. For the remaining 421 lots with assessed valuations of over $250,000, the FY 2024-2025 Assessed Values are used.
(4) Allocated based on the projected Fiscal Year 2025-26 Special Tax Levy.
Source: Webb Municipal Finance, LLC.

TABLE 7
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1 (EL RANCHO VERDE)

VALUE-TO-LIEN STRATIFICATION FOR PARCELS OF DEVELOPED PROPERTY*
(As of April 4, 2025)

Estimated Assessed/Appraised Value-to-Lien Ratio Range(1)	No. of Taxable Units	Percent of Total Taxable Units	Total Assessed/ Appraised Value(1)	Percent of Assessed/Appraised Value of Taxable Units	Projected Fiscal Year 2025-26 Levy(2)	Percent of Total Projected Fiscal Year 2025-26 Special Tax Levy	2023 Bonds and 2025 Bonds(2)	Aggregate Value-to-Lien Ratio
Less than 5.00:1(3)	75	9.72%	$11,903,333	2.83%	$197,156	9.27%	$3,214,229	3.70:1
Between 5.00:1 to 9.99:1	36	4.66%	$12,788,980	3.04%	$98,687	4.64%	$1,608,895	7.95:1
Between 10.00:1 to 14.99:1	636	82.38%	$372,612,000	88.68%	$1,746,400	82.10%	$28,471,535	13.09:1
Between 15.00:1 to 19.99:1	24	3.11%	$21,580,212	5.14%	$81,302	3.82%	$1,325,466	16.28:1
Greater than 19.99:1(4)	1	0.13%	$1,310,134	0.31%	$3,673	0.17%	$59,875	21.88:1
Total	**772**	**100.00%**	**$420,194,659**	**100.00%**	**$2,127,217**	**100.00%**	**$34,680,000**	**12.12:1**

(1) Value-to-Lien Ratios based upon the outstanding principal amount of the 2023 Bonds, the principal amount of the 2025 Bonds, and Appraised Value or Assessed Value.
(2) Includes the debt service requirement of the 2023 Bonds and the 2025 Bonds (preliminary, subject to change), the Fiscal Year 2024-25 administrative expense requirement of $31,212, and an adjustment to increase the Special Tax levy equal to 100% of the Assigned Special Tax rate for Developed Property.
(3) Minimum estimated Value-to-Lien is 2.40:1.
(4) Maximum estimated Value-to-Lien is 21.88:1.
Totals may not add due to rounding.

Source: Webb Municipal Finance, LLC.

* Preliminary, subject to change.

Direct and Overlapping Governmental Obligations

Properties in the District are within the jurisdiction of a number of overlapping local agencies providing public services and assessing property taxes, assessments, special taxes and other charges on the property in the District. Many of these local agencies have outstanding debt. The following table details the direct and overlapping debt currently encumbering property within the District.

TABLE 8
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1 (EL RANCHO VERDE)
DIRECT AND OVERLAPPING DEBT
(May 1, 2025)

ASSESSED/APPRAISED VALUE						
Assessed/Appraised Valuation[1]						$420,801,326
LAND SECURED BOND INDEBTEDNESS						
Outstanding Direct and Overlapping Bonded Debt	**Type**	**Parcels in CFD 2020-1**	**Issued**	**Outstanding**	**% Applicable**	**Amount Applicable**
Rialto CFD No. 2020-1	CFD	776	$34,680,000	$34,680,000 [2]	100.00%	$34,680,000
Rialto USD CFD No. 2019-1	CFD	776	$0	$0	100.00%	$0
TOTAL LAND SECURED BONDED DEBT[3]						**$34,680,000**
Authorized and Unissued Direct and Overlapping Bonded Debt	**Type**	**Parcels in CFD 2020-1**	**Authorized**	**Unissued**	**% Applicable**	**Amount Applicable**
Rialto CFD No. 2020-1	CFD	776	$50,000,000	$0 [4]	100.00%	$0
Rialto USD CFD No. 2019-1	CFD	776	$12,000,000	$12,000,000	100.00%	$12,000,000
TOTAL UNISSUED LAND SECURED INDEBTEDNESS[3]						**$12,000,000**
TOTAL OUTSTANDING AND UNISSUED LAND SECURED INDEBTEDNESS						**$46,680,000**
GENERAL OBLIGATION BOND INDEBTEDNESS						
Outstanding Direct and Overlapping Bonded Debt	**Type**	**Parcels in CFD 2020-1**	**Issued**	**Outstanding**	**% Applicable[5]**	**Amount Applicable**
San Bernardino Community College (0.03700%)	GO	776	$1,160,000,000	$1,053,218,905	0.30800%	$3,243,925
Rialto Unified School District (0.06590%)	GO	776	$237,990,235	$147,212,728	2.33251%	$3,433,750
San Bernardino Valley Municipal Water District (0.11000%)	GO	776	$25,000,000	$35,000	0.61627%	$216
TOTAL GENERAL OBLIGATION BONDED DEBT[3]						**$6,677,891**
Authorized and Unissued Direct and Overlapping Indebtedness	**Type**	**Parcels in CFD 2020-1**	**Authorized**	**Unissued**	**% Applicable[5]**	**Amount Applicable**
San Bernardino Community College (0.03700%)	GO	776	$1,160,000,000	$0	0.30800%	$0
Rialto Unified School District (0.06590%)	GO	776	$498,000,000	$260,009,765	2.33251%	$6,064,751
San Bernardino Valley Municipal Water District (0.11000%)	GO	776	$25,000,000	$0	0.61627%	$0
TOTAL UNISSUED GENERAL OBLIGATION INDEBTEDNESS[3]						**$6,064,751**
TOTAL OUTSTANDING AND UNISSUED GENERAL OBLIGATION INDEBTEDNESS						**$12,742,642**
TOTAL OF ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT						**$41,357,891**
TOTAL OF ALL OUTSTANDING AND UNISSUED DIRECT AND OVERLAPPING INDEBTEDNESS						**$59,422,642**
IV. Ratios to Assessed and Appraised Valuation						
Outstanding Land Secured Bonded Debt		12.13:1				
Total Outstanding Direct and Overlapping Bonded Debt		10.17:1				

(1) Assessed/Appraised Valuation is as of April 4, 2025. As indicated in the Appraisal Report, Appraised Value was used for 355 parcels with assessed valuations less than $250,000. For the remaining 421 lots with assessed valuations of over $250,000, the FY 2024-2025 Assessed Values are used.
(2) Preliminary, subject to change.
(3) Additional bonded debt or available bond authorization may exist but is not shown because a tax was not levied for Fiscal Year 2024-2025.
(4) Additional bonds may be issued for refunding purposes only.
(5) Percentage applicable determined by Fiscal Year 2024-2025 Equalized Roll Assessed Value information.
Source: Webb Municipal Finance, LLC.

In addition to the bonded indebtedness set forth in Table 8, any general obligation bonds currently authorized but not issued within the District will likely be issued and new general obligation bonds may be authorized at future elections. New community facilities districts or special assessment districts may be formed which include all or a portion of the District, resulting in the issuance of more bonds and the levy of additional special taxes or other taxes and assessments on parcels within the District. In addition to the Special Taxes, the property owners in the District will be required to pay the general *ad valorem* property taxes for their parcels. See "SPECIAL RISK FACTORS—Parity Taxes and Special Assessments" and "—Appraised and Assessed Valuations; Value-to-Lien Ratios."

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Estimated Tax Burden

The following table sets forth the estimated total tax burden on the average Fiscal Year 2025-26 tax levy for individually owned lots of developed property within each Zone in the District, based on estimated tax rates for Fiscal Year 2025-26.

TABLE 9
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1 (EL RANCHO VERDE)
AVERAGE FISCAL YEAR 2025-26 TAX OBLIGATION(1)
FOR INDIVIDUALLY OWNED PARCELS OF DEVELOPED PROPERTY

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
Average Home Value(2)	$605,665	$546,435	$616,621	$770,220	$504,364
Ad Valorem Property Taxes:					
Basic Levy (1.0000%)	$6,056.65	$5,464.35	$6,166.21	$7,702.20	$5,043.64
San Bernardino Community College (0.03700%)	$224.10	$202.18	$228.15	$284.98	$186.61
Rialto Unified School District (0.06590%)	$399.13	$360.10	$406.35	$507.58	$332.38
San Bernardino Valley Municipal Water (0.11000%)	$666.23	$601.08	$678.28	$847.24	$554.80
Total General Property Taxes	**$7,346.11**	**$6,627.71**	**$7,478.99**	**$9,342.00**	**$6,117.43**
Assessment, Special Taxes & Parcel Charges:					
Rialto Vector Control	$5.62	$5.62	$5.62	$5.62	$5.62
Rialto SLD 1	$26.38	$26.38	$26.38	$26.38	$26.38
Rialto Annual Solid Waste	$406.86	$406.86	$406.86	$406.86	$406.86
Rialto USD CFD 2019-1	$741.94	$592.89	$666.86	$834.69	$592.89
Rialto CFD 2020-1 Services(3)	$361.77	$361.77	$361.77	$361.77	$361.77
Rialto CFD 2020-1 Facilities(4)	$2,837.32	$2,614.98	$2,849.77	$3,275.81	$2,485.87
Total Assessment Charges	**$4,379.89**	**$4,008.50**	**$4,317.26**	**$4,911.12**	**$3,879.39**
Average Total Property Tax	**$11,726.00**	**$10,636.21**	**$11,796.25**	**$14,253.12**	**$9,996.81**
Average Effective Tax Rate	**1.94%**	**1.95%**	**1.91%**	**1.85%**	**1.98%**

(1) Average FY 2025-26 tax rates based upon FY 2024-25 Overlapping Taxes and Assessments.
(2) Average Home Value reflects the value of homes conveyed to individuals as indicated in the Appraisal Report.
(3) Reflects average projected FY 2025-26 Rialto CFD 2020-1 services special tax for parcels of Developed Property.
(4) Reflects average projected FY 2025-26 Rialto CFD 2020-1 facilities special tax for parcels of Developed Property.
Source: Webb Municipal Finance, LLC.

Historical Levies and Delinquencies

In the first year of the levy (Fiscal Year 2023-24), Special Taxes in the amount of $871,880 were levied on 307 parcels within the District. Special Taxes collected in Fiscal Year 2024-25 will be sufficient to pay the debt service due on the 2025 Bonds on September 1, 2025. The table below provides the amount of the levies, delinquencies and delinquency rates regarding the collection of Special Taxes for District from the initial levy.

TABLE 10
CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1 (EL RANCHO VERDE)
SPECIAL TAX LEVIES, DELINQUENCIES, AND DELINQUENCY RATES
FISCAL YEARS 2023-24 AND 2024-25

			Delinquencies as of Fiscal Year End			Delinquencies as of April 10, 2025		
Fiscal Year	**Amount Levied**	**Parcels Levied**	**Parcels Delinquent**	**Amount Delinquent**	**Percent Delinquent**	**Parcels Delinquent**	**Amount Delinquent**	**Percent Delinquent**
2023-24(1)	$871,880.00	307	4	$8,610.00	0.99%	0	$0.00	0.00%
2024-25	$1,717,282.20	630	N/A	N/A	N/A	7	$12,291.00	0.72%

(1) CFD 2020-1 was first levied in FY 2023-24.
Source: Webb Municipal Finance, LLC.

SPECIAL RISK FACTORS

The purchase of the 2025 Bonds involves significant investment risks and, therefore, the 2025 Bonds may not be 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 herein, in evaluating the investment quality of the 2025 Bonds. This discussion does not purport to be comprehensive or definitive. The occurrence of one or more of the events discussed herein 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 District to make full and punctual payments of debt service on the 2025 Bonds. In addition, the occurrence of one or more of the events discussed herein could adversely affect the value of the property in the District. See "SPECIAL RISK FACTORS — Appraised and Assessed Valuations; Value-to-Lien Ratios" and "— No Ratings and Limited Secondary Market" below.

Risks of Real Estate Secured Investments Generally

The Owners of the 2025 Bonds 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 the vicinity of the District, the supply of or demand for competitive properties in such area, and the market value of residential property or commercial 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 and floods), which may result in uninsured losses; (iv) adverse changes in local market conditions; and (v) increased delinquencies due to rising mortgage costs and other factors.

Other factors that could adversely affect property values in the District include, among others, relocation of employers out of the area, shortages of water, electricity, natural gas or other utilities, and destruction of property caused by man-made disasters.

Limited Obligations

The 2025 Bonds and interest thereon are not payable from the general funds of the City. Except with respect to the Special Taxes, neither the credit nor the taxing power of the District or the City is pledged for the payment of the 2025 Bonds or the interest thereon, and, except as provided in the Fiscal Agent Agreement, no Owner of the 2025 Bonds may compel the exercise of any taxing power by the District or the City or force the forfeiture of any City or District property. The principal of, premium, if any, and interest on the 2025 Bonds are not a debt of the City or a legal or equitable pledge, charge, lien or encumbrance upon any of the City's or the District's property or upon any of the City's or the District's income, receipts or revenues, except the Special Taxes and other amounts pledged under the Fiscal Agent Agreement.

Insufficiency of Special Taxes

Given limitations in the Act regarding increases in Special Taxes on residential parcels to address Special Tax delinquencies, the potential coverage to respond to delinquencies is approximately 110% of Annual Debt Service. Notwithstanding that the maximum Special Taxes that may be levied in the District exceeds debt service due on the 2025 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.

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 the 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 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 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 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 property within those areas might not be sufficient to pay principal of and interest on the 2025 Bonds when due and a default could occur with respect to the payment of such principal and interest.

Moreover, if a substantial portion of land within the District became exempt from the Special Tax because of public ownership, or otherwise, the maximum Special Tax which could be levied upon the remaining property within the District might not be sufficient to pay principal of and interest on the 2025 Bonds when due and a default could occur with respect to the payment of such principal and interest.

Impact of Economic Conditions on Development within the District

Certain events and factors which negatively affect the regional, State and national economies could have an adverse effect on the pace at which the current or any future developers in the District can complete the future homes, and demand by, and the ability of individuals to purchase homes within the District. Such events and factors could include rising inflation and interest rates, persistent supply chain issues and global market instability caused by geopolitical events. Any adverse impact of the foregoing and other economic factors on the project in the District and the real estate market in general cannot be predicted.

Increasing Mortgage Interest Rates; Recent Bank Failures

Since approximately November 2021, interest rates for mortgage loans have increased significantly. Increases in mortgage interest rates could have a negative impact on the estimated absorption rates of the planned for-sale residential units in the District described herein. With respect to entry-level households, increased mortgage interest rates may adversely impact the affordability of homes and may increase mortgage payment levels for owning a lower-priced home relative to renting a residence, thereby making purchasing less attractive. With respect to move-up households, higher mortgage interest rates may impact the desire of current homeowners to move from their present home due to the fact that their present home likely has a relatively low mortgage interest rate. In addition, in such instances, a new home would likely have a higher interest rate on a new mortgage loan as well as a higher purchase price and property taxes. Such considerations may decrease the desire for move-up households to purchase a new home. The foregoing factors could reduce demand for and/or the ability to achieve the sales prices of the planned for-sale homes within the District as described herein. The District cannot predict whether future changes in financial markets may occur which may impact interest rates, availability of mortgage loans, or availability of funding which impact development in the District.

Concentration of Ownership

Based on development and ownership status as of June 1, 2025 (and assuming no further development activity and transfer of ownership), individual homeowners and the Developer would be responsible for approximately [87.37]% and [12.63]%, respectively, of the projected Fiscal Year 2025-26 Special Tax levy.

The timely payment of principal of and interest on the 2025 Bonds depends upon the willingness and ability of the current and future property owners in the District to pay the Special Taxes prior to delinquency. General and local economic conditions and governmental requirements or restrictions may affect the willingness of the current property owners, or any successor property owners, to pay the Special Taxes, and there is no assurance that the current property owners, or any successor property owners, will pay such Special Taxes even if financially able to do so. Due to the concentration of ownership of the property within the District, a failure by the Developer or any successor property owner thereto to pay the Special Taxes may result in a default in the payment of debt service on the 2025 Bonds. See "THE DISTRICT - Property Ownership and Development Status."

Depletion of 2023 Reserve Account

The 2023 Reserve Account is maintained in an amount equal to the 2023 Reserve Requirement. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2025 BONDS —Special Tax Fund – 2023 Reserve Account." Funds in the 2023 Reserve Account may be used to pay principal of and interest on the 2023 Bonds and the 2025 Bonds and any Related Parity Bonds in the event the proceeds of the levy and the collection of the Special Taxes against the property in the District is not sufficient. If the 2023 Reserve Account is depleted, the funds can be replenished from the proceeds of the levy and collection of the Special Tax that are in excess of the amount required to pay Administrative Expenses and principal and interest on the 2023 Bonds and the 2025 Bonds and any Related Parity Bonds. However, no replenishment of the 2023 Reserve Account from the proceeds of the Special Taxes can occur as long as the proceeds that are collected from the levy of the Special Taxes at the maximum tax rates (subject to the limitations of the Act), together with available funds, remain insufficient to pay all such amounts. Thus, it is possible that the 2023 Reserve Account will be depleted and not replenished by the levy of the Special Taxes.

Risk of Structural or Wildland Fires

The District is located in an area of increased risk for utility associated wildfires pursuant to the California Public Utilities Commission Fire-Threat Map. Pursuant to the CalFire Fire Hazard Severity Zone map, the portions of the District lying northerly/northeasterly of River Ranch Parkway are designated as Moderate and High Fire Hazard Severity Zones. CalFire has identified the property as being located in the Local Responsibility Area. Mitigation measures in such areas typically include no build zones, fuel modification areas and recommended construction features. See "THE DISTRICT - Property Ownership and Development Status - *Required Infrastructure*" for mitigation measures undertaken by the Developer.

Fire hazards increase with any drought period and periods of high winds, and are highest for structures at the fringe of forested or wildland areas. In addition to the damage caused directly by a foothill fire, further damage may be caused by resulting mudslides during subsequent rains. In the event of damage to real property within the District, the property owner could become unwilling or unable to pay the Special Taxes when due.

Natural Disasters

The District, like all California communities, may be subject to unpredictable seismic activity, fires, flood, or other natural disasters. Southern California is a seismically active area. Seismic activity, wildfires and other natural disasters 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.

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 the Special Taxes.

The District is located in an Alquist-Priolo Earthquake Fault Zone. Pursuant to the Lytle Creek Ranch Specific Plan Environmental Impact Report Addendum, the potential risks associated with faults, seismic ground shaking and liquefaction would be mitigated to a less than significant level by certain mitigation measures. These measures include items such as engineered foundation design, post-tension/structural slabs, and use of subdrains and buttress or stabilization fills in certain areas, which have been or are being implemented in homes within the District.

The District is located in Zone X of FEMA Flood Zone designations which indicates areas that are determined to be outside of the 100- and 500-year floodplains and out of a Special Flood Hazard Area.

No assurance can be given that there will be no natural disasters in the future that will impact the District or to the extent to which any future natural disasters may impact the property in the District.

Hazardous Substances

The presence of hazardous substances on a parcel may result in a reduction in the value of a parcel. In general, the owners and operators of a parcel may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner or operator is obligated to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the taxed parcels be affected by a hazardous substance, is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The District is not aware of the presence of any federally or state classified hazardous substances in violation of any environmental laws, located on the property within the District. However, it is possible that such materials do currently exist and that the District is not aware of them.

Further, it is possible that liabilities may arise in the future with respect to any of the parcels resulting from the existence, currently, on the parcel 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 affect the value of a parcel that is realizable upon a delinquency.

Parity Taxes and Special Assessments

Property within the District is subject to taxes and assessments imposed by public agencies also having jurisdiction over the land within the District. See "THE DISTRICT —Direct and Overlapping Governmental Obligations."

The Special Taxes and any penalties thereon 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 all special taxes and special assessments levied by the City and other agencies and is co-equal to and independent of the lien for general property taxes regardless of when they are imposed upon the same property. The Special Taxes have priority over all existing and future private liens imposed on the property except, possibly, for liens or security interests held by the Federal Deposit Insurance Corporation. See "SPECIAL RISK FACTORS — Bankruptcy and Foreclosure" below.

Developed Property within the District is also subject to annual Special Tax B pursuant to the Rate and Method. For the 2024-25 Fiscal Year, the Special Tax B was $351.23 per Residential Unit. For Fiscal Year 2025-26 it will be $361.77. Special Tax B is increased by the lesser of the percent change in the Consumer Price Index or three percent (3%) for each Fiscal Year. See "THE DISTRICT - Direct and Overlapping Governmental Obligations." The Special Tax B is not pledged to the 2025 Bonds.

Neither the City nor the District has control over the ability of other entities and districts to issue indebtedness secured by special taxes, *ad valorem* taxes or assessments payable from all or a portion of the property within the District. In addition, the landowners within the District may, without the consent or knowledge of the City, petition other public agencies to issue public indebtedness secured by special taxes, *ad valorem* taxes or assessments. Any such special taxes, *ad valorem* taxes or assessments may have a lien on such property on a parity with the Special Taxes and could reduce the estimated value-to-lien ratios for property within the District described herein.

Disclosures to Future Purchasers

The willingness or ability of an owner of a parcel to pay the Special Tax, even if the value of the parcel is sufficient, 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 City caused Notices of Special Tax lien to be recorded in the Office of the Recorder for the County against each parcel. 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 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.

Special Tax Delinquencies

Special Taxes are the primary source for the repayment of the 2025 Bonds, and delinquencies could result in a draw on the 2023 Reserve Account and, if the 2023 Reserve Account were to be depleted, could cause a default in payment on the 2025 Bonds.

Under provisions of the Act, the Special Taxes, from which funds necessary for the payment of principal of, and interest on, the 2025 Bonds are derived, are customarily billed to the properties within the District on the *ad valorem* property tax bills sent to owners of such properties. The Act currently provides that such Special Tax installments are due and payable and are subject to the same lien priority in the case of delinquency as are *ad valorem* property tax installments.

See "SECURITY AND SOURCES OF PAYMENT FOR THE 2025 BONDS — Covenant to Commence Foreclosure Proceedings," for a discussion of the provisions which apply, and procedures which the District is obligated to follow under the Fiscal Agent Agreement, in the event of delinquencies in the payment of Special Taxes. See "THE DISTRICT—Special Tax Levies and Delinquencies" for a history of Special Tax delinquency rates in the District. See "SPECIAL RISK FACTORS — Bankruptcy and Foreclosure" below, for a discussion of the policy of the Federal Deposit Insurance Corporation regarding the payment of special taxes and assessments and limitations on the District's ability to foreclose on the lien of the Special Taxes in certain circumstances.

Non-Cash Payments of Special Taxes

Under the Act, the City Council as the legislative body of the District may reserve to itself the right and authority to allow the owner of any taxable parcel to tender a 2025 Bond in full or partial payment of any installment of the Special Taxes or the interest or penalties thereon. A 2025 Bond so tendered is to be accepted at par and credit is to be given for any interest accrued thereon to the date of the tender. Thus, if 2025 Bonds can be purchased in the secondary market at a discount, it may be to the advantage of an owner of a taxable parcel to pay the Special Taxes applicable thereto by tendering a 2025 Bond. Such a practice would decrease the cash flow available to the District to make payments with respect to other 2025 Bonds then outstanding; and, unless the practice was limited by the District, the Special Taxes paid in cash could be insufficient to pay the debt service due with respect to such other 2025 Bonds. In order to provide some protection against the potential adverse impact on cash flows which might be caused by the tender of 2025 Bonds in payment of Special Taxes, the Fiscal Agent Agreement includes a covenant pursuant to which the District will not authorize owners of taxable parcels to satisfy Special Tax obligations by the tender of 2025 Bonds unless the District shall have first obtained a report of an Independent Financial Consultant certifying that doing so would not result in the District having insufficient Special Tax revenues to pay the principal of and interest on all Outstanding 2025 Bonds when due.

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 value of a taxable parcel is not sufficient, taking into account other liens imposed by public agencies, to secure fully the Special Tax, the District has no recourse against the owner.

Appraised and Assessed Valuations; Value-to-Lien Ratios

The value of taxable property within the District is an important factor in evaluating the investment quality of the 2025 Bonds. In the event that a property owner defaults in the payment of Special Tax installments, the District's only remedy is to judicially foreclose on that property. Prospective purchasers of the 2025 Bonds should not assume that the parcels of appraised property within the District could be sold for the appraised or 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. Reductions in property values within the District due to a downturn in the economy or the real estate market, events such as earthquakes, droughts, or floods, stricter land use regulations, threatened or endangered species or other events may adversely impact the security underlying the Special Taxes.

The values of the 355 parcels of appraised taxable property set forth in the various tables herein are based upon the property values determined by the Appraiser. The Appraisal Report was prepared for the purpose of estimating the market value of such property as of April 4, 2025 in its as is condition on the basis of certain assumptions and limiting conditions. The appraised values for the completed-closed homes were not determined on a bulk sale basis, and value may be substantially less if all the properties were subject to foreclosure at the same time.

Prospective purchasers of the 2025 Bonds should not assume, however, that such parcels could be sold for the appraised amount described herein at the present time or at a foreclosure sale for delinquent Special Taxes. See the Appraisal Report included as Appendix G hereto for a brief description of the analysis used and assumptions made by the Appraiser. The actual value of the property is subject to future events that might render invalid the assumptions relied upon by the Appraiser in determining the appraised value.

No assurance can be given that the estimated value-to-lien ratios as set forth in "THE DISTRICT — Value-to-Lien Ratios" will be maintained over time. As discussed herein, many factors that are beyond the control of the District could adversely affect the property values within the District. The District does not have any 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. A decrease in the assessed values in the District or an increase in the indebtedness secured by taxes and amounts with 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. See "THE DISTRICT — Value-to-Lien Ratios" herein.

No assurance can be given that any bid will be received for a parcel with delinquent Special Taxes offered for sale at foreclosure or, if a bid is received, that such bid will be sufficient to pay all delinquent Special Taxes. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2025 BONDS —Covenant to Commence Foreclosure Proceedings."

FDIC/Federal Government Interests in Properties

The ability of the 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.

In the case of FDIC, in the event that any financial institution making a loan which is secured by parcels is taken over by the FDIC and the applicable Special Tax is not paid, the remedies available to the District may be constrained. The FDIC's policy statement regarding the payment of state and local real property taxes (the "Policy Statement") provides that taxes other than *ad valorem* taxes which are secured by a valid lien in effect before the FDIC acquired an interest in a property will be paid unless the FDIC determines that abandonment of its interests is appropriate. The Policy Statement provides that the FDIC generally will not pay installments of non-*ad valorem* taxes which are levied after the time the FDIC acquires its fee interest, nor will the FDIC recognize the validity of any lien to secure payment except in certain cases where the Resolution Trust Corporation had an interest in property on or prior to December 31, 1995. Moreover, the Policy Statement provides that, with respect to parcels on which the FDIC holds a mortgage lien, the FDIC will not permit its lien to be foreclosed out by a taxing authority without its specific consent, nor will the FDIC pay or recognize liens for any penalties, fines or similar claims imposed for the non-payment of taxes.

The FDIC has taken a position similar to that expressed in the Policy Statement in legal proceedings brought against Orange County in United States Bankruptcy Court and in Federal District Court. The Bankruptcy Court issued a ruling in favor of the FDIC on certain of such claims. Orange County appealed that ruling, and the FDIC cross-appealed. On August 28, 2001, the Ninth Circuit Court of Appeals issued a ruling favorable to the FDIC except with respect to the payment of pre-receivership liens based upon delinquent property tax.

The District is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency with respect to parcels in which the FDIC has or obtains an interest, although prohibiting the lien of the FDIC to be foreclosed out at a judicial foreclosure sale would prevent or delay the foreclosure sale.

In the case of Fannie Mae and Freddie Mac, in the event a parcel of taxable property is owned by a federal government entity or federal government sponsored entity, such as Fannie Mae or Freddie Mac, or a private deed of trust secured by a parcel of taxable property is owned by a federal government entity or federal government sponsored entity, such as Fannie Mae or Freddie Mac, the ability to foreclose on the parcel or to collect delinquent Special Taxes may be limited. Federal courts have held that, based on the supremacy clause of the United States Constitution, in the absence of Congressional intent to the contrary, a state or local agency cannot foreclose to collect delinquent taxes or assessments if foreclosure would impair the federal government interest. This means that, unless Congress has otherwise provided, if a federal government entity owns a parcel of taxable property 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. For a discussion of risks associated with taxable parcels within the District becoming owned by the federal government, federal government entities or federal government sponsored entities, see "— Insufficiency of Special Taxes."

The District's remedies may also be limited in the case of delinquent Special Taxes with respect to parcels in which other federal agencies (such as the Internal Revenue Service and the Drug Enforcement Administration) have or obtain an interest.

Bankruptcy and Foreclosure

Bankruptcy, insolvency, and other laws generally affecting creditors' rights could adversely impact the interests of Beneficial Owners of the 2025 Bonds. The payment of property owners' taxes and the ability of the District to foreclose the lien of a delinquent unpaid Special Tax pursuant to its covenant to pursue judicial foreclosure proceedings may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State relating to judicial foreclosure. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2025 BONDS — Covenant to Commence Foreclosure Proceedings." In addition, the prosecution of a foreclosure could be delayed due to many reasons, including crowded local court calendars or lengthy procedural delays.

Although a bankruptcy proceeding would not cause the Special Taxes to become extinguished, the amount of any Special Tax lien could be modified if the value of the property falls below the value of the lien. If the value of the property is less than the lien, such excess amount could be treated as an unsecured claim by the bankruptcy court. In addition, bankruptcy of a property owner could result in a delay in prosecuting Superior Court foreclosure proceedings. Such delay would increase the likelihood of a delay or default in payment of delinquent Special Tax installments and the possibility of delinquent Special Tax installments not being paid in full.

The various legal opinions to be delivered concurrently with the delivery of the 2025 Bonds (including Bond Counsel's approving legal opinion) will be qualified, as to the enforceability of the various legal instruments, by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

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 foreclosure.

No Acceleration Provision

The 2025 Bonds do not contain a provision allowing for the acceleration of the 2025 Bonds in the event of a payment default or other default under the 2025 Bonds or the Fiscal Agent Agreement.

Inflation Reduction Act

Changes enacted by federal tax legislation (the Public Law No. 217-169, also referred to as the "Inflation Reduction Act") were enacted into law on August 16, 2022. The Inflation Reduction Act (H.R. 5376, 117th Congress) includes a 15% alternative minimum tax to be imposed on the "adjusted financial statement income," as defined in the Inflation Reduction Act, of certain corporations for tax years beginning after December 31, 2022. Interest on the 2025 Bonds will be included in the "adjusted financial statement income" of such corporations for purposes of computing such alternative minimum tax.

IRS Audit of Tax-Exempt Securities Issues

The IRS has initiated an expanded program for the auditing or examination of tax-exempt securities issues, including both random and targeted audits. It is possible that the 2025 Bonds will be selected for audit or examination by the IRS. It is also possible that the market value of the 2025 Bonds might be affected as a result of such an audit of the 2025 Bonds (or by an audit of similar bonds or securities).

Loss of Tax Exemption

As discussed under the caption "TAX MATTERS," interest on the 2025 Bonds could become includable in gross income for federal income tax purposes retroactive to the date of issuance of the 2025 Bonds as a result of a failure by the District to comply with certain provisions of the Code. In addition, the introduction or enactment of any of legislation could adversely affect the market value or liquidity of the 2025 Bonds. Should an event of taxability occur, the 2025 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.

Limitations on Remedies

Remedies available to the Beneficial Owners of the 2025 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 2025 Bonds or to preserve the tax-exempt status of the 2025 Bonds.

Bond Counsel has limited its opinion as to the enforceability of the 2025 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 Beneficial Owners of the 2025 Bonds.

No Ratings and Limited Secondary Market

The District has not applied to have the 2025 Bonds rated by any nationally recognized bond rating company and it does not expect to do so in the future.

There can be no guarantee that there will be a secondary market for the 2025 Bonds or, if a secondary market exists, that the 2025 Bonds can be sold at all or for any particular price. Although the District has committed to provide certain financial and operating information on an annual basis, there can be no assurance that such information will be available to Beneficial Owners 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 of California at the November 5, 1996 general election. The Initiative added Article XIIIC and Article XIIID 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 2025 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 rate 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 XIIIC 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 2025 Bonds.

It may be possible, however, for voters or the City Council 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 2025 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 2025 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 District will covenant in the Fiscal Agent Agreement that it will not initiate proceedings under the Act to reduce the maximum Special Tax rates on parcels within the District to an amount that is less than the sum of the estimated Administrative Expenses and 110% of gross debt service in each future Bond Year on all Bonds to remain Outstanding after the reduction is approved. In connection with the foregoing covenant, the District has made a finding and determination that any elimination or reduction of Special Taxes below the foregoing level would interfere with the timely retirement of the 2025 Bonds. The District also will covenant in the Fiscal Agent Agreement that, in the event an initiative is adopted which purports to alter the Rate 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.

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

Litigation regarding Community Facilities Districts

Shapiro. The California Court of Appeal, Fourth Appellate District, Division One, issued its opinion in *City of San Diego v. Melvin Shapiro* (2014) 228 Cal.App.4th 756 (the "San Diego Decision"). The case involved a Convention Center Facilities District (the "CCFD") established by the City of San Diego ("San Diego"). 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 San Diego. 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.

Horizon. The Sacramento County Superior Court issued a ruling in *Horizon Capital Investments, LLC v. City of Sacramento et al.* (Case No. 34-2017-80002661), which was a case involving an election to approve the levy of a special tax within a community facilities district ("CFD") formed under the Act.

In 2017, the City of Sacramento initiated proceedings to form a CFD to finance certain costs to operate and maintain a streetcar line. As permitted by the Act, the proposed district included non-contiguous parcels of non-residential property. Because there were fewer than 12 registered voters residing within the territory of the proposed CFD, the City Council submitted the special tax proposed to be levied within the proposed CFD to the owners of land within the proposed CFD, as required by the Act. The proposed special tax received the requisite two-thirds vote in the landowner election.

Petitioners Horizon Capital Investments, LLC et al. filed a writ of mandate and complaint for reverse validation and declaratory relief. Petitioners argued, and the superior court agreed in its final ruling, that under section 4(a) of article XIII A of the California Constitution (which provides that "Cities, Counties and special districts, by a two-thirds vote of the qualified electors of such district [sic], may impose special taxes on such district…") the phrase "qualified electors" means the registered voters of the entire City of Sacramento and not just the owners of the property within the boundaries of the proposed CFD. Citing the San Diego Decision, the tentative ruling states that the phrase "qualified electors of the district" refers to the registered voters of the entity imposing the special tax, which in this case was the City of Sacramento. Because the vote within the proposed CFD was by landowners only and not by all registered voters in the City of Sacramento, the final ruling states that the special tax is invalid.

The superior court's final ruling is not binding upon other courts within the State and does not directly apply to the District, the Special Taxes, or the 2025 Bonds. The City of Sacramento did not appeal the superior court's ruling.

Special Tax Election in the District. With respect to the San Diego Decision, the facts of such case show that there were thousands of registered voters within the CCFD (viz., all of the registered voters in San Diego). The election held in the District had less than 12 registered voters at the time of the election to authorize the Special Taxes. 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 in the San Diego Decision 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. The petitioners in Horizon filed the writ of mandate within 30 days of the landowner election. Voters in the District approved the Special Tax on September 13, 2022. Based on Sections 53341 and 53359 of the Act and analysis of existing laws, regulations, rulings and court decisions, the District believes that no successful challenge to the Special Tax being levied in accordance with the Rate and Method may now be brought.

Ballot Initiatives

Articles XIIIC and XIIID were adopted pursuant to measures qualified for the ballot pursuant to California's constitutional initiative process. On March 6, 1995, in the case of *Rossi v. Brown*, the State Supreme Court held that an initiative can repeal a tax ordinance and prohibit the imposition of further such taxes and that the exemption from the referendum requirements does not apply to initiatives. From time to time, other initiative measures could be adopted by California voters. The adoption of any such initiative might place limitations on the ability of the State, the City, or local districts to increase revenues or to increase appropriations. See "SPECIAL RISK FACTORS — Risks of Real Estate Secured Investments Generally" herein.

Extraordinary Redemption from Prepaid Special Taxes

The 2025 Bonds are subject to redemption in whole or in part from Special Tax Prepayments on any Interest Payment Date (see "THE 2025 BONDS - Redemption"), which could occur if an owner of a taxable parcel chooses to prepay all or a portion of its Special Tax. The resulting redemption of 2025 Bonds that were purchased at a price greater than the applicable redemption price could reduce the otherwise expected yield on such 2025 Bonds.

Climate Change

Numerous scientific studies on global climate change show that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common, wildfires will become more common and intense, and extreme weather events will become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. For example, the Fourth National Climate Assessment, published by the U.S. Global Change Research Program, in November 2018 (NCA4) finds that more frequent and intense extreme weather and climate-related events, as well as changes in average climate conditions, are expected to continue to damage infrastructure, ecosystems and social systems over the next 25 to 100 years. Sea level rise may particularly impact coastal areas throughout California. No assurance can be given that climate change in the future that will not impact the District or the extent to which climate change may impact the property in the District.

Cybersecurity

As a recipient and provider of personal, private, and sensitive information, the City faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computers and other sensitive digital networks and systems. Despite security measures, information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Increasingly, businesses and government entities are being targeted by cyber-attacks seeking to obtain confidential data or disrupt critical services. A rapidly changing cyber risk landscape may introduce new vulnerabilities which hackers may exploit in attempts to effect breaches or service disruptions. Any such breach could compromise networks and the information stored there could be disrupted, accessed, publicly disclosed, lost or stolen. Any such disruption, access, disclosure or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, operations and the services provided which could ultimately adversely affect the Special Taxes.

No assurance can be given that the security and operational control measures of the City will be successful in guarding against any and each cyber threat or breach, or that any such attack will not materially impact the operations or finances of the City or the District, or the administration of the 2025 Bonds. Although the City maintains insurance coverage for cyber security losses, should a successful breach ever occur, the cost of any such disruption or remedying damage caused by future attacks could be substantial and in excess of such insurance coverage.

The City is also reliant on other entities and service providers in connection with the administration of the 2025 Bonds, including without limitation the County tax collector for the levy and collection of Special Taxes, the Fiscal Agent, and the dissemination agent. No assurance can be given that the City, the District and these other entities will not be affected by cyber threats and attacks in a manner that may adversely affect the Bond owners.

The City actively manages its networks and systems to ensure that City systems are properly secured and protected, however, no assurances can be given that the City's security and operational control measures will be successful in guarding against any and each cyber threat and attack. To date, the City has not experienced any cyberattacks that have resulted in major operational disruptions or financial consequences. The City currently maintains insurance coverage with respect to certain information security and privacy liability claims.

CONTINUING DISCLOSURE

The District has covenanted for the benefit of the Owners and Beneficial Owners of the 2025 Bonds pursuant to a Continuing Disclosure Agreement, dated the date of issuance of the 2025 Bonds (the "Issuer Continuing Disclosure Agreement"), by and between the District and Webb Municipal Finance, LLC, as Dissemination Agent, to provide certain financial information and operating data relating to the District (the "Annual Report") no later than March 1 following the end of each fiscal year, commencing with the report for Fiscal Year 2024-25, and to provide notices of the occurrence of certain enumerated events through the EMMA System. The specific nature of the information to be contained in the Annual Report and the enumerated events is set forth in APPENDIX F – "FORM OF CONTINUING DISCLOSURE UNDERTAKING." The initial Annual Report due on March 1, 2026 may incorporate this Official Statement by reference in lieu of required items other than filing of the City's annual comprehensive financial report ("ACFR").

The City and its related governmental entities have made other undertakings pursuant to the Rule in connection with prior debt issuances. A review of compliance by the City over the past five years indicates the following:

(A) City of Rialto Community Facilities District No. 2006-1 (Elm Park) (i) failed to timely file under an existing undertaking the City's ACFR and certain financial information and operating data for Fiscal Year 2020-

21 and did not successfully file the City's ACFR under all CUSIP numbers as required, (ii) failed to timely file the City's ACFR for Fiscal Years 2021-22 through 2023-24, and (iii) failed to timely file the City's ACFR for Fiscal Year 2019-20 when available after filing the unaudited City ACFR;

(B) City of Rialto Community Facilities District No. 2019-1 (Foothill/Spruce) failed to timely file the City's ACFR for Fiscal Years 2021-22 through 2023-24; and

(C) City of Rialto Community Facilities District No. 2020-1 (El Rancho Verde) failed to timely file the City's ACFR for Fiscal Years 2022-23 and 2023-24.

Remedial filings have been made and the City and its related governmental entities are in compliance with their previous undertakings. The District believes that its procedures with the Dissemination Agent will be sufficient in the normal due course to assure substantial compliance with the Issuer Continuing Disclosure Agreement with respect to the 2025 Bonds.

The Underwriter does not consider the Developer to be an "obligated person" with respect to the 2025 Bonds for purposes of the Rule.

TAX MATTERS

Federal Tax Exemption

In the opinion of Norton Rose Fulbright US LLP, Los Angeles, California, Bond Counsel to the District, under existing statutes, regulations, rulings and judicial decisions, and assuming compliance by the District with certain covenants in the Fiscal Agent Agreement, the Tax Certificate and other documents pertaining to the 2025 Bonds and requirements of the Code regarding the use, expenditure and investment of proceeds of the 2025 Bonds and the timely payment of certain investment earnings to the United States, interest on the 2025 Bonds is not included in the gross income of the owners of the 2025 Bonds for federal income tax purposes. Failure to comply with such covenants and requirements may cause interest on the 2025 Bonds to be included in gross income retroactive to the date of issuance of the 2025 Bonds.

In the further opinion of Bond Counsel, interest on the 2025 Bonds is not treated as an item of tax preference for purposes of the federal alternative minimum tax on individuals. Bond Counsel expresses no opinion regarding the applicability of the federal corporate alternative minimum tax to the adjusted financial statement income of certain corporations.

Ownership of, or the receipt of interest on, tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security or Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations and taxpayers who may be eligible for the earned income tax credit. Bond Counsel expresses no opinion with respect to any collateral tax consequences and, accordingly, prospective purchasers of the 2025 Bonds should consult their tax advisors as to the applicability of any collateral tax consequences.

Certain requirements and procedures contained or referred to in the Fiscal Agent Agreement, the Tax Certificate or other documents pertaining to the 2025 Bonds may be changed, and certain actions may be taken or not taken, under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of counsel nationally recognized in the area of tax-exempt obligations. Bond Counsel expresses no opinion as to the effect of any change to any document pertaining to the 2025 Bonds or of any action taken or not taken where such change is made or action is taken or not taken without the approval of Norton Rose Fulbright US LLP or in reliance upon the advice of counsel other than Norton Rose Fulbright US

LLP with respect to the exclusion from gross income of the interest on the 2025 Bonds for federal income tax purposes.

Bond Counsel's opinion is not a guarantee of result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and judicial decisions and the representations and covenants of the District described above. No ruling has been sought from the Internal Revenue Service (the "IRS") with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel's opinion is not binding on the IRS. The IRS has an ongoing program of examining the tax-exempt status of the interest on municipal obligations. If an examination of the 2025 Bonds is commenced, under current procedures the IRS is likely to treat the District as the "taxpayer," and the owners of the 2025 Bonds would have no right to participate in the examination process. In responding to or defending an examination of the tax-exempt status of the interest on the 2025 Bonds, the District may have different or conflicting interests from the owners. Additionally, public awareness of any future examination of the 2025 Bonds could adversely affect the value and liquidity of the 2025 Bonds during the pendency of the examination, regardless of its ultimate outcome.

Tax Accounting Treatment of Bond Premium and Original Issue Discount

Bond Premium. To the extent a purchaser acquires a 2025 Bond at a price in excess of the amount payable at its maturity, such excess will constitute "bond premium" under the Code. The Code and applicable Treasury Regulations provide generally that bond premium on a tax-exempt obligation is amortized over the remaining term of the obligation (or a shorter period in the case of certain callable obligations) based on the obligation's yield to maturity (or shorter period in the case of certain callable obligations). The amount of premium so amortized reduces the owner's basis in such obligation for federal income tax purposes, though such amortized premium is not deductible for federal income tax purposes. This reduction in basis will increase the amount of any gain (or decrease the amount of any loss) recognized for federal income tax purposes upon a sale or other taxable disposition of the obligation. Bond Counsel is not opining on the accounting for bond premium or the consequence to a 2025 Bond purchaser of purchasing a 2025 Bond with bond premium. Accordingly, persons considering the purchase of 2025 Bonds with bond premium should consult their own tax advisors with respect to the determination of bond premium on such 2025 Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of such 2025 Bonds.

Original Issue Discount. The excess, if any, of the stated redemption price at maturity of 2025 Bonds of a particular maturity over the initial offering price to the public of the 2025 Bonds of that maturity at which a substantial amount of the 2025 Bonds of that maturity is sold to the public is "original issue discount." Original issue discount accruing on a 2025 Bond is treated as interest excluded from the gross income of the owner thereof for federal income tax purposes under the same conditions and limitations as are applicable to interest payable on such 2025 Bond. Original issue discount on a 2025 Bond of a particular maturity purchased pursuant to the initial public offering at the initial public offering price at which a substantial amount of the 2025 Bonds of that maturity is sold to the public accrues on a semiannual basis over the term of the 2025 Bond on the basis of a constant yield; and within each semiannual period accrues on a ratable daily basis. The amount of original issue discount on a 2025 Bond accruing during each period is added to the adjusted basis of such 2025 Bond, which will affect the amount of taxable gain upon disposition (including sale, redemption or payment on maturity) of such 2025 Bond. The Code includes certain provisions relating to the accrual of original issue discount in the case of purchasers that purchase 2025 Bonds other than at the initial offering price. Bond Counsel is not opining on the accounting for or consequence to a 2025 Bond purchaser of purchasing a 2025 Bond with original issue discount. Accordingly, persons considering the purchase of 2025 Bonds with original issue discount should consult their own tax advisors with respect to the determination of original issue discount on such 2025 Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of such 2025 Bonds.

Information Reporting and Backup Withholding

Interest paid on the 2025 Bonds will be subject to information reporting in a manner similar to interest paid on taxable obligations. Although such reporting requirement does not, in and of itself, affect the excludability of such interest from gross income for federal income tax purposes, such reporting requirement causes the payment of interest on the 2025 Bonds to be subject to backup withholding if such interest is paid to beneficial owners who (a) are not "exempt recipients," and (b) either fail to provide certain identifying information (such as the beneficial owner's taxpayer identification number) in the required manner or have been identified by the IRS as having failed to report all interest and dividends required to be shown on their income tax returns. Generally, individuals are not exempt recipients, whereas corporations and certain other entities are exempt recipients. Amounts withheld under the backup withholding rules from a payment to a beneficial owner are allowed as a refund or credit against such beneficial owner's federal income tax liability so long as the required information is furnished to the IRS.

State Tax Exemption

In the further opinion of Bond Counsel, interest on the 2025 Bond is exempt from personal income taxes imposed by the State of California.

Future Developments

Existing law may change to reduce or eliminate the benefit to owners of the 2025 Bonds of the exclusion of the interest on the 2025 Bonds from gross income for federal income tax purposes or of the exemption of interest on the 2025 Bonds from State of California personal income taxation. Any proposed legislation, whether or not enacted, or administrative action, whether or not taken, could also affect the value and marketability of the 2025 Bonds. Prospective purchasers of the 2025 Bonds should consult their own tax advisors with respect to any proposed or future change in tax law.

A copy of the form of opinion of Bond Counsel relating to the 2025 Bonds is included in "APPENDIX B" hereto.

CONCLUDING INFORMATION

Absence of Material Litigation

There is no controversy of any nature now pending against and notice of which has been received by the City or the District or, to the best knowledge of their respective officers, threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the 2025 Bonds or in any way contesting or affecting the validity of the 2025 Bonds or any proceedings of the District taken with respect to the issuance or sale thereof or the pledge or application of any moneys or security provided for the payment of the 2025 Bonds or the use of the 2025 Bond proceeds. There are no pending lawsuits against and notice of which has been received by the City or the District that challenge the validity of the 2025 Bonds, the corporate existence of the City or the District, or the title of the officers thereof to their respective offices.

Approval of Legality

The proceedings in connection with the issuance of the 2025 Bonds are subject to the approval as to their legality by Norton Rose Fulbright US LLP, Los Angeles, California, Bond Counsel for the District. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The legal opinion relates only to the legality of the 2025 Bonds and is not intended to be, nor is it to be interpreted or relied upon, as a disclosure document or an express or implied recommendation as to the investment quality of the 2025 Bonds. A copy of the proposed form of Bond Counsel's final approving opinion with respect to the 2025 Bonds is attached hereto as APPENDIX B. Fees payable to Bond Counsel are contingent on the successful sale and delivery of the 2025 Bonds.

Certain legal matters will be passed on for the District and for the City by Burke Williams & Sorensen LLP, Los Angeles, California, City Attorney, and by Norton Rose Fulbright US LLP, Los Angeles, California, Disclosure Counsel.

No General Obligation of City or District

The 2025 Bonds are not general obligations of the City or the District, but are limited obligations of the District payable solely from the Special Taxes and certain amounts held under the Fiscal Agent Agreement. Any tax for the payment of the 2025 Bonds shall be limited to the Special Taxes to be collected within the jurisdiction of the District.

The Municipal Advisor

Fieldman, Rolapp & Associates, Inc. has acted as Municipal Advisor to the District (the "Municipal Advisor") in conjunction with the issuance of the 2025 Bonds. The Municipal Advisor has assisted in matters related to the planning, structuring, execution, and delivery of the 2025 Bonds. The Municipal Advisor will receive compensation contingent upon the sale and delivery of the 2025 Bonds. The Municipal Advisor has not audited, authenticated, or otherwise independently verified the information set forth in this Official Statement, or any other related information available, with respect to accuracy and completeness of disclosure of such information. Because of this limited participation, the Municipal Advisor makes no guaranty, warranty, or other representation with respect to the accuracy or completeness of this Official Statement, or any other matter related to this Official Statement.

No Ratings on the 2025 Bonds

The District has not made, and does not contemplate making, any application for a rating on the 2025 Bonds. No such rating should be assumed based upon any other District rating that may be obtained. Prospective purchasers of the 2025 Bonds are required to make independent determinations as to the credit quality of the 2025 Bonds and their appropriateness as an investment. Should a Bondowner elect to sell a 2025 Bond prior to maturity, no representations or assurances can be made that a market will have been established or maintained for the purchase and sale of the 2025 Bonds. The Underwriter assumes no obligation to establish or maintain such a market and is not obligated to repurchase any of the 2025 Bonds at the request of the owner thereof.

Underwriting

The 2025 Bonds are being purchased by Piper Sandler & Co. (the "Underwriter") at a purchase price of $_______________ (equal to the 18,760,000 of the 2025 Bonds being issued less an Underwriter's discount of $______________ plus/less a net original issue premium/discount of $____________) pursuant to a bond purchase agreement between the District and the Underwriter (the "Purchase Agreement"). The Purchase Agreement provides that the Underwriter will purchase all of the 2025 Bonds if any are purchased, the obligation to make such purchase, if made, being subject to certain terms and conditions set forth in the Purchase Agreement, the approval of certain legal matters and certain other conditions.

The Underwriter may offer and sell 2025 Bonds to certain dealers and others at a price other than the offering price. The offering price may be changed from time to time by the Underwriter.

Miscellaneous

All of the preceding summaries of the Fiscal Agent Agreement, other applicable legislation, agreements and other documents are made subject to the provisions of such documents 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 City for further information in connection therewith.

This Official Statement does not constitute a contract with the purchasers of the 2025 Bonds.

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

The execution and delivery of this Official Statement by the City Manager of the City has been duly authorized by the City on behalf of the City of Rialto Community Facilities District No. 2020-1 (El Rancho Verde).

CITY OF RIALTO
COMMUNITY FACILITIES DISTRICT NO. 2020-1
(EL RANCHO VERDE)

____

City Manager of the City of Rialto, California, acting on behalf of the City of Rialto Community Facilities District No. 2020-1 (El Rancho Verde)

APPENDIX A

GENERAL INFORMATION RELATING TO THE CITY OF RIALTO AND SAN BERNARDINO COUNTY

The following information relating to the City of Rialto, California (the "City") and the County of San Bernardino (the "County") is provided for informational purposes only. The 2025 Bonds (as defined in the forepart of this Official Statement) are payable solely as described in this Official Statement. Neither the 2025 Bonds nor the obligation of the City to make payments on the bonds constitute an indebtedness of the City, the State of California, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

The economic and demographic data contained in this Appendix A are the latest available, but are as of dates and for periods before and after the economic impact of the COVID 19 pandemic and measures instituted to slow it. Accordingly, they are not necessarily indicative of the current financial condition or future prospects of the City, the County or the region.

General

The City. The City is located in the western portion of the County of San Bernardino (the "County"), approximately 60 miles east of the City of Los Angeles and just west of the City of San Bernardino. The City was incorporated in 1911 and is organized as a general law city with a Council-Manager form of government. The City is approximately four miles wide and eight and one-half miles long, encompassing 22 square miles. The City is served by Interstate Freeways 210, 215, 10 and 15.

The County. The County is located in Southern California and was established by an act of the State Legislature on April 23, 1853, which formed the County over an area formerly composing the eastern part of the County of Los Angeles. The County encompasses an area of over 20,000 square miles and includes twenty-four incorporated cities. It is bordered on the west by Los Angeles County, on the east by the State of Arizona and the State of Nevada, on the north by Inyo and Kern Counties, and on the south by Orange and Riverside Counties. The County is the largest county in the State of California in terms of geographical area.

Municipal Government

The City provides general government services either with its own employees or through contracts. The City has a Council-Manager form of municipal government. The City Council appoints the City Manager who is responsible for the day-to-day administration of City business and the coordination of all departments. The Mayor is elected at large to serve a four-year term. The four Council Members are elected to serve staggered four-year terms. The City Council is composed of five members elected biannually at large to four-year staggered terms. The current members of the City Council, term expiration and their current Council position are as follows:

City Council	Term Expires	Position
Joe Baca Sr.	November 2028	Mayor
Ed Scott	November 2026	Mayor Pro Tem
Andy Carrizales	November 2026	Councilmember
Karla Perez	November 2028	Councilmember
Edward Montoya Jr.	November 2026	Councilmember

Current City Management Staff includes the following:

Tanya Williams – City Manager. [to come]

Tim Sullivan – Assistant City Manager. [to come]

Municipal Services

The City provides a full range of services to its residents with 452 full-time employees as of June 30, 2023. Major services such as attorney, library, transit, street sweeping, and landscape maintenance are provided through contractual arrangements. The City provides services such as fire, police, affordable housing, economic development, planning, community compliance, recreation programs, humane services, park and facilities maintenance, street maintenance, city engineering, and administrative management services with city employees.

Population

The following table shows a historical comparison of the respective populations of the City, the County and the State for the last five years.

TABLE A-1
CITY OF RIALTO, SAN BERNARDINO COUNTY,
AND THE STATE OF CALIFORNIA
POPULATION COMPARISON[(1)]

Year	City of Rialto	San Bernardino County	State of California
2021	103,760	2,179,007	39,286,510
2022	103,406	2,180,777	39,078,674
2023	102,985	2,182,056	38,940,231
2024	104,426	2,200,351	39,420,663
2025	105,565	2,207,424	39,529,101

(1) As of January 1.
Source: State Department of Finance, 2020 Benchmark for Years 2021-2025.

Assessed Valuation

The following table sets forth the historical assessed valuations for secured and unsecured property within the City for the fiscal years shown.

TABLE A-2
CITY OF RIALTO
ASSESSED VALUE OF ALL TAXABLE PROPERTY

Roll Year	Secured	Unsecured	Total
2025			
2024	$14,157,848,037	$1,760,826,948	$15,918,674,985
2023	13,058,304,982	1,784,411,182	14,842,716,164
2022	11,562,543,427	1,486,672,063	13,049,215,490
2021	10,549,431,826	1,338,753,843	11,888,185,669
2020	9,520,084,370	1,240,843,552	10,760,927,922
2019	9,038,669,651	912,396,270	9,951,065,921
2018	8,277,155,422	868,370,316	9,145,525,738
2017	7,105,006,388	802,045,794	7,907,052,182
2016	6,677,551,639	659,303,329	7,336,854,968

Source: City of Rialto.

The following table sets forth property tax levies and collections for the City for the fiscal years shown.

TABLE A-3
CITY OF RIALTO
TAX LEVIES AND COLLECTIONS
(Fiscal Year Ended June 30)

		Collections within the Fiscal Year of the Levy			Total Collections to Date	
Fiscal Year	Total Tax Levy for Fiscal Year	Amount	Percent of Levy	Collections in Subsequent Years	Amount	Percent of Levy
2015	$24,231,424	$24,045,621	99.23%	$185,803	$24,231,424	100.00%
2016	23,902,218	23,750,424	99.36	151,765	23,902,189	100.00
2017	23,719,160	23,608,043	99.53	110,730	23,718,773	100.00
2018	31,445,680	31,292,569	99.51	152,743	31,445,312	100.00
2019	34,643,458	34,544,095	99.71	99,342	34,643,437	100.00
2020	37,223,333	37,079,154	99.61	144,179	37,223,333	100.00
2021	39,826,549	39,708,855	99.70	117,694	39,826,549	100.00
2022	44,085,823	43,804,013	99.36	281,810	44,085,823	100.00
2023						
2024						

NOTE: Amounts exclude debt service levies and former redevelopment agency property tax increments.
Source: County of San Bernardino Auditor-Controller; City of Rialto.

Largest Secured Taxpayers

The following table sets forth the largest 2023-24 local secured taxpayers in the City by taxable assessed value.

TABLE A-4
CITY OF RIALTO
LARGEST 2023-24 LOCAL SECURED TAXPAYERS

	Property Owner	Primary Land Use	2023-24 Assessed Valuation	% of Total[1]
1.	Target Corporation	Commercial	$ _____________	____%
2.	Prologis-Macquarie US LLC	Industrial		
3.	El Rivino Industrial I LLC	Industrial		
4.	Amazon Com Service Inc.	Industrial		
5.	Niagra Bottling LLC	Industrial		
6.	Liberty Property LP	Industrial		
7.	Fedex Ground Package System Inc.	Industrial		
8.	GPT BTS Linden Avenue Owner	Industrial		
9.	B9 Kline Ranch Owner LLC	Industrial		
10.	MRE Propco LP	Industrial		
	TOTAL		$_____________	____%

(1) 2023-24 Assessed Valuation: $14,157,848,037.

Source: HdL Coren & Cone.

Income

The U.S. Census Bureau *American Community Survey* reports that the median income of households in the City for 2023 is $85,521 compared to $96,334 for the State and $77,719 for the nation.

Employment and Industry

The following table summarizes the annual average civilian labor force, employment and unemployment in the County for the calendar years 2020 through 2024.

TABLE A-5
SAN BERNARDINO COUNTY
CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
(Annual Averages)

	2020	2021	2022	2023	2024
Civilian Labor Force[(1)]	974,700	992,200	1,008,500	1,014,800	1,027,800
Employment	880,900	918,600	967,200	967,900	975,200
Unemployment	93,800	73,600	41,300	46,800	52,600
Unemployment Rate	9.6%	7.4%	4.1%	4.6%	5.1%
Wage and Salary Employment:[(2)]					
Total Farm	2,300	2,300	2,500	2,200	
Mining and Logging	900	1,000	1,000	1,100	
Construction	38,100	39,200	40,900	41,700	
Manufacturing	52,200	52,500	55,100	53,700	
Wholesale Trade	41,100	41,800	42,200	41,000	
Retail Trade	81,800	85,600	88,500	88,300	
Transportation, Warehousing, Utilities	110,800	127,700	136,300	130,600	
Information	4,100	4,400	7,500	7,700	
Finance and Insurance	13,400	33,500	12,200	12,500	
Real Estate and Rental and Leasing	9,700	10,300	11,200	11,300	
Professional and Business Services	83,900	92,100	95,300	88,600	
Educational and Health Services	129,100	129,700	135,800	143,600	
Leisure and Hospitality	63,700	71,600	79,800	82,300	
Other Services	20,300	21,800	23,000	23,800	
Federal Government	14,400	6,300	13,400	13,600	
State Government	13,500	13,400	13,200	13,300	
Local Government	96,100	95,100	101,700	105,900	
Total, All Industries [(3)]	775,400	808,200	859,600	860,900	

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(3) Totals may not add due to rounding.
Source: Labor Division of the California State Employment Development Department, March 2024 Benchmark.

Major Employers

The following table lists the major employers within the County:

TABLE A-6
COUNTY OF SAN BERNARDINO
MAJOR EMPLOYERS – LISTED ALPHABETICALLY

Employer Name	Location	Industry
Amazon Fulfillment Ctr	Redlands	Mail Order Fulfillment Service
Amazon Fulfillment Ctr	San Bernardino	Mail Order Fulfillment Service
Arrowhead Regional Medical Ctr	Colton	Hospitals
Bear Mountain	Big Bear Lake	Skiing Centers & Resorts
Burlington Distribution Ctr	San Bernardino	Distribution Centers (whls)
California State Univ Sn	San Bernardino	Schools-Universities & Colleges Academic
Dignity Health Cmnty Hosp-Sn	San Bernardino	Hospitals
Dignity Health St. Bernardine	San Bernardino	Hospitals
Environmental Systems Research	Redlands	Geographics Information Systems
Fedex Ground	Bloomington	Delivery Service
Inland Empire Health Plan	Rancho Cucamonga	Health Plans
Kaiser Permanente Fontana Med	Fontana	Hospitals
Loma Linda Univ Health Board	Loma Linda	Univ/Clg-Governing Body/Regent/Trustee
Loma Linda University Med Ctr	Loma Linda	Hospitals
Mountain High Ski Resort	Wrightwood	Skiing Centers & Resorts
Ontario International Airport	Ontario	Airports
Ontario-Montclair School Dist	Ontario	School Districts
Patton State Hospital	Patton	Hospitals
Primary Care Assoc Med Group	Ontario	Physicians & Surgeons
Radial	Rialto	Mail Order Fulfillment Service
Redlands Community Hospital	Redlands	Hospitals
San Antonio Regional Hospital	Upland	Hospitals
San Bernardino County Sch Supt	San Bernardino	Schools & Educational Services NEC
San Bernardino County Sheriff	San Bernardino	County Government-General Offices
Snowline Joint Unified School District	Phelan	Schools

Source: California Employment Development Department, extracted from The America's Labor Market information System (ALMIS) Employer Database, 2025 1st Edition.

Commercial Activity

The number of establishments selling merchandise subject to sales tax and the valuation of taxable transactions in the City is presented in the following table.

TABLE A-7
CITY OF RIALTO
TAXABLE RETAIL SALES
NUMBER OF PERMITS AND VALUATION OF TAXABLE TRANSACTIONS
(Dollars in Thousands)

	Total Retail and Food Services	Total All Outlets	
	Taxable Transactions	Number of Permits	Taxable Transactions
2020	$ 916,844	2,311	$1,972,235
2021	3,385,629	2,179	4,653,920
2022	3,569,656	2,245	5,015,008
2023	3,418,407	2,280	4,981,526
2024	3,552,494	2,388	5,246,579

Sources: California Department of Tax and Fee Administration, Taxable Sales – Cities by Type of Business.

The number of establishments selling merchandise subject to sales tax and the valuation of taxable transactions in the County is presented in the following table.

Table A-8
SAN BERNARDINO COUNTY
TAXABLE RETAIL SALES
NUMBER OF PERMITS AND VALUATION OF TAXABLE TRANSACTIONS
(Dollars in Thousands)

	Number of Permits	Taxable Transactions
2020	71,145	$43,265,512
2021	66,585	55,378,097
2022	68,480	59,992,846
2023	67,336	57,933,855
2024	68,447	58,382,923

Source: California Department of Tax and Fee Administration, Taxable Sales – By County (2018-2022 data).

Housing

As of January 1, 2025, the California Department of Finance reported that there were 20,830 single family detached units in the City, 830 single family attached units, 5,642 multifamily housing units and 1,688 mobile home units. The vacancy rate is approximately 2.4%.

Construction Activity

The following tables show a five year summary of the valuation of building permits issued in the City and the County.

TABLE A-9
CITY OF RIALTO
BUILDING PERMIT VALUATION

	2019	2020	2021	2022	2023
Permit Valuation					
Single-family dwelling	$15,054,141	$ 54,522	$5,067,290	$ 943,087	$550,000
Multi-family	0	0	0	0	0
Res. Alterations/Additions	1,143,213	267,602	31,645	175,300	98,000
Total Residential	$16,197,354	$322,124	$5,098,935	$1,118,387	$648,000
Hotels & Motels	0	0	0	0	0
Non-Housekeeping Shelter	0	0	0	0	0
Amusement and Recreation	0	0	0	0	0
Churches	0	0	0	0	0
Industrial & Manufacturing	111,571,554	0	0	0	0
Parking Garages	0	0	0	0	0
Service Stations	0	0	0	0	0
Hospitals	0	0	0	0	0
Offices	914,056	0	0	0	0
Public Works	0	0	0	0	0
Schools Education	3,348,272	0	0	0	0
Stores, Mercantile & Warehouses	22,359,113	0	0	200,000	500,000
Other Non-Residential Buildings	956,392	0	0	8,363,088	50,000
Structures Other Than Buildings	3,199,608	741,281	100,000	321,000	70,000
Non-Residential Alterations	108,956,410	7,437,068	0	269,271	275,000
Residential Garages	225,926	4,750	5,000	0	0
Total Nonresidential	$251,531,331	$8,183,099	$105,000	$9,153,359	$895,000
New Dwelling Units					
Single Family	59	1	19	7	6
Multiple Family	0	0	0	0	0
Total	59	1	19	7	6

Source: Construction Industry Research Board, Annual Building Permit Summary.

TABLE A-10
COUNTY OF SAN BERNARDINO
BUILDING PERMIT VALUATION

	2019	2020	2021	2022	2023
Permit Valuation					
New Single-family	$1,078,797,667	$934,304,422	1,086,398,163	$1,028,474,447	$958,620,589
New Multi-family	232,079,305	143,366,170	310,255,425	345,433,503	241,890,563
Res. Alterations/Additions	139,761,121	61,788,531	88,244,125	89,903,254	88,142,531
Total Residential	$1,450,638,093	$1,139,459,123	$1,484,897,713	$1,463,811,204	$1,288,653,683
New Commercial	$413,404,484	$237,588,657	$218,357,692	$389,536,575	$222,331,460
New Industrial	476,322,279	330,960,066	385,616,522	588,067,879	448,979,421
New Other	365,127,043	486,398,444	273,490,954	819,692,658	194,151,375
Alterations/Additions	122,245,823	9,748,343	288,180,759	277,379,266	240,502,592
Total Nonresidential	$1,377,099,629	$1,064,695,510	$1,165,645,927	$2,074,676,378	$1,105,964,848
New Dwelling Units					
Single Family	4,096	3,631	4,376	3,701	3,915
Multiple Family	1,884	910	2,636	2,852	2,239
Total	5,980	4,541	7,012	6,553	6,154

Source: Construction Industry Research Board, Annual Building Permit Summary.

Development Activity within the City [to be updated]

The following are examples of recently completed and currently planned economic development projects in the City. The City makes no assurance whether or when any of the below-listed on-going economic development projects will be completed.

Housing. Richmond American Homes is currently selling detached single-family homes in a new community known as Seasons at Acacia. The Seasons at Acacia a community that will ultimately be comprised of 82 detached single-family homes within the City. Century Communities is also currently selling detached single-family homes in a new community known as The Depot. At full buildout, the Depot will be comprised of 56 detached single-family homes. Lastly, Monte Vista Homes recently began construction on a new gated community comprised of 22 detached single-family homes that will be known as Cedar Villas.

Commercial. Link Logistics recently completed development of a 135,408 square foot industrial warehouse building. Lovett Industrial is nearing completion of development of a 116,060 square foot industrial warehouse building. Birtcher Logistics recently began construction of a new 492,410 square foot industrial warehouse development.

Civic Uses. The City recently completed several projects including the construction of the $3 million Fire Station 205, the Community Resource Center ADA Improvement project and the Cactus Trails project, a multi-use path along the west side of Cactus Avenue, from Rialto Avenue to Baseline Road.

APPENDIX B

FORM OF BOND COUNSEL'S OPINION

[Closing Date]

City of Rialto Community Facilities
District No. 2020-1 (El Rancho Verde)
150 S Palm Avenue
Rialto, California 92376

Re: $[principal amount] City of Rialto Community Facilities District No. 2020-1 (El Rancho Verde) Special Tax Bonds, Series 2025

Ladies and Gentlemen:

We have acted as bond counsel to the City of Rialto Community Facilities District No. 2020-1 (El Rancho Verde) (the "District") in connection with the issuance of $[principal amount] aggregate principal amount of City of Rialto Community Facilities District No. 2020-1 (El Rancho Verde) Special Tax Bonds, Series 2025 (the "2025 Bonds"), pursuant to the provisions of 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 "Act"), and pursuant to a Fiscal Agent Agreement, dated as of October 1, 2023, as supplemented by a First Supplemental Fiscal Agent Agreement, dated as of July 1, 2025 (as supplemented, the "Fiscal Agent Agreement"), each by and between the District and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Fiscal Agent Agreement.

As bond counsel, we have examined applicable provisions of the Act and copies certified to us as being true and complete copies of the proceedings of the City of Rialto (the "City") and the District, acting through the City Council of the City, as its legislative body, for the authorization and issuance of the 2025 Bonds, including the Fiscal Agent Agreement and the Tax Certificate executed by the District in connection with the issuance of the 2025 Bonds (the "Tax Certificate"). Our services as bond counsel were limited to an examination of such proceedings and to the rendering of the opinions set forth below. In this connection we have also examined such certificates of public officials and officers of the City and the District as we have considered necessary for the purposes of this opinion.

We have assumed the genuineness of all documents and signatures presented to us. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Fiscal Agent Agreement and the Tax Certificate.

Based upon the foregoing we are of the opinion, under existing law, as follows:

1. The Fiscal Agent Agreement has been duly and validly authorized, executed and delivered by the District and constitutes the legally valid and binding obligation of the District, enforceable against the District in accordance with its terms.

2. The 2025 Bonds constitute valid and binding limited obligations of the District as provided in the Fiscal Agent Agreement, and are entitled to the benefits of the Fiscal Agent Agreement.

3. The 2025 Bonds are secured by a valid pledge of the Special Taxes and all moneys in the funds and accounts under the Fiscal Agent Agreement, including all amounts derived from the investment of such moneys, subject to the application thereof on the terms and conditions as set forth in the Fiscal Agent Agreement.

4. Assuming compliance by the District and the City with certain covenants in the Indenture and the Tax Certificate and other documents pertaining to the 2025 Bonds and requirements of the Internal Revenue Code of 1986 (the "Code") regarding the use, expenditure and investment of proceeds of the 2025 Bonds and the timely payment of certain investment earnings to the United States, interest on the 2025 Bonds is not included in gross income of the owners of the 2025 Bonds for purposes of federal income taxation.

5. Interest on the 2025 Bonds is not treated as an item of tax preference for purposes of the alternative minimum tax on individuals. We express no opinion regarding the applicability of the corporate alternative minimum tax to the adjusted financial statement income of any owners of the 2025 Bonds.

6. Interest on the 2025 Bonds is exempt from personal income tax imposed by the State of California.

Our opinion in paragraph 4 above is rendered in reliance on representations and certifications of the District and the City made in a Tax Certificate dated the date hereof pertaining to the use, expenditure and investment of the proceeds of the 2025 Bonds. Except as stated in paragraphs 4, 5, and 6 above, we express no opinion as to any federal or state tax consequences of the ownership or disposition of, or the receipt or accrual of interest on, the 2025 Bonds. Further, certain requirements and procedures contained or referred to in the Fiscal Agent Agreement, the Tax Certificate or in other documents pertaining to the 2025 Bonds may be changed, and certain actions may be taken, under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of counsel nationally recognized in the area of tax-exempt obligations. We express no opinion as to the effect of any change to any document pertaining to the 2025 Bonds or of any action taken or not taken where such change is made or action is taken or not taken without our approval or in reliance upon the advice of counsel other than ourselves with respect to the exclusion from gross income of the interest on the 2025 Bonds for federal income tax purposes.

The opinions expressed in paragraphs 1 and 2 above are qualified to the extent the enforceability of the 2025 Bonds and the Fiscal Agent Agreement may be limited by applicable bankruptcy, insolvency, debt adjustment, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally or as to the availability of any particular remedy. The enforceability of the 2025 Bonds and the Fiscal Agent Agreement is subject to the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, to the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and to the limitations on legal remedies against governmental entities in California.

No opinion is expressed herein on the accuracy, completeness or fairness of the Official Statement or other offering material relating to the 2025 Bonds.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service. Rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

This opinion is limited to the laws of the State of California and the federal laws of the United States.

Respectfully submitted,

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE FISCAL AGENT AGREEMENT

APPENDIX D

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

None of the District, the Fiscal Agent or the Underwriter can or do give any assurances that DTC, the Participants or others will distribute payments of principal of or interest on the 2025 Bonds paid to DTC or its nominee as the registered owner, or will distribute any prepayment notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. None of the District, the Fiscal Agent or the Underwriter are responsible or liable for the failure of DTC or any Participant to make any payment or give any notice to a Beneficial Owner with respect to the 2025 Bonds or an error or delay relating thereto.

The following information concerning The Depository Trust Company, New York, New York ("DTC") and DTC's book-entry system has been obtained from sources that the District and the Underwriter believe to be reliable, but neither the District or the Underwriter take responsibility for the accuracy thereof. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in this Official Statement and in APPENDIX C — "SUMMARY OF FISCAL AGENT AGREEMENT."

DTC will act as securities depository for the 2025 Bonds. The 2025 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the 2025 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with 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 an S&P Global Ratings 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 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2025 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 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners.

Beneficial Owners will not receive certificates representing their ownership interests in 2025 Bonds, except in the event that use of the book-entry system for the 2025 Bonds is discontinued.

To facilitate subsequent transfers, all 2025 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 2025 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 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2025 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 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2025 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2025 Bond documents. For example, Beneficial Owners of 2025 Bonds may wish to ascertain that the nominee holding the 2025 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 2025 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2025 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 City, as the issuer of the 2025 Bonds, 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 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 2025 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 City 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 City, 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 City 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.

DTC may discontinue providing its services as depository with respect to the 2025 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, certificates for the 2025 Bonds are required to be printed and delivered in such principal amount or amounts, in authorized denominations, and registered in whatever name or names DTC shall designate.

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, certificates for the 2025 Bonds will be printed and delivered in such principal amount or amounts, in authorized denominations, and registered in whatever name or names DTC shall designate.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believe to be reliable, but the District does not take any responsibility for the accuracy thereof.

Risks Regarding the Book-Entry Only System

AS LONG AS CEDE & CO. OR ITS SUCCESSOR IS THE REGISTERED HOLDER OF THE 2025 BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE REGISTERED HOLDERS OF THE 2025 BONDS SHALL MEAN CEDE & CO., AS AFORESAID, AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE 2025 BONDS. ANY FAILURE OF DTC TO ADVISE ANY PARTICIPANT, OR OF ANY PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTEXT OR EFFECT WILL NOT AFFECT THE VALIDITY OR SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE 2025 BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE. Each person for whom a Participant acquires an interest in the 2025 Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all notices of redemption or other communications to DTC, which may affect such person, forwarded in writing by such Participant and to receive notification of all interest payments.

NONE OF THE DISTRICT, THE FISCAL AGENT OR THE UNDERWRITER WILL HAVE ANY RESPONSIBILITY OR OBLIGATION WITH RESPECT TO THE PAYMENTS TO THE DIRECT PARTICIPANTS, ANY INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS, THE SELECTION OF THE BENEFICIAL INTERESTS IN THE 2025 BONDS TO BE REDEEMED IN THE EVENT OF REDEMPTION OF LESS THAN ALL 2025 BONDS OF A PARTICULAR MATURITY OR THE PROVISION OF NOTICE TO THE DIRECT PARTICIPANTS, ANY INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO THE 2025 BONDS. NO ASSURANCE CAN BE GIVEN BY THE DISTRICT, THE FISCAL AGENT OR THE UNDERWRITER THAT DTC, DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR OTHER NOMINEES OF THE BENEFICIAL OWNERS WILL MAKE PROMPT TRANSFER OF PAYMENTS TO THE BENEFICIAL OWNERS, THAT THEY WILL DISTRIBUTE NOTICES, INCLUDING REDEMPTION NOTICES (REFERRED TO ABOVE), RECEIVED AS THE REGISTERED OWNER OF THE 2025 BONDS TO THE BENEFICIAL OWNERS, THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

In the event the District determines not to continue the book-entry system or DTC determines to discontinue its services with respect to the 2025 Bonds, and the District does not select another qualified securities depository, the District shall deliver one or more 2025 Bonds in such principal amount or amounts, in authorized denominations, and registered in whatever name or names, as DTC shall designate. In such event, transfer and exchanges of 2025 Bonds will be governed by the provisions of the Fiscal Agent Agreement.

APPENDIX F

FORM OF CONTINUING DISCLOSURE UNDERTAKING

APPENDIX G

APPRAISAL REPORT

APPRAISAL REPORT

COVERING

Community Facilities District No. 2020-1
of the City of Rialto
(El Rancho Verde)

DATE OF VALUE:	SUBMITTED TO:
April 4, 2025	City of Rialto 150 S. Palm Ave. Rialto, CA 92376
	Attn: Scott Williams Finance Director
DATE OF REPORT:	SUBMITTED BY:
April 18, 2025	Stephen G. White, MAI 1801 Lexington Dr. Fullerton, CA 92835

Stephen G. White, MAI

Real Estate Appraiser

1801 LEXINGTON DRIVE · FULLERTON, CALIFORNIA 92835
(714) 738-1595 · swhite@white-appraisal.com

April 18, 2025

City of Rialto
150 S. Palm Ave.
Rialto, CA 92376

Re: Community Facilities District No. 2020-1,
(El Rancho Verde)

Attn: Scott Williams
Finance Director

Dear Mr. Williams:

In accordance with your request and authorization, I have completed an appraisal of the taxable properties within the above-referenced Community Facilities District (CFD) with assessed valuations of less than $250,000. These properties comprise 355 of the 776 total residential lots that are being developed by Lennar Homes with six separate product types of detached homes in the community called River Ranch. For the remaining 421 lots with assessed valuations of over $250,000, the 2024/2025 assessed values are reported by product type. The status of the 776 lots is summarized in the following table:

Product Type	Completed Homes	Homes Under Construction	Vacant Lots	Total Lots	No. Lots With Appraised Value	No. Lots With Assessed Value
The Cove	160	24	21	205	121	84
Blueridge	134	0	0	134	44	90
Ridgewater	143	9	0	152	77	75
Summerbrooke	72	0	3	75	4	71
Edgestone	108	16	12	136	105	31
Stonecreek	74	0	0	74	4	70
Totals	691	49	36	776	355	421

The purpose of the appraisal of the 355 lots is to estimate the separate aggregate market values of the as is condition of the properties within each of the six product types, reflecting the status of the completed-closed homes (closed builder sales), completed-unclosed homes (model homes & standing inventory), homes under construction, and vacant lots. The values are also allocated to Individual Owners (completed-closed homes) and Builder Ownership (completed-unclosed homes, homes under construction and vacant lots). In addition, this appraisal reflects the proposed CFD bond financing, as well as the effective tax rates estimated at ±1.9%, based on assessed values, and including special taxes for this CFD and other overlapping special assessments.

Based on the general inspections of the properties and analysis of matters pertinent to value, the following conclusions of market value for the 355 lots have been arrived at, subject to the Assumptions and Limiting Conditions, and as of April 4, 2025:

Product Type	No. Lots	Appraised Market Value
The Cove		
Individual Owners (completed-closed homes):	67	$34,170,000
Lennar Ownership (completed-unclosed homes):	9	$3,780,000
Lennar Ownership (homes under construction):	24	$3,720,000
Lennar Ownership (vacant lots):	21	$2,440,000
	121	$44,110,000
Blueridge		
Individual Owners (completed-closed homes):	44	$24,200,000
Ridgewater		
Individual Owners (completed-closed homes):	59	$36,580,000
Lennar Ownership (completed-unclosed homes):	9	$4,500,000
Lennar Ownership (homes under construction):	9	$2,160,000
	77	$43,240,000
Summerbrooke		
Individual Owner (completed-closed home):	1	$580,000
Lennar Ownership (vacant lots):	3	$330,000
	4	$910,000
Edgestone		
Individual Owners (completed-closed homes):	69	$42,780,000
Lennar Ownership (completed-unclosed homes):	8	$4,000,000
Lennar Ownership (homes under construction):	16	$3,480,000
Lennar Ownership (vacant lots):	12	$1,820,000
	105	$52,080,000
Stonecreek		
Individual Owners (completed-closed homes):	4	$3,120,000
TOTALS	355	$167,660,000

(ONE HUNDRED SIXTY-SEVEN MILLION SIX HUNDRED SIXTY THOUSAND DOLLARS)

The assessed values by product type of the 421 lots, comprising completed-closed homes (closed builder sales) and completed-unclosed homes (model homes), are shown in the following table:

Product Type		**No. Lots**	**2024/2025 Assessed Value**
The Cove			
	Completed-Closed Homes:	84	$41,988,907
Blueridge			
	Completed-Closed Homes:	90	$49,315,000
Ridgewater			
	Completed-Closed Homes:	73	$45,263,390
	Completed-Unclosed Homes (models):	2	$1,405,245
		75	$46,668,635
Summerbrooke			
	Completed-Closed Homes:	71	$43,600,270
Edgestone			
	Completed-Closed Homes:	29	$16,575,167
	Completed-Unclosed Homes (models):	2	$664,248
		31	$17,239,415
Stonecreek			
	Completed-Closed Homes:	70	$54,329,099
	TOTALS	421	$253,141,326

The resulting totals are as follows:

		Appraised Value	2024/2025 Assessed Value	Totals
The Cove		$44,110,000	$41,988,907	$86,098,907
Blueridge		$24,200,000	$49,315,000	$73,515,000
Ridgewater		$43,240,000	$46,668,635	$89,908,635
Summerbrooke		$910,000	$43,600,270	$44,510,270
Edgestone		$52,080,000	$17,239,415	$69,319,415
Stonecreek		$3,120,000	$54,329,099	$57,449,099
	TOTALS	$167,660,000	$253,141,326	$420,801,326

The following is the balance of this 76-page Appraisal Report which includes the Certification, Assumptions and Limiting Conditions, definitions, property data, exhibits, valuation and market data from which the value conclusions were derived.

Sincerely,

Stephen G. White, MAI
(State Certified General Real Estate
Appraiser No. AG013311)

SGW:sw
Ref: 25006

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APPRAISAL SUMMARY

Property Type:	Completed-closed homes (244 total), completed-unclosed homes (26 total), homes under construction (49 total); vacant lots (36 total); overall total of 355 lots being appraised
Ownership:	Individual Owners (completed-closed homes) Builder Ownership (completed-unclosed homes, homes under construction and vacant lots)
Date of Value/Effective Date of the Appraisal:	April 4, 2025
Date of Report:	April 18, 2025
Location:	River Ranch community, City of Rialto
APNs.:	0264-092, 102, 112, 122, 123, 132, 133, 722, 732, 792, 793, 822, 832 & 833
Legal Description:	Tract Nos. 20204 through 20209
Minimum Lot Sizes:	±2,400 s.f. to 6,000 s.f.
Home Sizes:	1,547 s.f. to 4,122 s.f.
Years Built:	2022-current
Highest & Best Use:	As Improved/Planned
Method of Analysis:	Sales Comparison Approach/Mass Appraisal

Value Conclusions:

The Cove:	$44,110,000
Blueridge:	$24,200,000
Ridgewater:	$43,240,000
Summerbrooke:	$ 910,000
Edgestone:	$52,080,000
Stonecreek:	$ 3,120,000
Total:	$167,660,000

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the properties that are the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the properties that are the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- I have made a general inspection of the properties that are the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this Certification, other than data research by my associate, Kirsten Patterson.
- I previously completed an appraisal of the properties within this CFD in August 2023, or within the three-year period prior to accepting this assignment.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

Stephen G. White, MAI
(State Certified General Real Estate
Appraiser No. AG013311)

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal has been based upon the following assumptions and limiting conditions:

1. No responsibility is assumed for the legal descriptions provided or for matters pertaining to legal or title considerations. Title to the properties is assumed to be good and marketable unless otherwise stated.

2. The properties are appraised free and clear of any or all liens or encumbrances unless otherwise stated.

3. Responsible ownership and competent property management are assumed.

4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

5. All engineering studies, if applicable, are assumed to be correct. Any plot plans or other illustrative material in this report are included only to help the reader visualize the property.

6. It is assumed that there are no hidden or unapparent conditions of the properties, subsoil, or structures that render them more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.

7. It is assumed that the properties are in full compliance with all applicable federal, state and local environmental regulations and laws unless the lack of compliance is stated, described and considered in the appraisal report.

8. It is assumed that the properties conform to all applicable zoning and use regulations and restrictions unless a nonconformity has been identified, described and considered in the appraisal report.

9. It is assumed that all required licenses, certificates of occupancy, consents and other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in the report are based.

10. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the properties described and that there are no encroachments or trespasses unless noted in the report.

11. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the properties, was not observed by the appraiser. However, the appraiser is not qualified to detect such substances. The presence of such substances may affect the value of the property, but the values estimated in this

appraisal are based on the assumption that there is no such material on or in the properties that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The client should retain an expert in this field, if desired.

12. Possession of this report, or a copy thereof, does not carry with it the right of publication, unless otherwise authorized. It is understood and agreed that this report will be utilized in the Official Statement, as required for the CFD bond issuance.

13. The appraiser, by reason of this appraisal, is not required to give further consultation or testimony or to be in attendance in court with reference to the properties in question unless arrangements have previously been made.

EXTRAORDINARY ASSUMPTIONS

1. It has been assumed that there are no soil, geologic, seismic or environmental conditions that would negatively impact the existing or planned uses of the subject properties, and all appropriate and required mitigation measures were incorporated into the land development and home construction in the community.

2. An estimate of the remaining costs and fees to get the subject lots from their as is condition to finished lot condition has been provided by the builder, and these estimates have been relied upon in this appraisal as being reasonably accurate and reliable; in addition, the valuations have reflected the proposed CFD bond financing such that the deductions of estimated remaining costs/fees do not include any amounts that are to be funded by the planned CFD bond proceeds.

PURPOSE AND INTENDED USE/USER OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the as is condition of the taxable properties located within Community Facilities District No. 2020-1 of the City of Rialto (El Rancho Verde), reflecting the proposed CFD bond financing. It is intended that this Appraisal Report is to be used by the client, consisting of the City of Rialto, and other appropriate parties as part of the planned CFD bond issuance.

SCOPE OF THE APPRAISAL

It is the intent of this appraisal that all appropriate data considered pertinent in the valuation of the subject properties be collected, confirmed and reported in an Appraisal Report, in conformance with the Uniform Standards of Professional Appraisal Practice and the guidelines of the California Debt and Investment Advisory Commission. The scope of work has included an identification of the appraisal problem to be solved, which in this case is the market value of the taxable subject properties in as is condition as of the date of value of the appraisal; a general inspection of the subject properties and their surroundings; obtaining of pertinent property data on the subject properties, including review of various maps and documents relating to the properties and the home development; obtaining of comparable home sales and land sales from a variety of sources; analysis of all of the data to the value conclusions; and completion of the Appraisal Report.

DATE OF VALUE (EFFECTIVE DATE OF THE APPRAISAL)

The date of value for this appraisal or the effective date of the appraisal is April 4, 2025.

PROPERTY RIGHTS APPRAISED

This appraisal is of the fee simple interest in the subject properties, subject to the CFD special tax and assessment liens.

DEFINITION OF MARKET VALUE

The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress. (The Dictionary of Real Estate Appraisal, Seventh Edition)

DEFINITION OF FEE SIMPLE INTEREST (ESTATE)

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (The Dictionary of Real Estate Appraisal, Seventh Edition)

DEFINITION OF MASS APPRAISAL

The process of valuing a universe of properties as of a given date using standard methodology, employing common data, and allowing for statistical testing. (USPAP, 2020-2021 ed.) Often associated with real property tax assessment valuation. (The Dictionary of Real Estate Appraisal, Seventh Edition)

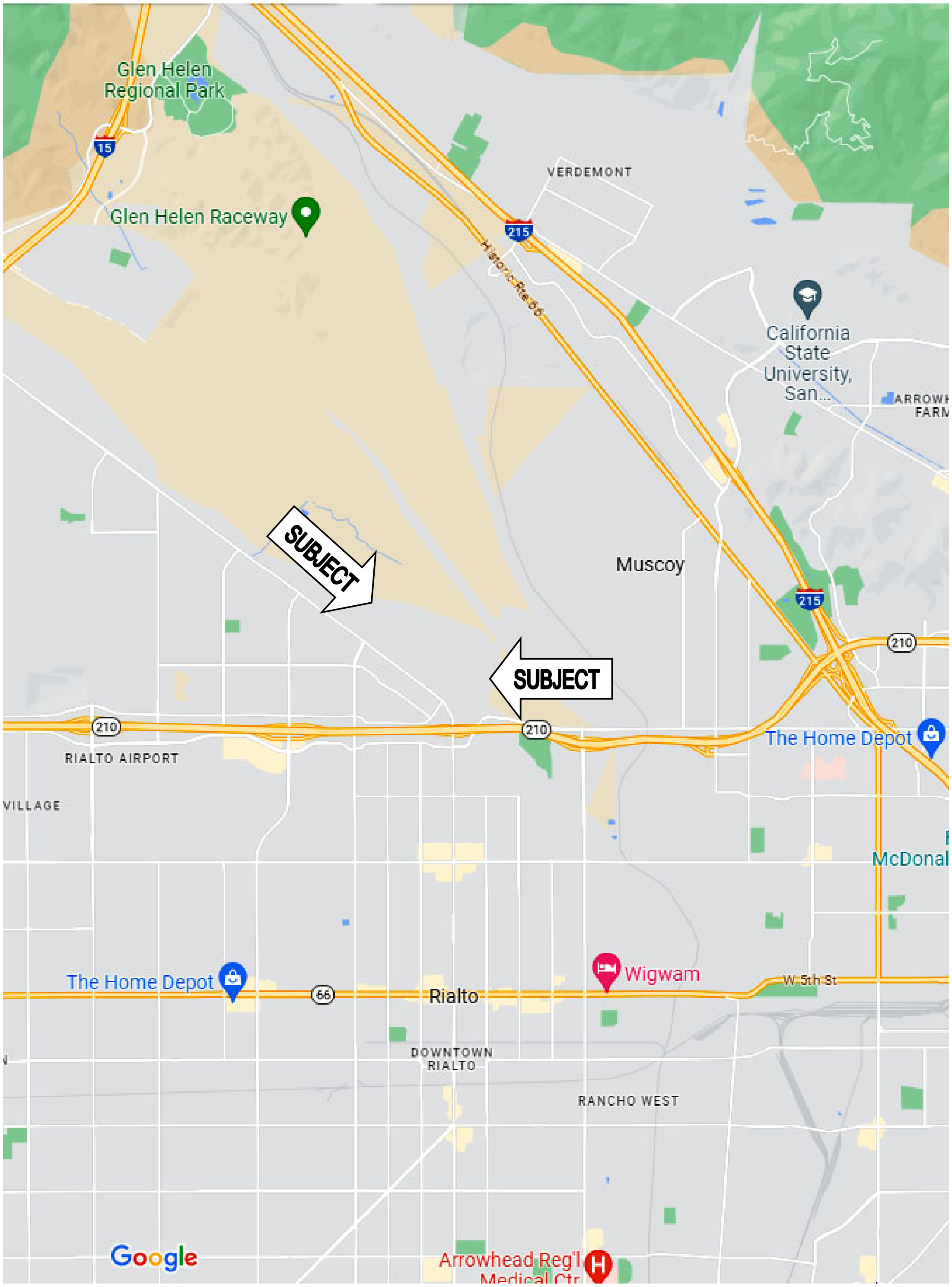
DEFINITION OF FINISHED LOT

This term describes the condition of residential lots in a single-family subdivision for detached homes in which the lots are fully improved and ready for homes to be built. This reflects that the lots have all development entitlements, infrastructure improvements completed, finish grading completed, all in-tract utilities extended to the property line of each lot, street improvements completed, common area improvements/landscaping (associated with the tract) completed, resource agency permits (if necessary), and all development fees paid, exclusive of building permit fees, in accordance with the conditions of approval of the specific tract map.

EXPOSURE TIME

This is defined as the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date or date of value of the appraisal. Assuming a reasonable marketing effort and at or reasonably near market value, I have concluded that the exposure time for the subject homes, as well as the bulk of homes under construction and vacant lots would have been within 4 months for a sale to be negotiated, and with appropriate escrow time for the sales to close.

LOCATION MAP



GENERAL PROPERTY DATA

LOCATION

The developing master-planned community of River Ranch is located along River Ranch Parkway, at the northeast edge of the City of Rialto. At the northwest end of the community this location is at the end of Country Club Dr., ¼ mile northeast of Riverside Ave., and at the southeast end of the community this location is several blocks north of Highland Ave. This location is also several blocks north of the 210 Freeway, with an interchange at Riverside Ave.

GENERAL AREA DESCRIPTION

River Ranch is located at the north edge of the urban area of Rialto with a mix of nearby residential neighborhoods, with school, religious and commercial uses farther south toward the 210 Freeway, and open space and sand/gravel/industrial uses to the north as part of the expansive Lytle Creek/Cajon Wash through this area.

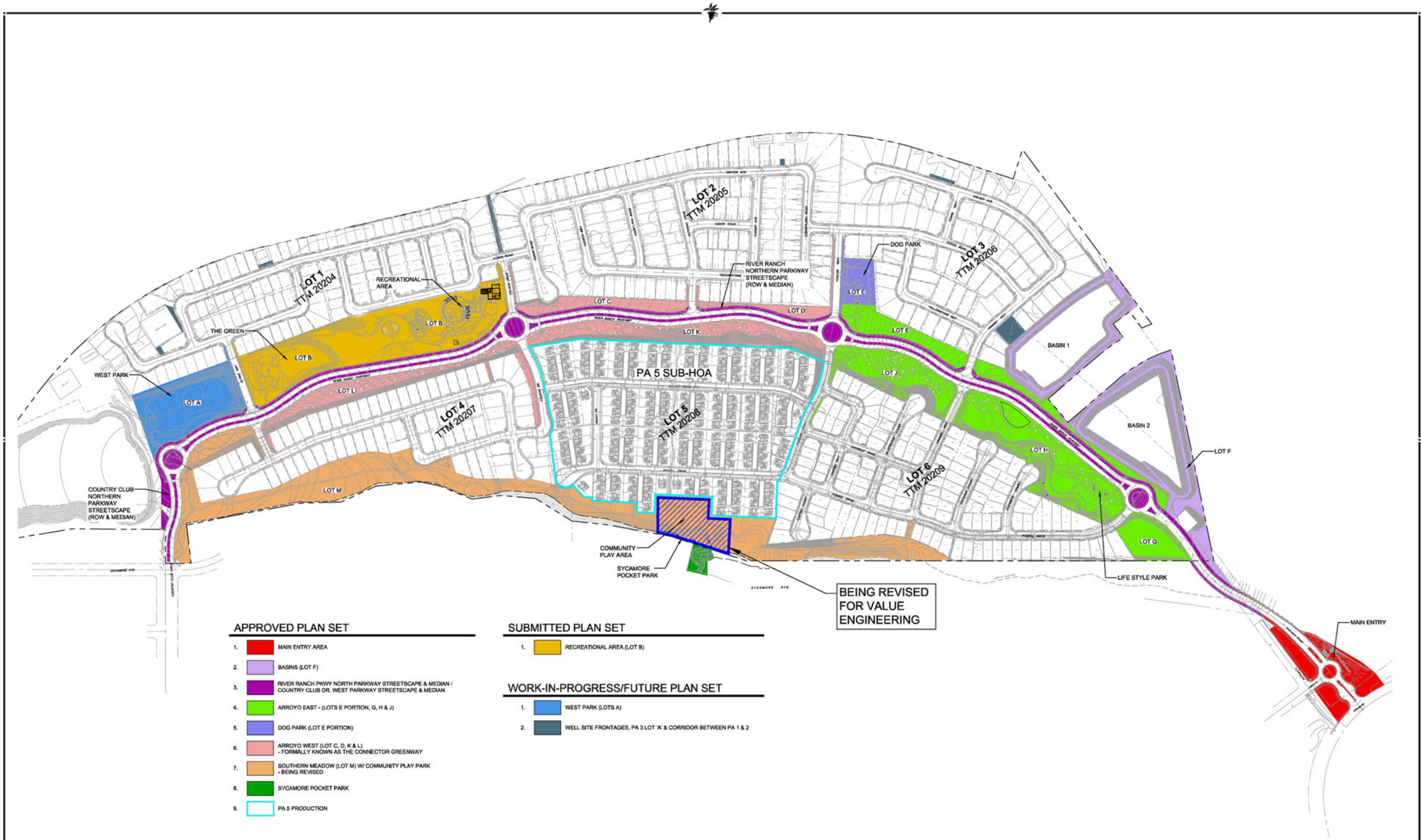
To the south/southwest of River Ranch and extending to the north side of Riverside Dr. are various neighborhoods of single-family homes built from the 1950's through the mid 1980's, with a few newer custom or rebuilt homes. The homes generally range in size from 1,500 s.f. to approximately 3,000 s.f., with a few larger estate homes ranging up to 6,500 s.f. Recent home sales in this area indicate sale prices from $615,000 to $705,000.

Across Riverside Dr. and extending south to the north side of the 210 Freeway are large areas of single-family neighborhoods, as well as two elementary school campuses and one middle school campus in the Rialto Unified School District, and a large church property. The nearest shops and retail for River Ranch are located in commercial centers on both sides of Riverside Dr. at the 210 Freeway and include a market, quick serve and fast food restaurants, service commercial and office.

To the northwest of the northerly part of River Ranch is much open space and vacant land including a water storage facility for West San Bernardino County Water District. This area, comprising 571 acres, was annexed into the City of Rialto in July 2016 and is part of the Lytle Creek Ranch Specific Plan which also includes the subject property. Future development will likely include some kind of residential development at varying densities similar to the subject community.

Lytle Creek and Cajon Wash extend along the north and east sides of River Ranch, with more than 1,200 acres of this area preserved in perpetuity as part of the Cajon Creek Conservation Bank established by Vulcan Materials Company. The area is managed as wildlife habitat and provides protected habitat for many plant, bird and mammal species. Vulcan Materials Company operates various mining and quarry sites along the Cajon Wash, including the ±100-acre site adjacent to the southeast of the southerly part of River Ranch.

COMMUNITY FACILITIES DISTRICT NO. 2020-1
OF THE CITY OF RIALTO (EL RANCHO VERDE)



CONSTRUCTION DOCUMENT PLAN STATUS EXHIBIT

LENNAR HOMES - INLAND EMPIRE
980 Montecito Drive, Suite 302
Corona, California 92879

RIVER RANCH
TRACT MAP NO. 20092
CITY OF RIALTO, CALIFORNIA

OVERVIEW OF RIVER RANCH

The overall community of River Ranch has been planned to comprise a total of 776 single-family homes in various product types, allocated approximately as follows:

205 @ detached homes in a condominium plan (9.3 du/ac)
261 @ 3,760 s.f. lots (6.5 du/ac)
223 @ 5,000 s.f. lots (5.3-5.4 du/ac)
87 @ 6,000 s.f. lots (4.34 du/ac)
776

There are six different product types of detached homes which are summarized as follows:

The Cove: 1,577 s.f. to 1,937 s.f., in a small-lot/condominium plan, ±2,400 s.f. minimum

Blueridge: 1,547 s.f. to 2,064 s.f., on minimum lot sizes of 47’ x 80’ or 3,760 s.f.

Ridgewater: 1,792 s.f. to 2,590 s.f., on minimum lot sizes of 50’ x 100’ or 5,000 s.f.

Summerbrooke: 1,950 s.f. to 2,238 s.f., on minimum lot sizes of 50’ x 100’ or 5,000 s.f.

Edgestone: 2,253 s.f. to 2,700 s.f., on minimum lot sizes of 47’ x 80’ or 3,760 s.f.

Stonecreek: 2,140 s.f. to 4,122 s.f., on minimum lot sizes of 60’ x 100’ or 6,000 s.f.

Amenities in the River Ranch community include the Arroyo Lifestyle Park near the entrance to the community; extensive walking trails; dog park and community play area; and recreation center with clubhouse, pool, splash park, fire pits, outdoor kitchen as well as the adjacent Green and West Park with basketball court, tot lots and playground.

The first builder sales of completed homes closed in November 2022 in the Blueridge, Ridgewater and Summerbrooke product types, with first closings in the other product types following thereafter. As of April 4, 2025 there were a total of 661 closed builder sales, and as of late March 2025 there were 32 pending builder sales that were scheduled to close from April through July 2025.

At build-out, the monthly HOA assessment is to be $280 for five of the product types and $365 for The Cove. This is to cover maintenance of all amenities for the overall community, and for The Cove the additional amount is for maintenance of the private streets and shared driveways.

STREETS AND ACCESS

Primary access to the River Ranch community is by River Ranch Pkwy. which extends northerly from Highland Ave. to the main monumented entrance to the community. Highland Ave. extends for many miles to the east, and also connects to Riverside Ave. nearby to the southwest. Riverside Ave. has an interchange at the

STREETS AND ACCESS, Continuing

210 Freeway, extends south from the freeway for a number of miles, and to the north of the freeway it curves to the northwest and extends to the 15 Freeway. River Ranch Pkwy. extends northwesterly through the community and then turns southwesterly to connect with Country Club Dr. at the northwest end of the community. Country Club Dr. extends southwest and connects with Riverside Ave.

All six of the product types of homes in River Ranch have access off of River Ranch Pkwy. at various roundabouts. In addition, most of the community amenities and much greenbelt area are along River Ranch Pkwy.

UTILITIES

The utilities have been constructed within the community and the individual neighborhoods, and are provided as follows:

- Water — West Valley Water District
- Sewer: — City of Rialto
- Electric: — Southern California Edison
- Natural Gas: — Southern California Gas Company

ZONING/GENERAL PLAN/APPROVALS

The subject community is located within the Lytle Creek Ranch Specific Plan, within an approximate 188-acre portion of Neighborhood 2. The subject taxable properties are located within Planning Area Nos. 97 to 102 and comprise Land Use Designations of SFR-1 – Single-Family Residential 1 (2-5 du/ac); SFR-2 – Single-Family Residential 2 (5-8 du/ac); SFR-3 – Single-Family Residential 3 (8-14 du/ac).

Tentative Tract Map No. 20092 was approved by the City Council on September 10, 2019 to create six developable lots to facilitate a 776-lot residential subdivision. The more specific approvals for the residential development are by the final maps for Tract Nos. 20204, 20205, 20206, 20207, 20208 and 20209 which were recorded from March 31, 2022 through May 3, 2023. In addition, the Condominium Plans for The Cove product type were recorded from September 29, 2022 through March 24, 2023.

SCHOOL DISTRICT/SCHOOLS

The River Ranch community is located within the boundaries of the Rialto Unified School District. The neighborhood is served by Hughbanks Elementary School (.5 mile to the southwest), Kolb Middle School (.75 mile southwesterly), and Carter High School (1.5 miles westerly).

TOPOGRAPHY/VIEWS

The River Ranch community is below grade of the existing neighborhood of homes to the southwest, and the community generally has a gradual slope/terracing down to the northeast to River Ranch Pkwy. There is also a gradual slope down to the southeast. However, there are no significant or atypical views to any of the lots.

DRAINAGE/FLOOD HAZARD

Drainage is generally to the streets and in curbs and other facilities that have been constructed within the community with drainage flows ultimately to the northeast and southeast. Per FEMA Flood Zone Panel Nos. 06071C7920H dated August 28, 2008 and 06071C7940J dated September 2, 2016, as well as Letter of Map Revision 20-09-1006P effective December 12, 2022, all of River Ranch is located in Zone X which indicates minimal flood hazard and out of the Special Flood Hazard Area.

FIRE HAZARD

Per the CalFire Fire Hazard Severity Zone map, the portions of River Ranch lying northerly/northeasterly of River Ranch Parkway are designated as moderate and high Fire Hazard Severity Zones. Per information provided by the builder:

> All mitigation has been completed where homeowner complied*, and all continuing construction as of September 2023 was WUI/Chapter 7 compliant.
>
> *Some of the homes were constructed without meeting the required guidelines for property located in high fire zones. Where the homeowners permitted retrofitting, the Developer has retrofitted all of the previously-built homes to satisfy the California Residential Code Section R337 (Materials and Construction Methods for Exterior Wildfire Exposure). All new home construction follows these guidelines. In addition, all landscaping material and spacing also meets these guidelines, and all permanent power lines are underground. Although identified in high fire areas, homeowners have not had any problems in obtaining fire insurance to date.

SOIL/GEOLOGIC/SEISMIC CONDITIONS

The River Ranch community as well as a portion of the existing neighborhood of homes to the southwest are located in an Alquist-Priolo Earthquake Fault Zone. Per the Lytle Creek Ranch Specific Plan EIR Addendum, the potential risks associated with faults, seismic ground shaking and liquefaction would be mitigated to a less-than-significant level by certain mitigation measures. These measures include items such as engineered foundation design, post-tension/structural slabs, and use of subdrains and buttress or stabilization fills in certain areas. This appraisal has assumed that all appropriate and required mitigation measures have been incorporated into the land development and home construction in the community.

ENVIRONMENTAL CONDITIONS

The developer indicates that there is no outstanding environmental mitigation left to be completed. Thus, it has been assumed that there are no environmental conditions which would have a negative effect on completion of the build-out of the River Ranch community.

TITLE REPORT

Preliminary Reports by Lennar Title/Doma Title Insurance, Inc., dated from June 5 through July 11, 2023, and covering all or portions of Tract Nos. 20204 through 20209, were reviewed. Pertinent exceptions to title include the following:

- The lien of special tax for Community Facilities District 2019-1 of the Rialto Unified School District, as disclosed by the Notice of Special Tax Lien recorded October 24, 2019.
- The lien of special tax for Community Facilities District No. 2020-1 (El Rancho Verde) of the City of Rialto, as disclosed by Notice of Special Tax Lien recorded October 12, 2022.
- Various easements for public utilities/pipelines/incidental purposes to entities including Rialto Irrigation District; Lytle Creek Water and Improvement Company; Semi Tropic Land and Water Company; Southern Sierras Power Company; California Electric Power Company; San Bernardino County Flood Control District; City of Rialto; Southern California Edison Company; Pacific Bell Telephone Company; and Sunnova Energy Corporation.

The second noted exception is for the CFD that is the subject of this appraisal. The other exceptions are an overlapping CFD and various easements that are fairly typical of residential developments such as the subject project, and it has been assumed that these have been incorporated into the approvals for development of the River Ranch community.

RESIDENTIAL MARKET OVERVIEW

After a slow start to the year, Southern California home sales have begun to gain some traction entering the second quarter. Analysts eying 2025 have forecast slow but positive price growth in the market, supported by strong buyer demand and growing inventory levels. However, political and economic uncertainty, tied to a new administration and evolving presidential tariff policies, have increased concerns of a possible recession and put a damper on consumer confidence. The downward trend in mortgage interest rates since mid-January helped ease affordability concerns for buyers, but market volatility is a genuine concern and many market participants remain watchful.

According to data provided by Freddie Mac, the average rate on a 30-year fixed loan opened the year at 6.91% and quickly peaked two weeks later at 7.04%. It has subsequently followed a generally downward trajectory, remaining under 7% for 13 consecutive weeks and clocking in most recently at 6.83% for week ending April 17. Though this reflects a week-over-week increase from 6.62% for week ending April 10, it is still well below the 7.1% at this time last year when purchase applications were 13% lower. Mortgage rates are generally expected to drop in the later part of 2025, though market response to concerns surrounding inflation, employment and ongoing changes in tariff policies may contribute to rate volatility in the near term.

According to Zillow, average home sale prices across Southern California in March were up just 0.38% from February, at an average of $875,908 for the six-county region. That represents a year-over-year increase of 1.9% from March 2024. Orphe Divounguy, a senior economist with Zillow, notes that it is no longer a seller's market as inventory continues to grow providing more options to prospective buyers who continue to grapple with interest rates and affordability. Data provider Redfin reports that in February across California there were 88,915 homes for sale, up 24.1% year over year and including 29,191 newly listed homes. The median sale price of $832,500 was up 6.0% year over year with the number of homes sold up 0.4% at 18,660.

In San Bernardino County, Redfin reports 1,185 homes sold in February 2025, down 8.7% from February 2024. Listings were on market for a median of 55 days, up nine days year over year and the median price of $540,000 reflected a 6.9% annual increase.

In the City of Rialto, Redfin reports a median sale price of $580,000 in February 2025, representing a 4.1% decrease in median sale price year over year. A total of 47 homes were sold, up 20.5% from February 2024 and the median days on market was 40, unchanged year over year. On average, homes sold at 100.4% of list price with 44.7% of homes selling above list price and 35.4% of homes showing price drops.

More specific to the River Ranch community, there have been a total of 661 closed builder sales, with three of the six product types being sold-out. In the three currently active product types, there have been a total of 89 closed builder sales in the fourth quarter of 2024 and the first quarter of 2025, with 32 pending builder sales as of late March 2025.

Input obtained from various brokers noted a slower pace in home sales activity over the last couple of months with many describing a languid start to the traditionally busy spring home buying season. While buyers are continuing to buy and sellers are continuing to sell, activity is unhurried as all market participants keep a watchful eye on the economy, trade war and ongoing geo-political uncertainties

HIGHEST AND BEST USE

The term highest and best use is defined as the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Furthermore, the highest and best use of land or a site as though vacant is defined as among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination.

In terms of legal permissibility, the completed and ongoing residential development is permitted by the zoning and General Plan designations, as well as the recorded final Tract Maps and Condominium Plans for the various neighborhoods/product types within the overall community. In terms of physical possibility, the subject lots have been graded to fairly flat buildable pads, and with all needed infrastructure of streets and utilities completed for the home construction that has been completed and is still ongoing.

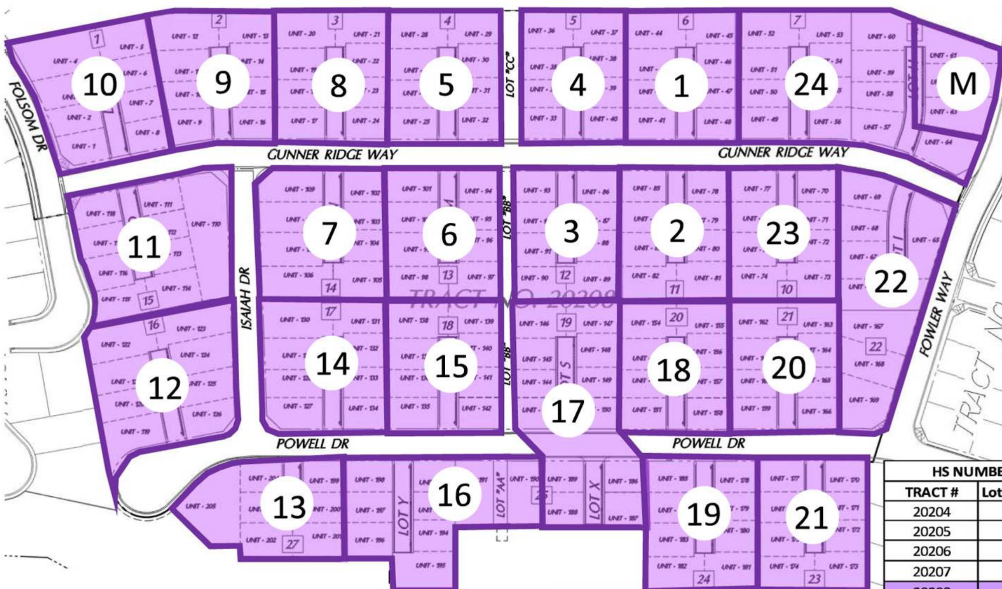
In terms of the financial feasibility, as previously discussed in the Residential Market Overview, in spite of some economic uncertainties, the current residential market conditions continue to evidence reasonably good demand for new and resale homes in the River Ranch community as well as the general subject area. This is evident by the good home sales activity that has taken place in the six subject product types of homes, reflected by the closed and pending builder home sales, by the resale activity, and by the residential land sales activity in the general area.

In terms of the maximum productivity, this is represented by the completed and ongoing residential development, with an appropriate array of home sizes, floor plans and pricing within the six different product types of homes.

In summary, the highest and best use is concluded to be as improved with the completed homes and as planned for the homes under construction and vacant lots.

RIVER RANCH – THE COVE PA5 TRACT 20208

City of Rialto



PLAN	SF	ARCH
1	1,577	KLC
2	1,606	KLC
3	1,705	KLC
4	1,937	KLC

HS NUMBERING PREFIXES FOR SOPS & JDE ENTRY

TRACT #	Lot # Prefix	Qty	SOP Lot #'S	PA
20204	1	130	1001-1130	1
20205	2	146	2002-2146	2
20206	3	87	3001-3087	3
20207	4	77	4001-4077	4
20208	5	205	5001-5205	5
20209	6	131	6001-6131	6

PHASING PA 5 THE COVE

PHASE	TRACT	HOMESITE	QTY.
Model	20208	61, 62, 63	3
1	20208	41-48	8
2	20208	78-85	8
3	20208	86-93	8
4	20208	33-40	8
5	20208	25-32	8
6	20208	94-101	8
7	20208	102-109	8
8	20208	17-24	8
9	20208	9-16	8
10	20208	1-8	8
11	20208	110-118	9
12	20208	119-126	8
13	20208	199-205	7
14	20208	127-134	8
15	20208	135-142	8
16	20208	190-198	9
17	20208	143-150, 186-189	12
18	20208	151-158	8
19	20208	178-185	8
20	20208	159-166	8
21	20208	170-177	8
22	20208	65-69, 167-169	8
23	20208	70-77	8
24/BO	20208	49-60, 64	13
Total Home Sites			205

THE COVE

PROPERTY DATA

Location

This product type or neighborhood comprises the southerly central part of River Ranch, southerly of River Ranch Pkwy., between Folsom Dr. at the west side and Fowler Way at the east side. The in-tract streets are Gunner Ridge Way, Powell Dr. and Isaiah Dr., with most lots having access by driveways extending off of these streets.

Record Owner/Ownership History

As of the April 4, 2025 date of value, individual homeowners owned 151 of these lots (Lots 1 to 48, 61 to 63, 78 to 152, 154 to 158 & 186 to 205); and Lennar Homes of California, LLC owned 54 of the lots (Lots 49 to 60, 64 to 77, 153 & 159 to 185).

All of the land for this River Ranch community was acquired by AG Essential Housing CA 4, L.P. (a holding company for Lennar) from El Rancho Verde Golf, LLC and Lytle Development Company by deed recorded December 18, 2020, Document No. 2020-0517484.

The builder sales of the 151 completed homes to the homeowners closed from May 23, 2023 through March 18, 2025, and as of March 28, 2025 there were 7 pending builder sales that were scheduled to close from April 10 through July 2, 2025. As of April 4, 2025 there had been no closed resales of these homes.

Legal Description

The 205 lots are described as Unit Nos. 1 to 205 (referred to elsewhere as “Lot” numbers) of the various Condominium Plans that have been recorded on Lots 1 through 27 of Tract No. 20208 as per Map filed in Book 363, Pages 47 through 53, in the Official Records of San Bernardino County, State of California.

(Note: The 121 lots being appraised are Lots 49 to 60, 64 to 77 & 111 to 205. The 84 lots with assessed values are Lots 1 to 48, 61 to 63 & 78 to 110.)

Assessor Data-2024/2025

The 205 lots comprise the following Assessor Parcel Nos.:

0264-122-19 to 82
0264-732-24 to 63
0264-733-12 to 48
0264-832-33 to 61
0264-833-01 to 35

PROPERTY DATA, Continuing

(Note: The 121 lots being appraised are 0264-122-52 to 82; 0264-732-40 to 43, 47 & 56 to 63; 0264-733-28 to 40; 0264-832-33 to 61; and 0264-833-01 to 35. The 84 lots with assessed values are 0264-122-19 to 51; 0264-732-24 to 39, 44 to 46 & 48 to 55; 0264-733-12 to 27 & 41 to 48.)

The current assessed values for all 205 parcels range from $77,532 to $240,676 for land and $0 to $410,000 for improvements, or totals ranging from $77,532 to $611,792. The tax rate area is 6104 which has an indicated tax rate of 1.2129%, but the effective tax rate including special taxes for this CFD and other overlapping debt is estimated at ±1.9% based on assessed values.

No. of Lots/Lot Sizes

This product type comprises a total of 205 lots within various Condominium Plans, with typical lot dimensions of 40' to 45' wide by 60' to 75' deep. Per Assessor data, the lots range in size from 2,375 s.f. to 9,855 s.f., or an average of 3,379 s.f.

Description of Homes/Status of Construction

These lots are being developed by Lennar Homes with a product type of detached homes called The Cove. As of the April 4, 2025 date of value, there were 151 completed-closed homes (closed builder sales); 9 completed-unclosed homes; 24 homes under construction of which 8 were estimated to be an average of ±50% completed, 8 were estimated to be an average of ±25% completed, and 8 were in the early stage of construction; and 21 vacant lots in near-finished condition.

The 121 lots being appraised include 67 completed-closed homes (Lots 111 to 152, 154 to 158 & 186 to 205); 9 completed-unclosed homes (Lots 153 & 178 to 185); the 8 homes at ±50% completion (Lots 159 to 166); the 8 homes at ±25% completion (Lots 170 to 177); the 8 homes in the early stage of construction (Lots 65 to 69 & 167 to 169); and the 21 vacant lots (Lots 49 to 60, 64 & 70 to 77).

The 84 lots with assessed values are all completed-closed homes, with the lot numbers previously noted.

There are four floor plans, and per marketing information are described as follows:

Plan 1: 1,577 s.f., two-story, with 3 bedrooms, 2.5 baths; first floor includes great room-dining room-kitchen and half bath; second floor includes bedrooms, two baths and laundry; plus 2-bay garage and covered front porch.

Plan 2: 1,606 s.f., two-story, with 3 bedrooms, 2.5 baths; first floor includes great room-dining room-kitchen and half bath; second floor includes bedrooms, two baths and laundry; plus 2-bay garage.

PROPERTY DATA, Continuing

Plan 3: 1,705 s.f., two-story, with 3 bedrooms, 2.5 baths; first floor includes great room-dining room-kitchen and half bath; second floor includes bedrooms, 2 baths, and laundry; plus 2-bay garage.

Plan 4: 1,937 s.f., two-story, with 3 bedrooms, 2.5 baths; first floor includes great room-dining room-kitchen and half bath; second floor includes bedrooms, 2 baths, loft, and laundry; plus 2-bay garage and covered front porch.

Per building permit data, the sizes for each Plan are as noted above. For the lots being appraised, the 67 completed-closed homes have an average size of 1,699 s.f. and the 9 completed-unclosed homes have an average size of 1,732 s.f.

VALUATION

Method of Analysis

The analysis of the completed-closed homes is of the aggregate value on a mass appraisal basis, and by means of the Sales Comparison Approach. Consideration is given to the more recently closed and current pending builder sales, resales of subject homes (if any), and also sales of other product types in River Ranch. For the completed-unclosed homes, the analysis considers a discount due to the bulk ownership by the builder with the discount reflecting holding/sales costs, minor finishing costs and profit in order to sell off the homes.

For the homes under construction, a simplified Cost Approach is used in which the value is based on an estimate of construction costs expended plus the estimated value of the vacant lot. The analysis of the vacant lots is based on the Sales Comparison Approach, considering recent sales of residential land or bulk lots in the general area. The analysis is of the finished lot condition, and then deducting the estimated remaining costs and fees to get to this condition, resulting in a value for the as is partially finished condition.

Analysis of Completed-Closed Homes

Builder Sales of Subject Homes: The builder sales of the 148 completed homes (excluding the 3 models) closed from May 23, 2023 through March 18, 2025 at net sale prices ranging from $413,532 to $560,585, or an average of $492,632 for the average home size of 1,705 s.f., or $288.93 per s.f. It is noted that the net sale price includes lot premiums and options, but deducts or is net of incentives. The option revenue averaged $11,288 and the incentives averaged $49,166.

The sale dates, or when the sales were negotiated (not the closing dates), ranged from November 20, 2022 through February 16, 2025, with the closing dates previously noted being from May 2023 through March 2025. Based on the contract dates, the changes in average net pricing, option revenue and incentives over various periods of time are shown in the following table:

VALUATION, Continuing

No. of Sales	Time Frame (Contract Dates)	Avg. Net Price	Avg Home Size (s.f.)	Price/s.f.	Avg. Opt. Rev.	Avg. Incentives
148	Nov'22-Feb'25	$492,632	1,705	$288.93	$11,288	($49,166)
63	Nov'22-Dec'23	$475,057	1,714	$277.16	$8,214	($44,135)
36	Jan-Jun'24	$507,306	1,693	$299.65	$12,823	($40,811)
40	Jul-Dec'24	$508,278	1,722	$295.17	$13,798	($59,824)
9	Jan-Feb'25	$487,415	1,612	$302.37	$15,516	($70,445)
148						

It is noted that, when considering the differentials in the average home size, the net pricing increased in the first half of 2024, decreased in the second half of 2024, and increased slightly in the first part of 2025. It is also noted that the average option revenue increased slightly during this period of time, and the average incentives increased significantly in the second half of 2024 and into the first part of 2025.

Considering the 67 completed-closed homes being appraised with the average size of 1,699 s.f., the indication at $508,278 supports a close indication of average value due to the larger average home size of 1,722 s.f. being offset by the contract dates, and the indication at $487,415 supports a firm lower limit due to the smaller average home size of 1,612 s.f. Conversely, the indication at $295.17 per s.f. supports a firm lower limit due to the larger size and sale dates, and the indication at $302.37 per s.f. supports a firm upper limit due to the smaller size, as follows:

1,699 s.f. @ $295.17/s.f. = $501,494 (firm lower limit)

1,699 s.f. @ $302.37/s.f. = $513,727 (firm upper limit)

As of March 28, 2025 there were 7 pending builder sales that were scheduled to close from April 10 through July 2, 2025. The pertinent pricing information is shown as follows:

No. of Sales	Time Frame (Contract Dates)	Avg. Net Price	Avg Home Size (s.f.)	Price/s.f.	Avg. Opt. Rev.	Avg. Incentives
7	1/26/25 – 3/22/25	$524,206	1,809	$289.78	$7,939	($55,633)

Considering the larger average home size than 1,699 s.f. for the 67 completed-closed homes, the indication at $524,206 supports a firm upper limit as an average value for the 67 homes. Conversely, due to the larger size, the indication at $289.78 per s.f. supports a firm lower limit as follows:

1,699 s.f. @ $289.78/s.f. = $492,336

<u>Builder Sales of Blueridge Homes:</u> As discussed next in this report for the Blueridge product type, the 18 most-recently negotiated closed builder sales excluding the models support a far upper limit of average value for the subject The Cove homes at $563,733 due to the larger average home size of 1,883 s.f., as well as the larger lot sizes at 3,760 s.f. minimum. Conversely, due to the larger home size but partially offset by the larger lots, the indication at $299.38 per s.f. supports a close lower limit indication as follows:

1,699 s.f. @ $299.38/s.f. = $508,647

<u>Resales in River Ranch:</u> The only pertinent resale in River Ranch is the 1,547 s.f. (Plan 1) Blueridge home (discussed next for the Blueridge product type) that closed in December 2024 at the net price of $571,500. The smaller home size is far more than offset by the superior product type and larger lots of the Blueridge product type, resulting in a far upper limit indication of average value for the subject The Cove homes. However, it is noted that all of the resales indicate significant price increases over the original and earlier builder net pricing.

<u>Conclusion:</u> In summary, the indications of average value from the builder sales of the subject homes are firm lower limits from $487,415 to $501,494, a close indication at $508,278, and firm upper limits at $513,727 to $524,206; from recent builder sales of the Blueridge product type homes are a close upper limit indication at $508,647 and a far upper limit indication at $563,733; and from the resale of a Blueridge home is a far upper limit at $571,500 but also support for an increase over the builder net pricing.

The conclusion is an average value of $510,000 for the 67 completed-closed homes.

<u>Analysis of Completed-Unclosed Homes</u>

These 9 homes have an average size of 1,732 s.f., which is slightly larger than the average of 1,699 s.f. for the completed-closed homes. It is noted that there are pending builder sales on 6 of these homes that were scheduled to close from April 10 through May 16, 2025.

Considering the slightly larger average size, the initial conclusion is slightly higher than for the completed-closed homes, or an average of $520,000. Then, a discount of 20% is made due to being part of the bulk ownership by the builder, and reflecting sell-off time, holding/sales costs, minor finishing costs and profit. This results in a discounted amount rounded to $420,000 for the 9 completed-unclosed homes.

<u>Analysis of Homes Under Construction</u>

For the 8 homes estimated at ±50% completion, I have considered a cost amount of 50% of direct construction costs indicated to be $87.62 per s.f. for these homes, or

VALUATION, Continuing

$43.81 per s.f. This is applied to the average home size of 1,706 s.f. for these 8 homes, or an amount of $74,740. This is added to the estimated value of $116,353 for the vacant lot (as discussed in the following Analysis of Vacant Lots, $210,000 per finished lot less the $93,647 per lot allocation of remaining land development costs and development impact fees to get to finished lot condition), resulting in a total of $191,093, rounded to $190,000 as an average for these 8 homes.

For the 8 homes estimated at ±25% completion, a cost amount of 25% of $87.62 per s.f. or $21.91 per s.f. is applied to the average home size of 1,706 s.f. for these 8 homes, or an amount of $37,378. This is added to the estimated value of $116,353 for the vacant lot resulting in a total of $153,731, rounded to $155,000 as an average for these 8 homes.

For the 8 homes that were in the early stage of construction, these are allocated as land value only as discussed above, rounded up to $120,000 as an average for these 8 homes.

Analysis of Vacant Lots

This analysis is pertinent to the vacant lots, as well as to the lot value allocated to the homes under construction. The pertinent land sales data is shown in the following table, with discussion and analysis of the data thereafter.

No.	Location/APN	Rec. Date	No. Lots Min Size	Price/Lot Price/Fin Lot	Remarks
1	SWC Ayala Dr. & Scholl Way, Rialto 0264-153-01	12/6/23	429 Cluster/ Small-lot	$103,821 $214,000 to $229,000	Renaissance project; gated; amenities; 4 product types from 1,478-2,388 s.f.; CFD; from mid-$500,000's to low $600,000's
2	SEC Duncan Canyon Rd. & Cypress Ave., Fontana 1118-401-01 & 02	10/4/24	214 Cluster/ Small-lot	$167,357 $265,000	The Arboretum project; gated; amenities; 2 product types from 1,582-1,963 s.f.; CFD; from low $500,000's & low $600,000's
3	SEC Live Oak Ave. & Village Dr., Fontana 0237-411-35	4/11/24	255 Cluster/ Small-lot	$121,961 $252,000	Southridge project; gated; amenities; 2 product types from 1,710-2,307 s.f.; CFD; pricing unknown
4	N'ly side Sequanota Dr., Pacific Ave. NW to Opal St., Jurupa Valley 177-130-007 & 177-142-018	4/8/24	48 6,000	$194,813 $307,000	Sequanota Heights project; homes from 2,020-3,040 s.f.; CFD; from mid-$700,000's to low $800,000's
5	SW/O 28th St. & Canal St., Jurupa Valley 178-070-006 & 007, et al	3/20/24	204 3,600-6,500	$93,137 $260,000	Emerald Ridge project; 184 lots @ 3,600 s.f. min. & 20 lots @ 6,500 s.f. min.; homes to be 1,229-2,468 s.f.; CFD

Data No. 1 is located at the southwest corner of Ayala Dr. and Scholl Way, in the north central part of Rialto, and part of the larger mixed-use Renaissance Rialto project. This was the sale of vacant land in unimproved condition with entitlements for 429 residential lots in four product types of cluster/small-lot configurations. This project will be gated and include common area recreation amenities and open space, and will have a CFD. The sale to Lennar Homes was negotiated in June 2022 and closed in December 2023 at the price of $44,539,000 or $103,821 per lot, with finished lots for each product type ranging from $214,000 to $229,000. The homes range in size from 1,478 s.f. to 2,388 s.f. with the original projected average pricing ranging from $556,000 to $615,000 for the various product types, indicating finished lot ratios from 37-38%.

In comparison to the subject, the date of sale/market conditions is inferior; the location is considered to be slightly superior; the lots are fairly similar in size/product type; the unimproved condition of the land was inferior due to the time and risk factors to get to finished lot condition; and the CFD is similar. Overall, a downward adjustment for the superior location is mostly offset by upward adjustments for date of sale/market conditions and unimproved condition, resulting in a close indication of value for the subject lots at the lower part of the range or $214,000 to $220,000 per finished lot.

Data No. 2 is located at the southeast corner of Duncan Canyon Rd. and Cypress Ave., toward the north end of Fontana, and comprising Planning Areas Gardens 1 and 2 of the Arboretum Specific Plan. This was the sale of vacant land in mass graded condition with entitlements for 214 residential lots in two product types of cluster/small-lot configurations. This project is within the larger gated community that includes common area recreation amenities and open space, and has a CFD. The sale to New Home Company closed in October 2024 at the price of $35,814,500 or $167,357 per lot, with finished lots at a blended amount of $265,000. The homes will range in size from 1,582 s.f. to 1,963 s.f. with anticipated pricing from the low-$500,000's and low-$600,000's.

In comparison to the subject, the date of sale/market conditions is similar; the location is far superior; the lots are fairly similar in size/product type; the semi-improved condition of the land was inferior; and the CFD is similar. Overall, a significant downward adjustment for the superior location is minimally offset by an upward adjustment for the inferior physical condition, resulting in a far upper limit indication of value for the subject lots at $265,000 per finished lot.

Data No. 3 is located at the southeast corner of Live Oak Ave. and Village Dr., in the southwest part of Fontana, and in the Southridge area. This was the sale of vacant land in unimproved condition with entitlements for 255 residential lots in two product types of cluster/small-lot configurations. This project will be gated and include private community recreation amenities and open space, and a CFD. The project will also include construction of an adjacent 1.7-acre park with pickleball courts to be dedicated to the City. The sale to KB Home closed in April 2024 at the price of $31,100,000 or $121,961 per lot, with finished lots at a blended amount of

$252,000. The homes will range in size from 1,710 s.f. to 2,307 s.f., and pricing is not known.

In comparison to the subject, the date of sale/market conditions is similar; the location is far superior; the lots are fairly similar in size/product type; the unimproved condition of the land was inferior; and the CFD is similar. Overall, a downward adjustment for the superior location is minimally offset by an upward adjustment for the inferior physical condition, resulting in a far upper limit indication of value for the subject lots at $252,000 per finished lot.

Data No. 4 is located along the northerly side of Sequanota Dr., from Pacific Ave. northwest to Opal St., in the easterly part of Jurupa Valley and just to the north of the 60 Freeway. This was the sale of vacant land in rough graded condition with entitlements for 48 residential lots, 6,000 s.f. minimum, with two CFD's. There will also be two small tot lots within the project. The sale to Richmond American Homes closed in April 2024 at the price of $9,351,000 or $194,813 per lot, with finished lots at $307,000. The homes range in size from 2,020 s.f. to 3,040 s.f., with pricing from the mid-$700,000's to low $800,000's.

In comparison to the subject, the date of sale/market conditions is similar; the location is superior; the significantly larger lots are far superior and result in the potential for the much larger and higher-priced homes; the semi-improved condition of the land was inferior; and the CFD's are similar. Overall, downward adjustments for the superior location and lot size are minimally offset by an upward adjustment for the inferior physical condition, resulting in a far upper limit indication of value for the subject lots at $307,000 per finished lot.

Data No. 5 is located to the southwest of 28th St. and Canal St. in the easterly part of Jurupa Valley, and extending well to the south/southwest toward the 60 Freeway. This site was referred to as Emerald Ridge North, and consisted of vacant and undulating land in unimproved condition, extending west into the adjacent hills. There were entitlements for a total of 204 lots, 184 lots at 3,600 s.f. minimum and 20 lots at 6,500 s.f. minimum, and with a CFD. The sale in two separate deeds to Lennar Homes closed concurrently in March 2024 at the price of $19,000,000 or $93,137 per lot for the unimproved condition, with finished lots estimated at a blended amount of $260,000 per lot.

In comparison to the subject, the date of sale/market conditions is similar; the location is superior; the larger to much larger minimum lot sizes are far superior; the unimproved physical condition at time of sale was inferior; and the CFD is similar. Overall, downward adjustments for the superior location and lot size are minimally offset by an upward adjustment for the inferior physical condition, resulting in a far upper limit indication of value for the subject lots at $260,000 per finished lot.

VALUATION, Continuing

In summary, on a finished lot basis the analysis of the data supports a close indication of value at $214,000 to $220,000, and far upper limit indications from $252,000 to $307,000.

An alternative analysis is by the finished lot ratio, which is calculated by the finished lot price divided by the projected or proforma average home price. A typical finished lot ratio is in the range of 35-40%, as supported by Data No. 1 and generally by the other data as well. However, this range does not effectively reflect net builder pricing when considering incentives. Considering the relatively lower-priced homes being built on the subject lots, and the use of the net pricing, the high end of the range and slightly above is concluded to be supportable. Thus, a ratio of 40-42% has been used and is applied to the average home price of $510,000 (average value previously concluded for the completed-closed homes), with the resulting indication as follows:

$510,000 x .40 to .42 = $204,000 to $214,200/finished lot

The conclusion for the subject lots is $210,000 per lot if in finished condition.

Deduction of Costs to Complete

Then, a deduction is made for the remaining land development costs and development impact fees to get all lots to a fully finished condition. Per builder information, the remaining total costs and fees for the overall community are $7,960,000, none of which is to be funded by the CFD bond proceeds. This total amount includes categories of Consultants (soft costs), Fees, Grading, Sewer-Water-Storm Drain, Street Improvements, Landscaping-walls-parks-amenities, and Dry Utilities. Allocating the $7,960,000 amount over the combined 85 lots that are either vacant or with homes under construction in The Cove, Ridgewater, Summerbrooke and Edgestone product types, the indication is $93,647 per lot.

Thus, relative to the 21 vacant lots, the following indication results:

21 vacant lots, if in finished condition @ $210,000/lot =		$4,410,000
Less remaining costs/fees: 21 lots @ $93,647/lot =		- 1,966,587
Value, As Is Condition:		$2,443,413
	Rd.	$2,440,000

Conclusion of Value

Based on the foregoing, the total value indication for the 121 lots being appraised in The Cove product type is calculated as follows:

VALUATION, Continuing

67 completed-closed homes @ $510,000 =	$34,170,000
9 completed-unclosed homes @ $420,000 =	$ 3,780,000
8 homes, ±50% completed @ $190,000 =	$ 1,520,000
8 homes, ±25% completed @ $155,000 =	$ 1,240,000
8 homes, early stage of const. @ $120,000 =	$ 960,000
21 vacant lots =	$ 2,440,000
Value Indication, As-Is Condition:	$44,110,000

Thus, as the result of this analysis, I have arrived at the following overall conclusion of market value for the as is condition of the 121 lots within The Cove product type, subject to the Assumptions and Limiting Conditions, and as of April 4, 2025:

$44,110,000

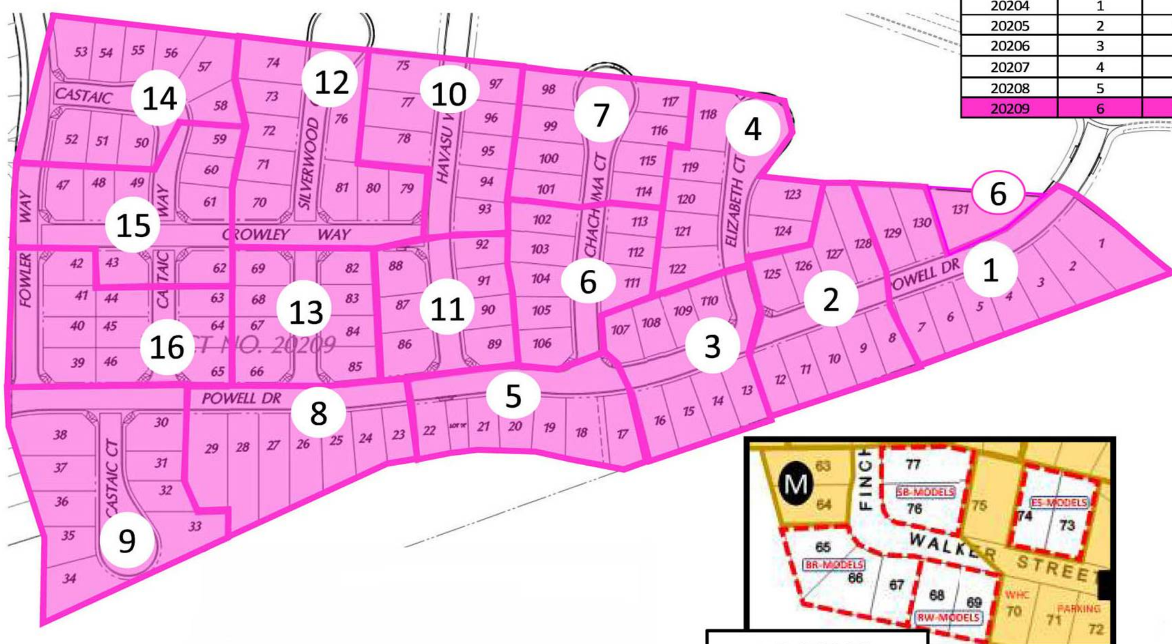
(FORTY-FOUR MILLION ONE HUNDRED TEN THOUSAND DOLLARS)

2024/2025 ASSESSED VALUES FOR 84 LOTS

As shown in the tables for The Cove in the Addenda section at the end of this report, the assessed values for the 84 lots, all of which comprise completed-closed homes, are a total amount of $41,988,907.

RIVER RANCH – BLUERIDGE PA6 TRACT 20209

City of Rialto



TR 20206
Model Complex

HS NUMBERING PREFIXES FOR SOPS & JDE ENTRY				
TRACT #	Lot # Prefix	Qty	SOP Lot #'S	PA
20204	1	130	1001-1130	1
20205	2	146	2002-2146	2
20206	3	87	3001-3087	3
20207	4	77	4001-4077	4
20208	5	205	5001-5205	5
20209	6	131	6001-6131	6

PLAN	SF	ARCH
4A-1	1,547	KLC
4A-2	1,705	KLC
4A-3	1,843	KLC
4A-4	2,064	KLC

PHASING - PA6 BLUERIDGE			
PHASE	TRACT	HOMESITES	QTY
Model	20206	65, 66, 67	3
1	20209	1-7, 129-130	9
2	20209	8-12, 125-128	9
3	20209	13-16, 107-110	8
4	20209	118-124	7
5	20209	17-22	6
6	20209	102-106, 111-113 & 131	9
7	20209	98-101, 114-117	8
8	20209	23-29	7
9	20209	30-38	9
10	20209	75, 77, 78, 93-97	8
11	20209	86-92	7
12	20209	70-74, 76, 79-81	9
13	20209	66-69, 82-85	8
14	20209	50-58	9
15	20209	43, 47-49, 59-62	8
16	20209	39-42, 44-46, 63-65	10
Total Home Sites			134

BLUERIDGE

PROPERTY DATA

Location

This product type or neighborhood is located at the southwesterly end of River Ranch, directly to the southeast of The Cove, nearby to the southwest of River Ranch Pkwy. and southerly from Fowler Way. The in-tract streets include Fowler Way, Castaic Ct., Castaic Way, Powell Dr., Crowley Way, Silverwood Ct., Havasu Way, Cachuma Ct. and Elizabeth Ct. In addition, the three model homes are located in the former model home complex within the Stonecreek neighborhood, which is on Walker St. and Finch Dr. nearby to the west of Havasu Way.

Record Owner/Ownership History

As of the April 4, 2025 date of value, individual homeowners owned all 134 of these homes.

The original acquisition of the land by Lennar Homes/AG Essential Housing for the overall River Ranch community was previously discussed for The Cove.

The builder sales of the 134 completed homes to the homeowners closed from November 14, 2022 through December 20, 2024. As of April 4, 2025 there had been 1 closed resale of these homes.

Legal Description

The 134 lots are described as Lots 1 to 131 of Tract No. 20209, as shown by Map on file in Book 362, Pages 93 to 99 of Maps; and Lots 65 to 67 of Tract No. 20206, as shown by Map on file in Book 364, Pages 1 to 6; in the Official Records of San Bernardino County, State of California.

(Note: The 44 lots being appraised are Lots 39 to 74, 79 to 85 & 116 of Tract No. 20209; the 90 lots with assessed values are Lots 1 to 38, 75 to 78, 86 to 115 & 117 to 131 of Tract No. 20209 and Lots 65 to 67 of Tract No. 20206.)

Assessor Data-2024/2025

The 134 lots comprise the following Assessor Parcel Nos.:

0264-722-02 to 59
0264-793-08 to 10
0264-822-05 to 64
0264-832-02 to 14

PROPERTY DATA, Continuing

(Note: The 44 lots being appraised are 0264-722-44; 0264-822-05 to 32 & 37 to 43; and 0264-832-07 to 14. The 90 lots with assessed values are 0264-722-02 to 43 & 45 to 59; 0264-793-08 to 10; 0264-822-33 to 36 & 44 to 64; and 0264-832-02 to 06.)

The current assessed values for all 134 parcels range from $71,855 to $298,179 for land and $0 to $440,000 for improvements, or totals of $88,572 to $698,181. The tax rate areas are 6003 and 6104 which have an indicated tax rate of 1.2129%, but the effective tax rate including special taxes for this CFD and other overlapping debt is estimated at ±1.9% based on assessed values.

No. of Lots/Lot Sizes

This product type comprises a total of 134 lots, with typical lot sizes of 47’ wide by 80’ deep; per Assessor data, the lot sizes range from 3,753 s.f. to 10,643 s.f., or an average of 4,906 s.f.

Description of Homes/Status of Construction

These lots were developed by Lennar Homes with a product type of detached homes called Blueridge. As of the April 4, 2025 date of value, all 134 homes were completed-closed (closed builder sales).

There are four floor plans, and per marketing information are described as follows:

Plan 1: 1,547 s.f., one-story, with 3 bedrooms, 2 baths, great room-dining room-kitchen and laundry; plus 2-bay garage and covered front porch.

Plan 2: 1,705 s.f., two-story, with 3 bedrooms, 2.5 baths; first floor includes great room-dining room-kitchen and half bath; second floor includes bedrooms, two baths, loft and laundry; plus 2-bay garage and covered front porch.

Plan 3: 1,843 s.f., two-story, with 3 bedrooms, 2.5 baths; first floor includes great room-dining room-kitchen, flex room and half bath; second floor includes bedrooms, 2 baths, loft and laundry; plus 2-bay garage and covered front porch.

Plan 4: 2,064 s.f., two-story, with 4 bedrooms, 3 baths; first floor includes bedroom, bath and great room-dining room-kitchen; second floor includes 3 bedrooms, 2 baths, loft and laundry; plus 2-bay garage and covered front porch.

Per building permit data, the sizes for each Plan are as noted above. All 134 homes have an average size of 1,792 s.f., and the 44 homes being appraised have an average size of 1,810 s.f.

VALUATION

Method of Analysis

This is similar to the previous analysis of completed-closed homes for The Cove product type.

Analysis of Completed-Closed Homes

Builder Sales of Subject Homes: The builder sales of the 131 completed homes (excluding the 3 models) closed from November 14, 2022 through December 20, 2024 at net sale prices ranging from $447,986 to $627,190, or an average of $533,115 for the average home size of 1,792 s.f., or $297.50 per s.f. The net sale price includes average option revenue of $5,662 and average incentives of $43,763.

The sale dates, or when the sales were negotiated (not the closing dates), ranged from July 9, 2022 through November 17, 2024, with the closing dates previously noted being from November 2022 through December 2024. Based on the contract dates, the changes in average net pricing, option revenue and incentives over various periods of time are shown in the following table:

No. of Sales	Time Frame (Contract Dates)	Avg. Net Price	Avg Home Size (s.f.)	Price/s.f.	Avg. Opt. Rev.	Avg. Incentives
131	Jul'22-Nov'24	$533,115	1,792	$297.50	$5,662	($43,763)
77	Jul'22-Dec'23	$518,226	1,773	$292.29	$6,468	($44,790)
36	Jan-Jun'24	$549,650	1,786	$307.75	$2,799	($37,681)
18	Jul-Nov'24	$563,733	1,883	$299.38	$7,938	($51,532)
131						

It is noted that, when considering the differentials in the average home size, the net pricing increased in the first half of 2024 and then decreased slightly in the second half of 2024. It is also noted that the average option revenue reflected minor changes during this period of time, and the average incentives increased significantly in the second half of 2024, which corresponded with the decrease in the net pricing.

Considering the 44 completed-closed homes being appraised with the average size of 1,810 s.f., the indication at $563,733 from the most recently negotiated sales would support a firm upper limit indication of average value due to the larger average home size of 1,883 s.f. Conversely, due to the larger average size, the indication at $299.38 per s.f. would support a firm lower limit, as follows:

1,810 s.f. @ $299.38/s.f. = $541,878

Sales of The Cove Homes: As previously discussed for The Cove product type, the more-recently negotiated closed builder sales support a far lower limit for the subject

Blueridge homes at $487,415 due to the smaller average home size of 1,612 s.f., as well as the less desirable product type of smaller lots and alley/driveway frontage and access. Conversely, due to the smaller size but more than offset by the inferior product type/lot size, the indication at $302.37 per s.f. supports a close lower limit indication as follows:

1,810 s.f. @ $302.37/s.f. = $547,290

Considering the pending builder sales, the average net price of $524,206 for an average home size of 1,809 s.f. supports a closer but firm lower limit due to the nearly similar average home size but the less desirable product type on smaller lots.

Sales of Ridgewater Homes: As discussed next in this report for the Ridgewater product type, the most recently negotiated closed builder sales indicate an average net price of $618,085 for an average home size of 2,313 s.f., or $267.22 per s.f. In addition, the pending builder sales indicate an average net price of $627,188 for an average home size of 2,384 s.f., or $263.08 per s.f. Due to the much larger average home sizes, as well as the larger minimum lot sizes of 5,000 s.f., the indications at $618,085 and $627,188 support far upper limits for the subject Blueridge homes, and conversely the indications at $267.22 and $263.08 per s.f. support far lower limits as follows:

1,810 s.f. @ $267.22 to $263.08/s.f. = $483,668 to $476,175

Resales of River Ranch Homes: Pertinent resales of homes in the subject community are shown in the following table:

No.	Location/ (Product Type)	COE Date	Sale Price*	Home Size	BR/BA Stories	Lot Size	Comments
1	391 Cachuma Ct. (Blueridge)	12/20/24	$571,500	1,547	3/2 1	4,339	Some upgrades; no rear landscape; $13,500 seller concessions
2	2512 Yellowstone Way (Summerbrooke)	7/16/24	$659,900	2,091	4/2 1	5,501	Good condition/upgrades; no seller concessions
3	570 Potomac Dr. (Summerbrooke)	2/5/25	$660,000	2,091	4/2 1	5,801	Upgraded; $10,000 seller concessions
4	535 Finch Dr. (Summerbrooke)	Pending	$715,000	2,091	4/2 1	8,325	Former model; investor owned; no seller concessions
5	2391 Huron Rd. (Stonecreek)	4/1/25	$717,000	2,140	3/2 1	7,144	Good condition; some upgrades; no seller concessions
		Avg.	$664,680	1,992			($333.67/s.f.)

*Net of concessions

Data No. 1 is the only resale of a subject Blueridge home, and is the smallest floor plan at 1,547 s.f., but the only and more desirable one-story floor plan. The original builder sale was negotiated in July 2023 and closed in October 2023 at the net price of $538,620, thus the resale indicates a 6% increase reflecting date of original sale and possible seller improvements. In addition, the indication at $571,500 would tend to support a firm lower limit as an average for the 44 completed-closed homes due to the much smaller size though partially offset by the one-story plan.

Considering all 5 resales, the average net price of $664,680 supports a far upper limit as an average value for the subject homes due to the much larger average home size of 1,992 s.f., all of the sales being the more desirable one-story floor plan, the much larger lot sizes, and one of the sales being a former model home. In addition, the indication at $333.67 per s.f. supports a closer but still firm upper limit due to the larger size but offset by the other superior factors, as follows:

1,810 s.f. @ $333.67/s.f. = $603,943

Conclusion of Value

In summary, the indications of average value from the builder sales of the subject homes are a firm lower limit at $541,878 and a firm upper limit at $563,733; from builder sales of other product types are far lower limits from $476,175 to $487,415, a firm lower limit at $524,206, a close lower limit at $547,290, and far upper limits at $618,085 and $627,188; and from resales are a firm lower limit at $571,500, a firm upper limit at $603,943, and a far upper limit at $664,680.

Greatest weight is given to the builder sales of the subject homes, with secondary support from the other data. While the resale of the subject Blueridge home is of interest and could support a much higher price than the builder pricing, limited weight is given to it as only one sale.

The conclusion is an average value of $550,000 for the 44 completed-closed homes, which results in the following:

44 completed-closed homes @ $550,000 = $24,200,000

Thus, as the result of this analysis, I have arrived at the following conclusion of market value for the 44 completed-closed homes in the subject Blueridge product type, subject to the Assumptions and Limiting Conditions, and as of April 4, 2025:

$24,200,000

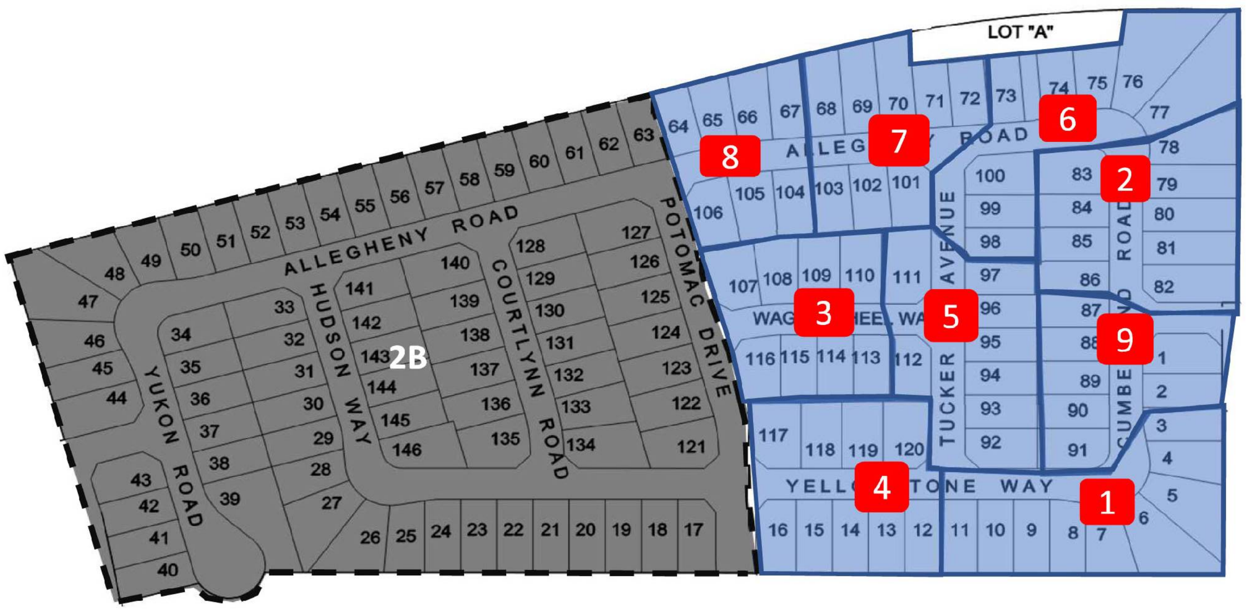
(TWENTY-FOUR MILLION TWO HUNDRED THOUSAND DOLLARS)

2024/2025 ASSESSED VALUES FOR 90 LOTS

As shown in the tables for Blueridge in the Addenda section at the end of this report, the assessed values for the 90 lots, all of which comprise completed-closed homes, are a total amount of $49,315,000.

RIVER RANCH – RIDGEWATER PA 2A TRACT 20205

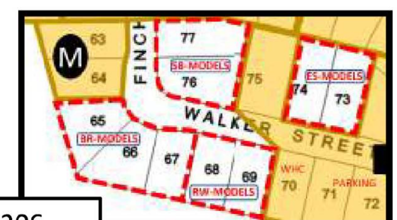
City of Rialto



PHASING PA-2A RIDGEWATER			
PHASE	TRACT	HOMESITES	QTY.
Model	20206	68, 69	2
1	20205	3-11	9
2	20205	78-86	9
3	20205	107-110, 113-116	8
4	20205	12-16, 117-120	9
5	20205	92-97, 111-112	8
6	20205	73-77, 98-100	8
7	20205	68-72, 101-103	8
8	20205	64-67, 104-106	7
9	20205	1, 2, 87-91	7
TOTAL HOMESITES			73

PLAN	SF	ARCH
5B-1	1,792	KLC
5B-2	2,203	KLC
5B-3	2,590	KLC

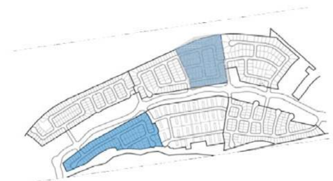
HS NUMBERING PREFIXES FOR SOPS & JDE ENTRY				
TRACT #	Lot # Prefix	Qty	SOP Lot #'S	PA
20204	1	130	1001-1130	1
20205	2	146	2002-2146	2
20206	3	87	3001-3087	3
20207	4	77	4001-4077	4
20208	5	205	5001-5205	5
20209	6	131	6001-6131	6

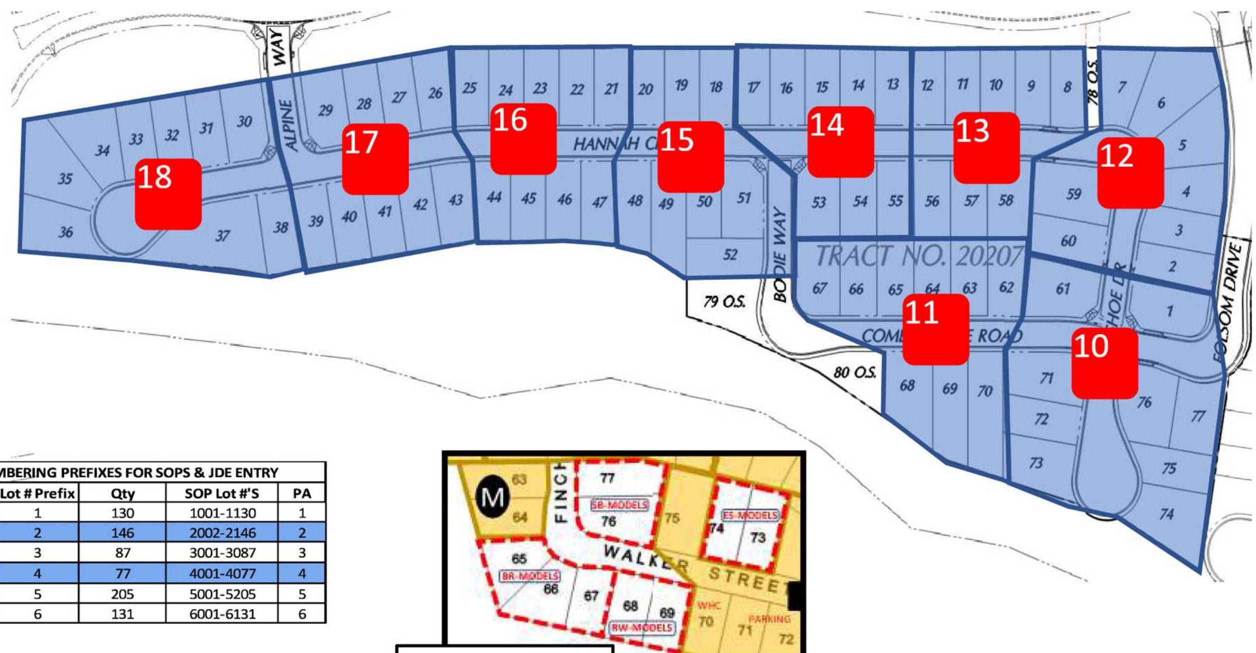


TR 20206
Model Complex

RIVER RANCH – RIDGEWATER PA 4 TRACT 20207

City of Rialto





HS NUMBERING PREFIXES FOR SOPS & JDE ENTRY				
TRACT #	Lot # Prefix	Qty	SOP Lot #'S	PA
20204	1	130	1001-1130	1
20205	2	146	2002-2146	2
20206	3	87	3001-3087	3
20207	4	77	4001-4077	4
20208	5	205	5001-5205	5
20209	6	131	6001-6131	6

TR 20206
Model Complex

PHASING PA-4 TBD			
PHASE	TRACT	HOMESITES	QTY.
10	20207	1, 61, 71-77	9
11	20207	62-70	9
12	20207	2-7, 59, 60	8
13	20207	8-12, 56-58	8
14	20207	13-17, 53-55	8
15	20207	18-20, 48-52	8
16	20207	21-25, 44-47	9
17	20207	26-29, 39-43	9
18	20207	30-38	9
TOTAL HOMESITES			77

RIDGEWATER

PROPERTY DATA

Location

This product type or neighborhood is located in two areas: in the northeasterly center part of River Ranch, nearby to the east of River Ranch Pkwy. at Potomac Dr. and extending to the southeast (Planning Area 2A); and at the northwesterly end of River Ranch, southerly of River Ranch Pkwy., extending northwesterly from Folsom Dr. (Planning Area 4). In addition, the two model homes are located on Walker St. in the former model complex.

The in-tract streets for Planning Area 2A include Yellowstone Way, Wagon Wheel Way, Allegheny Rd., Tucker Ave. and Cumberland Rd. The in-tract streets for Planning Area 4 include Hannah Creek Ln., Alpine Way, Bodie Way, Comber Ridge Rd. and Horseshoe Dr.

Record Owner/Ownership History

As of the April 4, 2025 date of value, individual homeowners owned 132 of these lots (Lots 1 to 16 & 64 to 120 of Tract No. 20205 and Lots 1 to 25 & 44 to 77 of Tract No. 20207); and Lennar Homes of California, LLC owned 20 lots (Lots 26 to 43 of Tract No. 20207 and Lots 68 & 69 of Tract No. 20206).

The original acquisition of the land by Lennar Homes/AG Essential Housing for the overall River Ranch community was previously discussed for The Cove.

The builder sales of the 132 completed homes to the homeowners closed from November 15, 2022 through March 28, 2025, and as of March 28, 2025 there were 7 pending builder sales that were scheduled to close from April 22 through June 25, 2025. As of April 4, 2025 there had been 2 closed and 1 pending resales of these homes.

Legal Description

The 152 lots are described as Lots 1 to 16 & 64 to 120 of Tract No. 20205, as shown by Map on file in Book 362, Pages 71 to 77 of Maps; Lots 68 & 69 of Tract No. 20206, as shown by Map on file in Book 364, Pages 1 to 6; and Lots 1 to 77 of Tract No. 20207, as shown by Map on file in Book 365, Pages 33 to 38; in the Official Records of San Bernardino County, State of California.

(Note: The 77 lots being appraised are Lots 1 to 77 of Tract No. 20207; the 75 lots with assessed values are Lots 1 to 16 & 64 to 120 of Tract No. 20205 and Lots 68 & 69 of Tract No. 20206.)

PROPERTY DATA, Continuing

Assessor Data-2024/2025

The 152 lots comprise the following Assessor Parcel Nos.:

0264-102-04 to 39
0264-123-01 to 41
0264-132-01 to 38
0264-133-01 to 16 & 29 to 47
0264-793-11 & 12

(Note: The 77 lots being appraised are 0264-102-04 to 39 and 0264-123-01 to 41. The 75 lots with assessed values are 0264-132-01 to 38; 0264-133-01 to 16 & 29 to 47; and 0264-793-11 & 12.)

The current assessed values for all 152 parcels range from \$0 to \$252,624 for land and \$0 to \$477,000 for improvements, or totals of \$54,162 to \$729,621. The tax rate area is 6104 which has an indicated tax rate of 1.2129%, but the effective tax rate including special taxes for this CFD and other overlapping debt is estimated at ±1.9% based on assessed values.

No. of Lots/Lot Sizes

This product type comprises a total of 152 lots, with a typical minimum size of 50' wide by 100' deep; per Assessor data, the lot sizes range from 4,999 s.f. to 14,302 s.f., or an average of 5,947 s.f.

Description of Homes/Status of Construction

These lots are being developed by Lennar Homes with a product type of detached homes called Ridgewater. As of the April 4, 2025 date of value, there were 132 completed-closed homes (closed builder sales); 11 completed-unclosed homes (including the 2 models); and 9 homes under construction which were estimated to be ±50% completed.

The 77 lots being appraised include 59 completed-closed homes (Lots 1 to 25 & 44 to 77 of Tract No. 20207); 9 completed-unclosed homes (Lots 26 to 29 & 39 to 43 of Tract No. 20207); and the 9 homes under construction (Lots 30 to 38 of Tract No. 20207).

The 75 lots with assessed values comprise 73 completed-closed homes (Lots 1 to 16 & 64 to 120 of Tract No. 20205), and 2 completed-unclosed homes which are the models (Lots 68 & 69 of Tract No. 20206).

PROPERTY DATA, Continuing

There are four floor plans, and per marketing information are described as follows:

Plan 1: 1,792 s.f., one-story, with 3 bedrooms, 2 baths, great room-dining room-kitchen and laundry; plus 2-bay garage and covered front porch.

Plan 2: 2,203 s.f., two-story, with 4 bedrooms, 3 baths; first floor includes bedroom, bath, great room-dining room-kitchen and laundry; second floor includes 3 bedrooms, 2 baths and loft; plus 2-bay garage and covered front porch.

Plan 3: 2,590 s.f., two-story, with 4 bedrooms, 3 baths; first floor includes bedroom, bath, and great room-dining room-kitchen; second floor includes 3 bedrooms, 2 baths, loft and laundry; plus 2-bay garage and covered front porch.

Plan 4: 2,064 s.f., two-story, with 4 bedrooms, 3 baths; first floor includes bedroom, bath and great room-dining room-kitchen; second floor includes 3 bedrooms, 2 baths, loft and laundry; plus 2-bay garage and covered front porch.

Per building permit data, the sizes for each Plan are as noted above. For the lots being appraised, the 59 completed-closed homes have an average size of 2,330 s.f. and the 9 completed-unclosed homes have an average size of 2,301 s.f.

VALUATION

Method of Analysis

This is similar to previous analyses.

Analysis of Completed-Closed Homes

Builder Sales of Subject Homes: The builder sales of the 132 completed homes closed from November 15, 2022 through March 28, 2025 at net sale prices ranging from $445,681 to $694,200, or an average of $592,334 for the average home size of 2,292 s.f., or $258.44 per s.f. It is noted that the net sale price includes lot premiums and options, but deducts or is net of incentives. The option revenue averaged $8,513 and the incentives averaged $54,389.

The sale dates, or when the sales were negotiated (not the closing dates), ranged from July 30, 2022 through February 23, 2025, with the closing dates previously noted being from November 2022 through March 2025. Based on the contract dates, the changes in average net pricing, option revenue and incentives over various periods of time are shown in the following table:

VALUATION, Continuing

No. of Sales	Time Frame (Contract Dates)	Avg. Net Price	Avg Home Size (s.f.)	Price/s.f.	Avg. Opt. Rev.	Avg. Incentives
132	Jul’22-Feb’25	$592,334	2,292	$258.44	$8,513	($54,389)
67	Jul’22-Dec’23	$568,248	2,243	$253.34	$5,237	($50,772)
33	Jan-Jun’24	$618,024	2,365	$261.32	$9,679	($47,160)
24	Jul-Nov’24	$615,668	2,319	$265.49	$15,603	($69,495)
8	Dec’24-Feb’25	$618,085	2,313	$267.22	$9,868	($69,178)
132						

It is noted that, when considering the differentials in the average home size, the net pricing increased in the first half of 2024 and has been fairly stable since that time. It is also noted that the average option revenue is relatively minor and with some fluctuation, and the average incentives increased significantly in the second half of 2024 and into the first part of 2025.

Considering the 59 completed-closed homes being appraised with the average size of 2,330 s.f., the indications at $615,668 and $618,085 would support fairly close indications of average value due to the fairly similar average home sizes.

As of March 28, 2025 there were 7 pending builder sales that were scheduled to close from April 22 through June 25, 2025. The pertinent pricing information is shown as follows:

No. of Sales	Time Frame (Contract Dates)	Avg. Net Price	Avg Home Size (s.f.)	Price/s.f.	Avg. Opt. Rev.	Avg. Incentives
7	12/22/24 – 2/28/25	$627,188	2,384	$263.08	$9,611	($66,698)

Considering the larger average home size than 2,330 s.f. for the 59 completed-closed homes, the indication at $627,188 supports a firm upper limit as an average value for the 59 homes. Conversely, due to the larger size, the indication at $263.08 per s.f. supports a firm lower limit as follows:

2,330 s.f. @ $263.08/s.f. = $612,976

Sales of Blueridge Homes: As previously discussed for the Blueridge product type, the 18 most-recently negotiated closed builder sales excluding the models support a far lower limit of average value for the subject Ridgewater homes at $563,733 due to the much smaller average home size of 1,883 s.f., as well as the smaller lot sizes at 3,760 s.f. minimum. Conversely, due to the smaller home size but partially offset by the smaller Blueridge lots, the indication at $299.38 per s.f. supports a firm upper limit indication as follows:

VALUATION, Continuing

2,330 s.f. @ $299.38/s.f. = $697,555

Builder Sales of Edgestone Homes: As discussed later in this report for the Edgestone product type, the most recently negotiated closed builder sales indicate an average net price of $599,447 for an average home size of 2,540 s.f., or $236.00 per s.f. In addition, the pending builder sales indicate an average net price of $616,780 for an average home size of 2,484 s.f., or $248.30 per s.f. Due to the larger average home sizes but offset by the much smaller minimum lot size of 3,760 s.f., the indications at $599,447 and $616,780 support fairly close indications of average value for the subject Ridgewater homes, but far lower limit indications at $236.00 and $248.30 per s.f. as follows:

2,330 s.f. @ $236.00 to $248.30/s.f. = $549,880 to $578,539

Resales of River Ranch Homes: Pertinent resales of homes in the subject community are shown in the following table:

No.	Location/ (Product Type)	COE Date	Sale Price*	Home Size	BR/BA Stories	Lot Size	Comments
1	2391 Huron Rd. (Stonecreek)	4/1/25	$717,000	2,140	3/2 1	7,144	Good condition; some upgrades; no seller concessions
2	2464 Yellowstone Way (Ridgewater)	Pending	$715,000	2,203	4/3 2	5,501	Good condition; solar owned; no seller concessions
3	582 Potomac Dr. (Summerbrooke)	12/10/24	$695,000	2,238	4/3 1	5,801	No seller concessions
4	527 Finch Dr. (Summerbrooke)	4/4/25	$739,000	2,238	4/3 1	8,938	Investor-owned former model; no seller concessions
5	2460 Yellowstone Way (Ridgewater)	10/24/24	$705,000	2,590	4/3 2	5,383	Good condition/upgrades; $15,000 seller concessions
6	2591 Comber Ridge Rd. (Ridgewater)	3/24/25	$715,000	2,590	4/3 2	5,250	Good condition/upgrades; no rear landscape; no seller concessions
		Avg.	$714,333	2,333			($306.19/s.f.)

*Net of concessions

Data Nos. 2, 5 & 6 are resales of subject Ridgewater homes, and indicate an average net price of $711,667 for an average home size of 2,461 s.f., or $289.18 per s.f. Due to the larger size than the average of 2,330 s.f. for the 59 completed-closed homes, the indication at $711,667 supports a firm upper limit as an average value, and the indication at $289.18 per s.f. supports a firm lower limit, as follows:

2,330 s.f. @ $289.18/s.f. = $673,789

Considering all 6 resales, while the average home size is similar, the average net price of $714,333 supports a firm upper limit as an average value for the subject homes due to the greater percentage of one-story floor plans, the larger lot sizes on average, and inclusion of a former model home.

Conclusion: In summary, the indications of average value from the builder sales of the subject homes are a firm lower limit at $612,976, close indications at $615,668 and $618,085, and a firm upper limit at $627,188; from builder sales of other product types are far lower limits from $549,880 to $578,539, close indications at $599,447 and $616,780, and a firm upper limit at $697,555; and from resales are a firm lower limit at $673,789 and firm upper limits at $711,667 and $714,333.

Greatest weight is given to the builder sales of the subject homes, with secondary support from the other data. While the resales are of interest and support much higher prices than the builder pricing, limited weight is given due to the limited number of pertinent sales.

The conclusion is an average value of $620,000 for the 59 completed-closed homes.

Analysis of Completed-Unclosed Homes

These 9 homes have an average size of 2,301 s.f., which is fairly similar to the average of 2,330 s.f. for the completed-closed homes. It is noted that there are pending builder sales on 6 of these homes that were scheduled to close from April 22 through April 30, 2025.

Considering the similar average size, the initial conclusion is similar to the completed-closed homes, or an average of $620,000. Then, a discount of 20% is made due to being part of the bulk ownership by the builder, and reflecting sell-off time, holding/sales costs, minor finishing costs and profit. This results in a discounted amount rounded to $500,000 for the 9 completed-unclosed homes.

Analysis of Homes Under Construction

For the 9 homes estimated at ±50% completion, I have considered a cost amount of 50% of direct construction costs indicated to be $74.84 per s.f. for these homes, or $37.42 per s.f. This is applied to the average home size of 2,301 s.f. for these 9 homes, or an amount of $86,103. This is added to the estimated value of $151,353 for the vacant lot (as discussed in the following Analysis of Vacant Lot Value) resulting in a total of $237,456, rounded to $240,000 as an average for these 9 homes.

Analysis of Vacant Lot Value

This is similar to the previous discussion for The Cove product type, except that these Ridgewater lots are much larger at 5,000 s.f. minimum, and being developed

VALUATION, Continuing

with larger and higher-priced homes. Thus, on a finished lot basis, the land sales data would support a firm lower limit at $229,000 per finished lot, closer indications from $252,000 to $260,000 per finished lot, and a far upper limit at $307,000 per finished lot.

As an alternative analysis, considering a slightly lower finished lot ratio of 38-40% due to the higher-priced homes, and the average home price of $620,000 (average value previously concluded for completed-closed homes), the following indication results:

$620,000 x .38-.40 = $235,600 to $248,000/finished lot

The conclusion for the subject lots is $245,000 per lot if in finished condition. Then, as previously discussed for The Cove product type, deducting the allocation of the remaining costs/fees of $93,647 per lot results in an as is value indication of $151,353 per lot.

Conclusion of Value

Based on the foregoing, the total value indication for the subject Ridgewater product type in its as-is condition, is calculated as follows:

59 completed-closed homes @ $620,000 =	$36,580,000
9 completed-unclosed homes @ $500,000 =	$ 4,500,000
9 homes under construction @ $240,000 =	$ 2,160,000
Value Indication, As-Is Condition:	$43,240,000

Thus, as the result of this analysis, I have arrived at the following overall conclusion of market value for the as is condition of the 77 lots within the subject Ridgewater product type, subject to the Assumptions and Limiting Conditions, and as of July 15, 2023:

$43,240,000

(FORTY-THREE MILLION TWO HUNDRED FORTY THOUSAND DOLLARS)

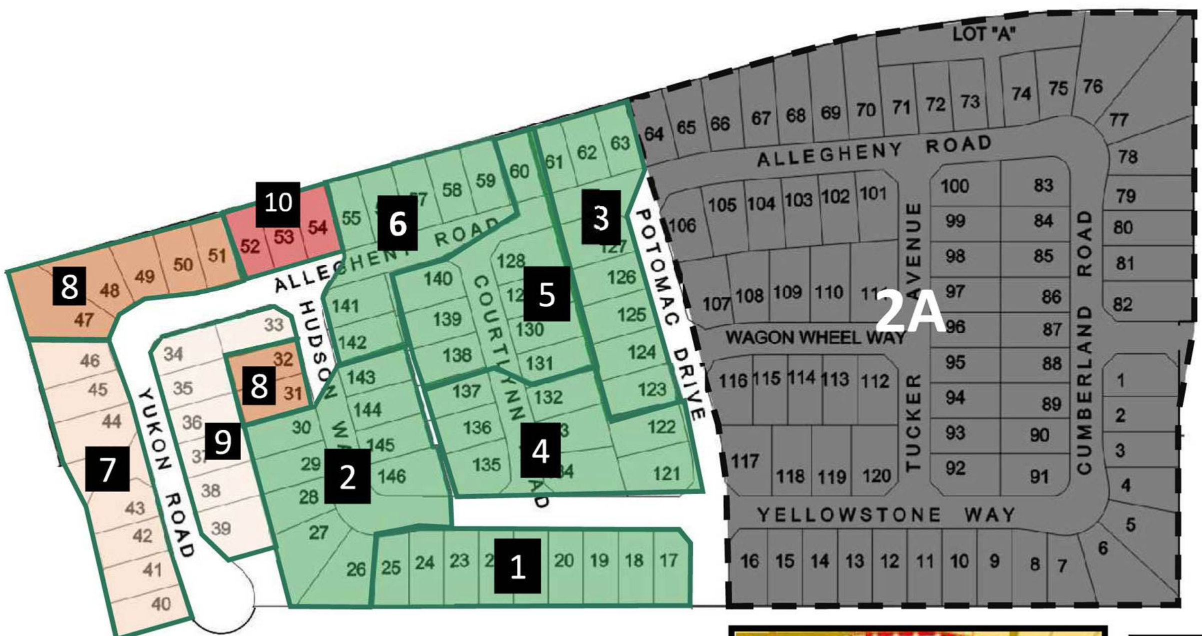
2024/2025 ASSESSED VALUES FOR 75 LOTS

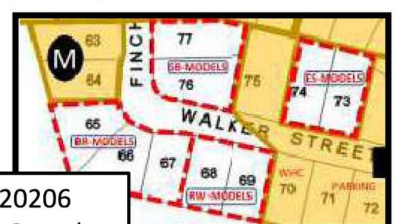
As shown in the tables for Ridgewater in the Addenda section at the end of this report, the assessed values are as follows:

73 completed-closed homes =	$45,263,390
2 completed-unclosed homes =	$ 1,405,245
Total:	$46,668,635

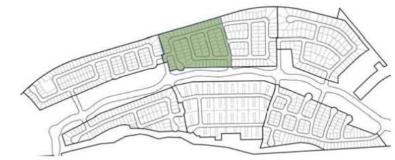
RIVER RANCH – SUMMERBROOKE PA 2B TRACT 20205

City of Rialto





TR 20206
Model Complex



PLAN	SF	ARCH
5A-1	1,950	KLC
5A-2	2,091	KLC
5A-3	2,238	KLC

HS NUMBERING PREFIXES FOR SOPS & JDE ENTRY				
TRACT #	Lot # Prefix	Qty	SOP Lot #'S	PA
20204	1	130	1001-1130	1
20205	2	146	2002-2146	2
20206	3	87	3001-3087	3
20207	4	77	4001-4077	4
20208	5	205	5001-5205	5
20209	6	131	6001-6131	6

PHASING- PA 2B SUMMERBROOKE			
Phase	Tract	Homesites	Qty.
Models	20206	76, 77	2
1	20205	17-25	9
2	20205	26-30, 143-146	9
3	20205	61-63 &123-127	8
4	20205	121, 122, 132-137	8
5	20205	60, 128-131, 138-140	8
6	20205	55-59, 141, 142	7
7	20205	40-46	7
8	20205	31-32,47-51	7
9	20205	33-39	7
10	20205	52-54	3
Total Home Sites			75

DocuSigned by:

SUMMERBROOKE

PROPERTY DATA

Location

This product type or neighborhood is primarily located directly to the northwest of Ridgewater, also in the northeasterly center part of River Ranch, nearby to the east of River Ranch Pkwy. at Potomac Dr. and southerly from Folsom Dr. The in-tract streets include Potomac Dr., Yellowstone Way, Courtlynn Rd., Allegheny Rd., Hudson Way, Yukon Rd. and Oakflat Dr. In addition, the two former model homes are located on Finch Dr. in the former model complex.

Record Owner/Ownership History

As of the April 4, 2025 date of value, individual homeowners owned 72 of these lots (Lots 17 to 51, 55 to 63 & 121 to 146 of Tract No. 20205 and Lots 76 & 77 of Tract No. 20206); and Lennar Homes of California, LLC owned 3 lots (Lots 52 to 54 of Tract No. 20205.

The original acquisition of the land by Lennar Homes/AG Essential Housing for the overall River Ranch community was previously discussed for The Cove.

The builder sales of the 72 completed homes to the homeowners closed from November 18, 2022 through August 30, 2024. As of April 4, 2025 there had been 4 closed and 1 pending resales of these homes.

Legal Description

The 75 lots are described as Lots 17 to 63 & 121 to 146 of Tract No. 20205, as shown by Map on file in Book 362, Pages 71 to 77 of Maps; and Lots 76 & 77 of Tract No. 20206, as shown by Map on file in Book 364, Pages 1 to 6; in the Official Records of San Bernardino County, State of California.

(Note: The 4 lots being appraised are Lots 28 & 52 to 54 of Tract No. 20205; the 71 lots with assessed values are Lots 17 to 27, 29 to 51, 55 to 63 & 121 to 146 of Tract No. 20205 and Lots 76 & 77 of Tract No. 20206.)

Assessor Data-2024/2025

The 75 lots comprise the following Assessor Parcel Nos.:

0264-112-05 to 45
0264-132-39 to 58
0264-133-17 to 28
0264-793-19 & 20

(Note: The 4 lots being appraised are 0264-112-11 & 35 to 37. The 71 lots with assessed values are 0264-112-05 to 10, 12 to 34 & 38 to 45; 0264-132-39 to 58; 0264-133-17 to 28; and 0264-793-19 & 20.)

The current assessed values for all 75 parcels range from $83,449 to $397,104 for land and $0 to $470,000 for improvements, or totals of $179,913 to $820,104. The tax rate area is 6104 which has an indicated tax rate of 1.2129%, but the effective tax rate including special taxes for this CFD and other overlapping debt is estimated at ±1.9% based on assessed values.

No. of Lots/Lot Sizes

This product type comprises a total of 75 lots, with a typical minimum lot size of 50' wide by 100' deep; per Assessor data, the lot sizes range from 5,000 s.f. to 11,036 s.f., or an average of 5,749 s.f.

Description of Homes/Status of Construction

These lots have been developed by Lennar Homes with a product type of detached homes called Summerbrooke. As of the April 4, 2025 date of value, there were 72 completed-closed homes (closed builder sales) and 3 vacant lots in near-finished condition. Regarding the 3 vacant lots, Lennar Homes is waiting for an Army Corps of Engineers permit to relocate dry utilities for Southern California Edison, and it is anticipated that the permit will be received within the next year or by April 2026.

The 4 lots being appraised include 1 completed-closed home (Lot 28 of Tract No. 20205) and the 3 vacant lots (Lots 52 to 54 of Tract No. 20205).

The 71 lots with assessed values comprise completed-closed homes (Lots 17 to 27, 29 to 51, 55 to 63 & 121 to 146 of Tract No. 20205 and Lots 76 & 77 of Tract No. 20206.)

There are three floor plans, and per marketing information are described as follows:

Plan 1: 1,950 s.f., one-story, with 3 bedrooms, 2 baths, great room-dining room-kitchen and laundry; plus 2-bay garage and covered front porch.

Plan 2: 2,091 s.f., one-story, with 3 or 4 bedrooms, 2 baths, great room-dining room-kitchen, flex room in lieu of Bedroom 4, and laundry; plus 2-bay garage and covered front porch.

Plan 3: 2,238 s.f., one-story, with 4 bedrooms, 3 baths, great room-dining room-kitchen, and laundry; plus 2-bay garage and covered front porch.

Per building permit data, the sizes for each Plan are as noted above. For the lots being appraised, the 1 completed-closed home is a size of 1,950 s.f.

VALUATION

Method of Analysis

This is similar to previous analyses.

Analysis of Completed-Closed Home

Builder Sales of Subject Homes: The most recent builder sales of the 1,950 s.f. (Plan 1) homes had contract dates from August 2023 through January 2024, with closings from November 2023 through May 2024, and an average net price of $548,267. Due to the older contract dates, this average would support a firm lower limit indication of current value.

Sales of Blueridge Homes: As previously discussed for the Blueridge product type, the 18 most-recently negotiated closed builder sales excluding the models support a firm lower limit indication of average value for the subject Summerbrooke home at $563,733, due to the smaller average home size of 1,883 s.f., as well as the smaller lot sizes at 3,760 s.f. minimum. Conversely, due to the smaller home size but partially offset by the smaller lots, the indication at $299.38 per s.f. supports a close upper limit indication as follows:

1,950 s.f. @ $299.38/s.f. = $583,791

Builder Sales of Ridgewater Homes: Considering only the builder sales of the smallest floor plan at 2,064 s.f., the 7 most recently negotiated closed sales since July 2024 plus the 2 pending sales indicate an average net price of $596,662 or $289.08 per s.f. Due to the larger size, the indication at $596,662 supports a firm upper limit for the subject Summerbrooke home, and the indication at $289.08 per s.f. supports a firm lower limit as follows:

1,950 s.f. @ $289.08/s.f. = $563,706

Resales of River Ranch Homes: As previously indicated, there have been 4 closed and 1 pending resales of the subject Summerbrooke homes. These sales include 3 of the 2,091 s.f. (Plan 2) homes and 2 of the 2,238 s.f. (Plan 3) homes. In the analysis of the Blueridge product type, the table of 5 resales in River Ranch included the 3 sales of the 2,091 s.f. homes that indicate an average net price of $678,300 or $324.39 per s.f. The indication at $678,300 supports a far upper limit for the subject Summerbrooke 1,950 s.f. home due to the larger size as well as one of the sales being a former model home.

Conclusion: In summary, the indication of value from the builder sales of the subject homes is a firm lower limit at $548,267; from builder sales of other product types are firm lower limits at $563,706 and $563,733, a close upper limit at $583,791, and a firm upper limit at $596,662; and from resales of larger Summerbrooke homes is a far upper limit at $678,300.

The conclusion is a value of $580,000 for the 1 completed-closed home.

Analysis of Vacant Lots

This is generally similar to the previous analysis for the Ridgewater product type, as these subject Summerbrooke lots are similar in size. However, the Summerbrooke product type is smaller and lower-priced than Ridgewater, the size of 3 lots has less desirability, and these lots will not be buildable for about a year while awaiting the permit from the Army Corps of Engineers.

Thus, the initial conclusion for the 3 subject lots is a discounted amount of $200,000 per finished lot, less the cost allocation of $93,647 per lot, or a residual amount of $106,353 per lot, rounded to $110,000 per lot, for the as is condition.

Conclusion of Value

Based on the foregoing, the total value indication for the subject Summerbrooke product type in its as-is condition, is calculated as follows:

1 completed-closed home @ $580,000 =	$580,000
3 vacant lots @ $110,000 =	$330,000
Value Indication, As-Is Condition:	$910,000

Thus, as the result of this analysis, I have arrived at the following overall conclusion of market value for the as is condition of the 4 lots within the subject Summerbrooke product type, subject to the Assumptions and Limiting Conditions, and as of April 4, 2025:

$910,000

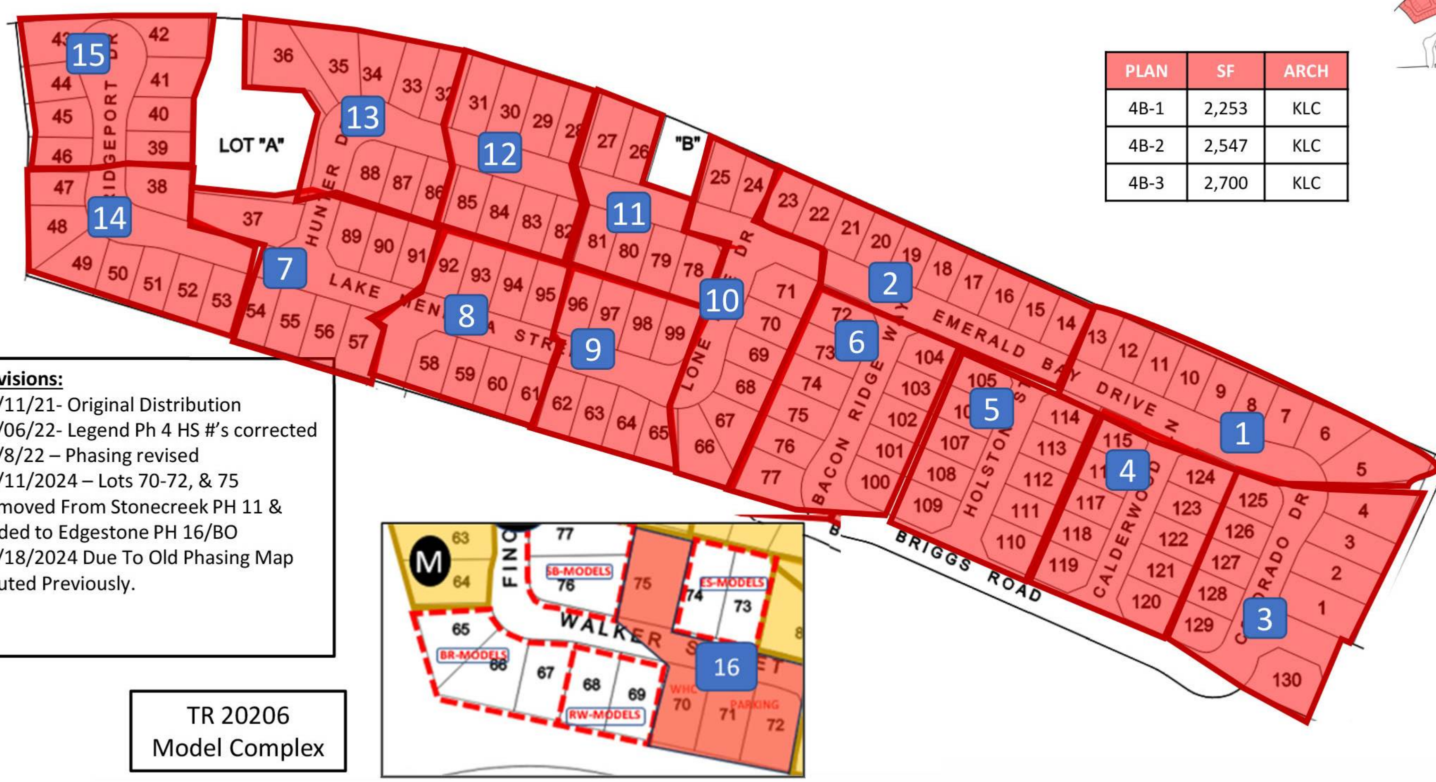
(NINE HUNDRED TEN THOUSAND DOLLARS)

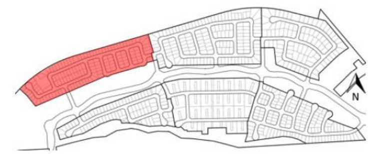
2024/2025 ASSESSED VALUES FOR 71 LOTS

As shown in the tables for Summerbrooke in the Addenda section at the end of this report, the assessed values for the 71 lots, all of which comprise completed-closed homes, are a total amount of $43,600,270.

RIVER RANCH – EDGESTONE PA1 TRACT 20204

City of Rialto





PLAN	SF	ARCH
4B-1	2,253	KLC
4B-2	2,547	KLC
4B-3	2,700	KLC

Phase	Tract	Homesites	Qty
MDL	20206	74,73	2
1	20204	5-13	9
2	20204	14-23	10
3	20204	1-4,125-130	10
4	20204	115-124	10
5	20204	105-114	10
6	20204	72-77,100-104	11
7	20204	37,54-57,89-91	8
8	20204	58-61,92-95	8
9	20204	62-65,96-99	8
10	20204	24-25,67-71	8
11	20204	26-27,78-81	6
12	20204	28-31,82-85	8
13	20204	32-36,86-88	8
14	20204	38,47-53	8
15	20204	39-46	8
16/BO	20204	70-72,75	4
Total Home Sites			136

Revisions:
11/11/21- Original Distribution
01/06/22- Legend Ph 4 HS #'s corrected
12/8/22 – Phasing revised
11/11/2024 – Lots 70-72, & 75 Removed From Stonecreek PH 11 & Added to Edgestone PH 16/BO
11/18/2024 Due To Old Phasing Map Routed Previously.

TR 20206
Model Complex

EDGESTONE

PROPERTY DATA

Location

This product type or neighborhood is primarily located at the northeasterly end of River Ranch, directly to the northwest of Summerbrooke, and nearby to the northeast of River Ranch Pkwy. at Alpine Way. The in-tract streets include Alpine Way, Bridgeport Dr., Lake Mendoza St., Hunter Dr., Emerald Bay Dr., Lone Pine Dr., Bacon Ridge Way, Briggs Rd., Holston St., Calderwood Ln., Colorado Dr. and Oakflat Dr. In addition, the two model homes are located on Walker St. in the model complex.

Record Owner/Ownership History

As of the April 4, 2025 date of value, individual homeowners owned 98 of these lots (Lots 1 to 27, 37, 54 to 81 & 89 to 130 of Tract No. 20204) and Lennar Homes of California LLC owned 38 lots (Lots 28 to 36, 38 to 53 & 82 to 88 of Tract No. 20204 and Lots 70 to 75 of Tract No. 20206).

The original acquisition of the land by Lennar Homes/AG Essential Housing for the overall River Ranch community was previously discussed for The Cove.

The builder sales of the 98 completed homes to the homeowners closed from November 8, 2023 through March 14, 2025, and as of March 28, 2025 there were 18 pending builder sales that were scheduled to close from April 24 through July 30, 2025. As of April 4, 2025 there were no closed or pending resales of these homes.

Legal Description

The 136 lots are described as Lots 1 to 130 of Tract No. 20204, as shown by Map on file in Book 364, Pages 7 to 12 of Maps; and Lots 70 to 75 of Tract No. 20206, as shown by Map on file in Book 364, Pages 1 to 6; in the Official Records of San Bernardino County, State of California.

(Note: The 105 lots being appraised are Lots 24 to 124 of Tract No. 20204 and Lots 70 to 72 & 75 of Tract No. 20206; the 31 lots with assessed values are Lots 1 to 23 & 125 to 130 of Tract No. 20204 and Lots 73 & 74 of Tract No. 20206.)

Assessor Data-2024/2025

The 136 lots comprise the following Assessor Parcel Nos.:

0264-092-08 to 95
0264-112-47 to 88
0264-793-13 to 18

(Note: The 105 lots being appraised are 0264-092-15 to 95; 0264-112-63 to 82; and 0264-793-13 to 15 & 18. The 31 lots with assessed values are 0264-092-08 to 14; 0264-112-47 to 62 & 83 to 88; and 0264-793-16 & 17.)

The current assessed values for all 136 parcels range from $78,728 to $333,331 for land and $0 to $540,000 for improvements, or totals of $103,246 to $692,485. The tax rate areas are 6104, 6127 and 6128 which have an indicated tax rate of 1.2129%, but the effective tax rate including special taxes for this CFD and other overlapping debt is estimated at ±1.9% based on assessed values.

No. of Lots/Lot Sizes

This product type comprises a total of 136 lots, with a typical minimum size of 3,760 s.f. or 47' wide by 80' deep; per Assessor data, the lot sizes range from 3,759 s.f. to 10,767 s.f., or an average of 4,644 s.f.

Description of Homes/Status of Construction

These lots are being developed by Lennar Homes with a product type of detached homes called Edgestone. As of the April 4, 2025 date of value, there were 98 completed-closed homes (closed builder sales); 10 completed-unclosed homes (including the 2 models); 16 homes under construction of which 8 were estimated to be ±50% completed and 8 were estimated to be 25% completed; and 12 vacant lots in near-finished condition.

The 105 lots being appraised include 69 completed-closed homes (Lots 24 to 27, 37, 54 to 81 & 89 to 124 of Tract No. 20204); 8 completed-unclosed homes (Lots 28 to 31 & 82 to 85 of Tract No. 20204); the 8 homes under construction at 50% completion (Lots 32 to 36 & 86 to 88 of Tract No. 20204); the 8 homes under construction at 25% completion (Lots 38 & 47 to 53 of Tract No. 20204); and the 12 vacant lots (Lots 39 to 46 of Tract No. 20204 and Lots 70 to 72 & 75 of Tract No. 20206).

The 31 lots with assessed values comprise 29 completed-closed homes (Lots 1 to 23 & 125 to 130 of Tract No. 20204), and 2 completed-unclosed homes which are the models (Lots 73 & 74 of Tract No. 20206).

There are three floor plans, and per marketing information are described as follows:

Plan 1: 2,253 s.f., two-story, with 4 bedrooms, 3 baths; first floor includes bedroom, bath, great room-dining room-kitchen and office; second floor includes 3 bedrooms, 2 baths, loft and laundry; plus 2-bay garage and covered front porch.

PROPERTY DATA, Continuing

> **Plan 2:** 2,547 s.f., two-story, with 4 bedrooms, 3 baths; first floor includes bedroom, bath, and great room-dining room-kitchen; second floor includes 3 bedrooms, 2 baths, loft and laundry; plus 2-bay garage and covered front porch.
>
> **Plan 3:** 2,700 s.f., two-story, with 4 bedrooms, 3 baths; first floor includes bedroom, bath, and great room-dining room-kitchen; second floor includes 3 bedrooms, 2 baths, loft and laundry; plus 2-bay garage and covered front porch.

Per building permit data, the sizes for each Plan are as noted above. For the lots being appraised, the 69 completed-closed homes have an average size of 2,511 s.f. and the 8 completed-unclosed homes have an average size of 2,512 s.f.

VALUATION

Method of Analysis

This is similar to previous analyses.

Analysis of Completed-Unclosed Homes

Builder Sales of Subject Homes: The builder sales of the 98 completed homes closed from November 8, 2023 through March 14, 2025 at net sale prices ranging from $544,022 to $689,311, or an average of $605,815 for the average home size of 2,507 s.f., or $241.65 per s.f. It is noted that the net sale price includes lot premiums and options, but deducts or is net of incentives. The option revenue averaged $7,685 and the incentives averaged $52,198.

The sale dates, or when the sales were negotiated (not the closing dates), ranged from June 6, 2023 through January 26, 2025, with the closing dates previously noted being from November 2023 through March 2025. Based on the contract dates, the changes in average net pricing, option revenue and incentives over various periods of time are shown in the following table:

No. of Sales	Time Frame (Contract Dates)	Avg. Net Price	Avg Home Size (s.f.)	Price/s.f.	Avg. Opt. Rev.	Avg. Incentives
98	Jun’23-Jan’25	$605,815	2,507	$241.65	$7,685	($52,198)
16	Jun-Dec’23	$605,352	2,457	$246.38	$13,665	($43,991)
38	Jan-Jun’24	$609,187	2,499	$243.77	$6,830	($45,528)
29	Jul-Oct’24	$604,946	2,529	$239.20	$6,904	($57,814)
15	Nov’24-Jan’25	$599,447	2,540	$236.00	$4,981	($66,990)
98						

VALUATION, Continuing

It is noted that, when considering the minor differentials in the average home size, there has been a very minimal decrease in the net pricing over these periods of time. It is also noted that the average option revenue is relatively minor and has been fairly constant in the recent periods of time, and the average incentives increased significantly in the second half of 2024 and into the first part of 2025.

Considering the 69 completed-closed homes being appraised with the average size of 2,511 s.f., the indications at $604,946 and $599,447 would support firm lower limit indications of average value due to the slightly larger average home sizes being more than offset by the older contract dates. In addition, due to the slightly larger sizes as well as the older contract dates, the indications at $236.00 and $239.20 per s.f. would support firm lower limits as follows:

2,511 s.f. @ $236.00 to $239.20/s.f. = $592,596 to $600,631

As of March 28, 2025 there were 18 pending builder sales that were scheduled to close from April 24 through July 30, 2025. The pertinent pricing information is shown as follows:

No. of Sales	Time Frame (Contract Dates)	Avg. Net Price	Avg Home Size (s.f.)	Price/s.f.	Avg. Opt. Rev.	Avg. Incentives
18	12/13/24 – 3/17/25	$616,780	2,484	$248.30	$3,364	($51,130)

It is noted that the net pricing is slightly higher than for the most recently negotiated closed sales, and also for the slightly smaller average home size of 2,484 s.f. Thus, the indication at $616,780 tends to support a close lower limit as an average value for the 69 completed-closed homes, and the indication at $248.30 per s.f. supports a close upper limit as follows:

2,511 s.f. @ $248.30/s.f. = $623,481

Builder Sales of Blueridge Homes: Considering only the builder sales of the largest floor plan at 2,064 s.f., the 11 builder sales that closed from August through December 2024 indicate an average net price of $583,544 or $282.72 per s.f. Due to the much smaller size, the indication at $583,544 supports a far lower limit for the subject Edgestone homes, and the indication at $282.72 per s.f. supports a far upper limit as follows:

2,511 s.f. @ $282.72/s.f. = $709,910

Builder Sales of Ridgewater Homes: As previously discussed for the Ridgewater product type, the most recently negotiated closed builder sales indicate an average net price of $618,085 for an average home size of 2,313 s.f., or $267.22 per s.f. In addition, the pending builder sales indicate an average net price of $627,188 for an average home size of 2,384 s.f., or $263.08 per s.f. Due to the smaller average home sizes but offset by the much larger 5,000 s.f. minimum lot sizes, the indications at $618,085 and $627,188 support close indications for the subject Edgestone homes, and far upper limit indications at $263.08 and $267.22 per s.f. as follows:

2,511 s.f. @ $263.08 to $267.22/s.f. = $660,594 to $670,989

<u>Resales of River Ranch Homes:</u> The 6 resales previously discussed in the analysis of the Ridgewater product type indicate an average net price of $714,333 for an average home size of 2,333 s.f. This indication at $714,333 supports a firm upper limit as an average value for the subject homes due to the much larger lots, inclusion of one-story plans and inclusion of a former model home being well more than offsetting to the smaller average home size.

<u>Conclusion:</u> In summary, the indications of average value from the builder sales of the subject homes are firm lower limits from $592,596 to $604,946, a close lower limit at $616,780 and a close upper limit at $623,481; from builder sales of other product types are a far lower limit at $583,544, close indications at $618,085 and $627,188, and far upper limits from $660,594 to $709,910; and from resales is a firm upper limit at $714,333.

Greatest weight is given to the builder sales of the subject homes, with secondary support from the other data. While the resales are of interest and support much higher prices than the builder pricing, limited weight is given due to the limited number of pertinent sales.

The conclusion is an average value of $620,000 for the 69 completed-closed homes.

<u>Analysis of Completed-Unclosed Homes</u>

These 8 homes have an average size of 2,512 s.f., or very similar to the completed-closed homes. It is noted that there are pending builder sales on 7 of these homes that were scheduled to close from April 24 through May 2, 2025.

Considering the similar average size, the initial conclusion is similar to the completed-closed homes, or an average of $620,000. Then, a discount of 20% is made due to being part of the bulk ownership by the builder, and reflecting sell-off time, holding/sales costs, minor finishing costs and profit. This results in a discounted amount rounded to $500,000 for the 8 completed-unclosed homes.

<u>Analysis of Homes Under Construction</u>

For the 8 homes estimated at ±50% completion, I have considered a cost amount of 50% of direct construction costs indicated to be $71.06 per s.f. for these homes, or $35.53 per s.f. This is applied to the average home size of 2,494 s.f. for these 8 homes, or an amount of $88,612. This is added to the estimated value of $151,353 for the vacant lot (as discussed in the following Analysis of Vacant Lots), resulting in a total of $239,965, rounded to $240,000 as an average for these 8 homes.

For the 8 homes estimated at ±25% completion, a cost amount of 25% of $71.06 per s.f. or $17.77 per s.f. is applied to the average home size of 2,494 s.f. for these 8 homes, or an amount of $44,318. This is added to the estimated value of $151,353 for the vacant lot resulting in a total of $195,671, rounded to $195,000 as an average for these 8 homes.

Analysis of Vacant Lots

This is similar to the previous analysis of the Ridgewater product type, with the smaller lots on average of this Edgestone product type being offset by the larger and similar-priced homes to Ridgewater. Thus, the conclusion for the subject Edgestone lots is the same at $245,000 per lot if in finished condition, less the allocation of the remaining costs/fees of $93,647 per lot, resulting in an as is value indication of $151,353 per lot. Applied to the 12 vacant lots, this results in the following:

12 vacant lots @ $151,353/lot =	$1,816,236
Rd.	$1,820,000

Conclusion of Value

Based on the foregoing, the total value indication for the subject Edgestone product type in its as-is condition, is calculated as follows:

69 completed-closed homes @ $620,000 =	$42,780,000
8 completed-unclosed homes @ $500,000 =	$ 4,000,000
8 homes, ±50% completed @ $240,000 =	$ 1,920,000
8 homes, ±25% completed @ $195,000 =	$ 1,560,000
12 vacant lots =	$ 1,820,000
Value Indication, As-Is Condition:	$52,080,000

Thus, as the result of this analysis, I have arrived at the following overall conclusion of market value for the as is condition of the 105 lots within the subject Edgestone product type, subject to the Assumptions and Limiting Conditions, and as of April 4, 2025:

$52,080,000

(FIFTY-TWO MILLION EIGHTY THOUSAND DOLLARS)

2024/2025 ASSESSED VALUES FOR 31 LOTS

As shown in the tables for Edgestone in the Addenda section at the end of this report, the assessed values are as follows:

29 completed-closed homes =	$16,575,167
2 completed-unclosed homes =	$ 664,248
Total:	$17,239,415

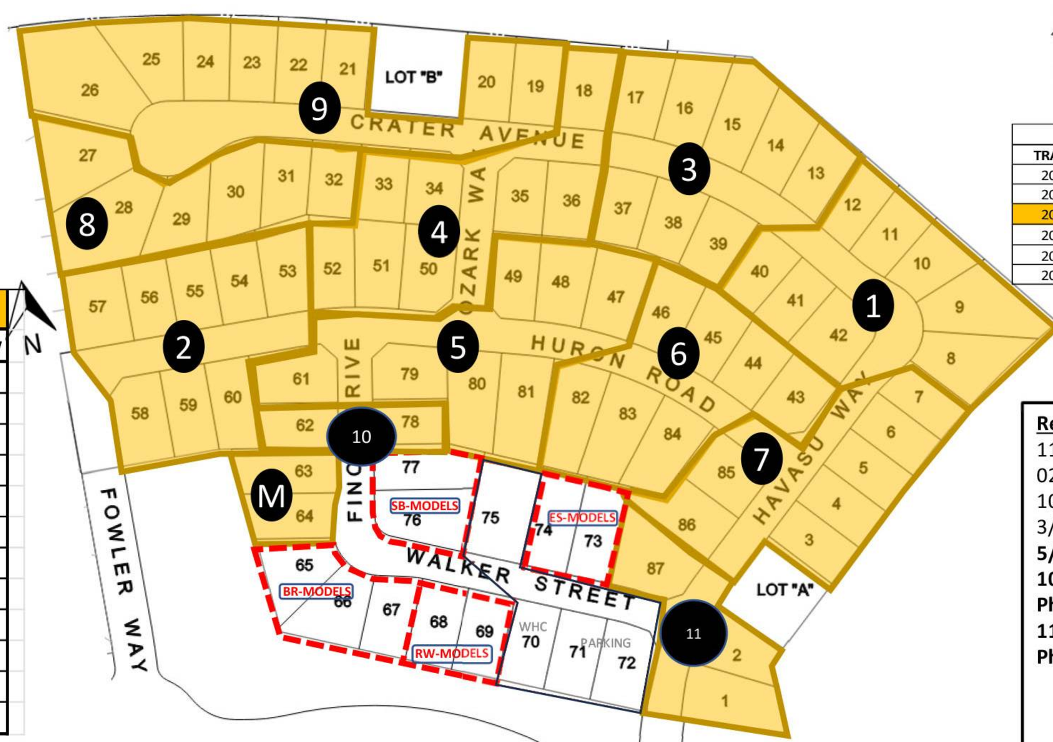
RIVER RANCH – STONECREEK PA3 TRACT 20206

City of Rialto

PLAN	SF	ARCH
6-1	2,140	KLC
6-2	2,809	KLC
6-3	3,325	KLC
6-4	4,122	KLC

PHASING - PA3 STONECREEK

Phase	Tract	Lot #'s	Qty
MDL	20206	63, 64	2
1	20206	8-12, 40-42	8
2	20206	53-60	8
3	20206	13-17, 37-39	8
4	20206	18, 33-36, 50-52	8
5	20206	47-49, 61, 79-81	7
6	20206	43-46, 82-84	7
7	20206	3-7, 85, 86	7
8	20206	27-32	6
9	20206	19-26	8
10	20206	62, 78	2
11/BO	20206	1-2,87	3



HS NUMBERING PREFIXES FOR SOPS & JDE ENTRY				
TRACT #	Lot # Prefix	Qty	SOP Lot #'S	PA
20204	1	130	1001-1130	1
20205	2	146	2002-2146	2
20206	3	87	3001-3087	3
20207	4	77	4001-4077	4
20208	5	205	5001-5205	5
20209	6	131	6001-6131	6

Revisions:

11/11/21- Original Distribution
02/1/22- Phs 2 & 3 switched locations
10/11/22- Re-phased phs 4-10/BO
3/3/22 – Rephase 7-9
5/11/23 – Rephase 8 & 9
10/11/2023 Rephased 10 & Added Phase 11/BO
11/11/2024- HS 70-72, & 75 Re Phased To Edgestone PH 16

STONECREEK

PROPERTY DATA

Location

This product type or neighborhood is located at the southeasterly end of River Ranch, directly to the southeast of Ridgewater, and nearby to the northeast of River Ranch Pkwy. at Havasu Way. The in-tract streets include Havasu Way, Walker St., Finch Dr., Fowler Way, Huron Rd., Ozark Way and Crater Ave. As previously indicated, the model homes for four other of the product types were located within this neighborhood on Walker St. and Finch Dr., nearby to the north of Havasu Way.

Record Owner/Ownership History

As of the April 4, 2025 date of value, individual homeowners owned all 74 of these homes.

The original acquisition of the land by Lennar Homes/AG Essential Housing for the overall River Ranch community was previously discussed for The Cove.

The builder sales of the 74 completed homes to the homeowners closed from February 6, 2023 through October 29, 2024. As of April 4, 2025, there had been 3 closed and 1 pending resales of these homes.

Legal Description

The 74 lots are described as Lots 1 to 64 & 78 to 87 of Tract No. 20206, as shown by Map on file in Book 364, Pages 1 to 6, in the Official Records of San Bernardino County, State of California.

(Note: The 4 lots being appraised are Lots 1, 2, 53 & 87; the 70 lots with assessed values are Lots 3 to 52, 54 to 64 & 78 to 86.)

Assessor Data-2024/2025

The 74 lots comprise the following Assessor Parcel Nos.:

0264-792-05 to 61
0264-793-01 to 07 & 21 to 30

(Note: The 4 lots being appraised are 0264-792-05, 06 & 53 and 0264-793-30. The 70 lots with assessed values are 0264-792-07 to 56, 58 to 61 and 0264-793-01 to 07 & 21 to 29.)

The current assessed values of all 74 parcels range from $41,456 to $626,134 for land and $0 to $809,700 for improvements, or totals of $154,457 to $1,310,134. The tax rate area is 6104 which has an indicated tax rate of 1.2129%, but the effective tax rate including special taxes for this CFD and other overlapping debt is estimated at ±1.9% based on assessed values.

No. of Lots/Lot Sizes

This product type comprises a total of 74 lots, with a typical minimum size of 6,000 s.f. or 60' wide by 100' deep; per Assessor data, the actual lot sizes range from 6,000 s.f. to 17,401 s.f., or an average of 7,798 s.f.

Description of Homes/Status of Construction

These lots have been developed by Lennar Homes with a product type of detached homes called Stonecreek. As of the April 4, 2025 date of value, all 74 homes were completed-closed (closed builder sales).

There are four floor plans, and per marketing information are described as follows:

Plan 1: 2,140 s.f., one-story, with 3 or 4 bedrooms, 2 baths, great room-dining room-kitchen, flex space or bedroom 4, and laundry; plus 2-bay garage with extra tandem storage and covered front porch.

Plan 2: 2,809 s.f., two-story, with 4 or 5 bedrooms, 2.5 or 3 baths; first floor includes great room-dining room-kitchen, flex room and half bath or bedroom 5 and full bath; second floor includes 3 bedrooms, 2 baths, loft and laundry; plus 3-bay garage and covered front porch.

Plan 3: 3,325 s.f., two-story, with 5 bedrooms, 3.5 baths; first floor includes great room-dining room-kitchen, bedroom, flex space and 1.5 baths; second floor includes 4 bedrooms, 2 baths, loft and laundry; plus 2-bay garage with extra tandem storage and covered front porch.

Plan 4: 4,122 s.f., two-story, with 4 or 5 bedrooms plus Next Gen suite; first floor includes great room-dining room-kitchen and half bath plus Next Gen suite with separate entry and consisting of bedroom with retreat space, bath, living room, kitchenette and laundry; second floor includes 5 bedrooms or 4 bedrooms with optional retreat space off of owner's suite, 3 baths, loft and laundry; plus 2-bay garage, separate 1-bay garage and covered front porch.

Per building permit data, the sizes for each Plan are as noted above. All 74 homes have an average size of 3,203 s.f., and the 4 homes being appraised have an average size of 3,228 s.f.

VALUATION

Method of Analysis

This is similar to previous analyses.

VALUATION, Continuing

Analysis of Completed-Closed Homes

Builder Sales of Subject Homes: The builder sales of the 74 completed homes closed from February 6, 2023 through October 29, 2024 at net sale prices ranging from $518,641 to $922,140, or an average of $713,274 for the average home size of 3,203 s.f., or $222.69 per s.f. It is noted that the net sale price includes lot premiums and options, but deducts or is net of incentives. The option revenue averaged $12,275 and the incentives averaged $54,010.

The sale dates, or when the sales were negotiated (not the closing dates), ranged from July 10, 2022 through September 22, 2024, with the closing dates previously noted being from February 2023 through October 2024. Based on the contract dates, the changes in average net pricing, option revenue and incentives over various periods of time are shown in the following table:

No. of Sales	Time Frame (Contract Dates)	Avg. Net Price	Avg Home Size (s.f.)	Price/s.f.	Avg. Opt. Rev.	Avg. Incentives
74	Jul'22-Nov'24	$713,274	3,203	$222.69	$12,275	($54,010)
16	Jul'22-Dec'22	$667,930	3,247	$205.71	$9,147	($72,020)
44	Jan-Dec'23	$703,736	3,098	$227.16	$10,261	($45,772)
14	Jan-Sep'24	$795,069	3,481	$228.40	$22,181	($59,316)
74						

It is noted that, when considering the significant differentials in the average home size, the net pricing increased from 2022 to 2023, and then was fairly constant into the first half of 2024 and then decreased slightly in the second half of 2024. It is also noted that the average option revenue increased in 2024, and the average incentives increased from 2023 to 2024 but still below the figure from 2022.

Considering the 14 most recently negotiated sales that closed from February through October 2024, the average home size of 3,481 s.f. is much larger than the average of 3,228 s.f. for the 4 homes being appraised, but partially offset by the older dates of sale. Thus, the indication at $795,069 supports a close upper limit indication of average value and the indication at $228.40 per s.f. supports a firm lower limit as follows:

3,228 s.f. @ $228.40/s.f. = $737,275

Builder Sales of Ridgewater Homes: As previously discussed for the Ridgewater product type, the most recently negotiated closed builder sales indicate an average net price of $618,085 for an average home size of 2,313 s.f., or $267.22 per s.f. In addition, the pending builder sales indicate an average net price of $627,188 for an average home size of 2,384 s.f., or $263.08 per s.f. Due to the far smaller average home sizes and smaller lot sizes at 5,000 s.f. minimum, the indications at $618,085 and $627,188 support far lower limits for the subject Stonecreek homes, and far upper limit indications at $263.08 and $267.22 per s.f. as follows:

3,228 s.f. @ $263.08 to $267.22/s.f. = $849,222 to $862,586

Builder Sales of Edgestone Homes: As previously discussed for the Edgestone product type, the most recently negotiated closed builder sales indicate an average net price of $599,447 for an average home size of 2,540 s.f., or $236.00 per s.f. In addition, the pending builder sales indicate an average net price of $616,780 for an average home size of 2,484 s.f., or $248.30 per s.f. Due to the much smaller average home sizes and the much smaller minimum lot size of 3,760 s.f., the indications at $599,447 and $616,780 support far lower limits of average value for the subject Stonecreek homes, and closer indications at $236.00 and $248.30 per s.f. as follows:

3,228 s.f. @ $236.00 to $248.30/s.f. = $761,808 to $801,512

Resales of River Ranch Homes: Pertinent resales of homes in the subject community are shown in the following table:

No.	Location/ (Product Type)	COE Date	Sale Price*	Home Size	BR/BA Stories	Lot Size	Comments
1	2460 Yellowstone Way (Ridgewater)	10/24/24	$705,000	2,590	4/3 2	5,383	Good condition/upgrades; $15,000 seller concessions
2	2591 Comber Ridge Rd. (Ridgewater)	3/24/25	$715,000	2,590	4/3 2	5,250	Good condition/upgrades; no rear landscape; no seller concessions
3	526 Finch Dr. (Stonecreek)	4/2/25	$895,000	3,325	5/3.5 2	6,745	Investor-owned former model; no seller concessions
4	2377 Crater Ave. (Stonecreek)	Pending	$815,000	3,325	5/3.5 2	7,050	Some upgrades; no rear landscape; no seller concessions
5	2384 Crater Ave. (Stonecreek)	4/2/25	$900,000	4,122	6/4.5 2	6,000	Good condition; some upgrades; no seller concessions
		Avg.	$806,000	3,190			($306.19/s.f.)

*Net of concessions

Data Nos. 3, 4 & 5 are resales of subject Stonecreek homes, and indicate an average net price of $870,000 for an average home size of 3,591 s.f., or $242.27 per s.f. Due to the larger size than the average of 3,228 s.f. for the 4 completed-closed homes, and that one of the sales is a former model home, the indication at $870,000 supports a far upper limit as an average value, and the indication at $242.27 per s.f. supports a close lower limit, as follows:

3,228 s.f. @ $242.27/s.f. = $782,048

VALUATION, Continuing

Considering all 5 resales, the average home size is slightly smaller, several of the lots are much smaller, but one of the sales is an upgraded former model home. Thus, the indication at $806,000 supports a close upper limit indication of average value for the subject homes.

Conclusion of Value

In summary, the indications of average value from the builder sales of the subject homes are a firm lower limit at $737,275 and a close upper limit at $795,069; from builder sales of other product types are far lower limits from $599,447 to $627,188, close indications at $761,808 and $801,572, and far upper limits at $849,222 and $862,586; and from resales are a close lower limit at $782,048, a close upper limit at $806,000, and a far upper limit at $870,000.

Greatest weight is given to the builder sales of the subject homes, with secondary support from the other data. The conclusion is an average value of $780,000 for the 4 completed-closed homes, which results in the following:

4 completed-closed homes @ $780,000 = $3,120,000

Thus, as the result of this analysis, I have arrived at the following conclusion of market value for the 4 completed-closed homes in the subject Stonecreek product type, subject to the Assumptions and Limiting Conditions, and as of April 4, 2025:

$3,120,000

(THREE MILLION ONE HUNDRED TWENTY THOUSAND DOLLARS)

2024/2025 ASSESSED VALUES FOR 70 LOTS

As shown in the tables for Stonecreek in the Addenda section at the end of this report, the assessed values for the 70 lots, all of which comprise completed-closed homes, are a total amount of $54,329,099.

ADDENDA

Product	APN	Tract	Lot	AV
The Cove	0264-122-19	20208	1	388,700
The Cove	0264-122-20	20208	2	383,600
The Cove	0264-122-21	20208	3	421,627
The Cove	0264-122-22	20208	4	406,327
The Cove	0264-122-23	20208	5	421,627
The Cove	0264-122-24	20208	6	403,800
The Cove	0264-122-25	20208	7	388,700
The Cove	0264-122-26	20208	8	383,600
The Cove	0264-122-27	20208	9	446,892
The Cove	0264-122-28	20208	10	434,000
The Cove	0264-122-29	20208	11	472,892
The Cove	0264-122-30	20208	12	453,392
The Cove	0264-122-31	20208	13	472,892
The Cove	0264-122-32	20208	14	453,392
The Cove	0264-122-33	20208	15	440,500
The Cove	0264-122-34	20208	16	383,600
The Cove	0264-122-35	20208	17	458,954
The Cove	0264-122-36	20208	18	435,520
The Cove	0264-122-37	20208	19	495,228
The Cove	0264-122-38	20208	20	526,237
The Cove	0264-122-39	20208	21	512,478
The Cove	0264-122-40	20208	22	447,000
The Cove	0264-122-41	20208	23	440,500
The Cove	0264-122-42	20208	24	434,000
The Cove	0264-122-43	20208	102	524,770
The Cove	0264-122-44	20208	103	513,351
The Cove	0264-122-45	20208	104	553,738
The Cove	0264-122-46	20208	105	542,328
The Cove	0264-122-47	20208	106	567,860
The Cove	0264-122-48	20208	107	550,662
The Cove	0264-122-49	20208	108	525,430
The Cove	0264-122-50	20208	109	522,764
The Cove	0264-122-51	20208	110	387,600
The Cove	0264-732-24	20208	33	517,093
The Cove	0264-732-25	20208	34	515,998
The Cove	0264-732-26	20208	35	541,640
The Cove	0264-732-27	20208	36	518,360
The Cove	0264-732-28	20208	37	538,070
The Cove	0264-732-29	20208	38	543,736
The Cove	0264-732-30	20208	39	502,609
The Cove	0264-732-31	20208	40	501,780
The Cove	0264-732-32	20208	41	488,584
The Cove	0264-732-33	20208	42	525,747
The Cove	0264-732-34	20208	43	552,484
The Cove	0264-732-35	20208	44	540,141
The Cove	0264-732-36	20208	45	561,706

Product	APN	Tract	Lot	AV
The Cove	0264-732-37	20208	46	508,083
The Cove	0264-732-38	20208	47	503,031
The Cove	0264-732-39	20208	48	496,944
The Cove	0264-732-44	20208	61	611,792
The Cove	0264-732-45	20208	62	582,676
The Cove	0264-732-46	20208	63	561,333
The Cove	0264-732-48	20208	25	522,448
The Cove	0264-732-49	20208	26	509,960
The Cove	0264-732-50	20208	27	542,620
The Cove	0264-732-51	20208	28	538,340
The Cove	0264-732-52	20208	29	550,070
The Cove	0264-732-53	20208	30	522,930
The Cove	0264-732-54	20208	31	510,690
The Cove	0264-732-55	20208	32	503,780
The Cove	0264-733-12	20208	78	505,580
The Cove	0264-733-13	20208	79	491,110
The Cove	0264-733-14	20208	80	541,192
The Cove	0264-733-15	20208	81	512,407
The Cove	0264-733-16	20208	82	561,000
The Cove	0264-733-17	20208	83	513,795
The Cove	0264-733-18	20208	84	535,823
The Cove	0264-733-19	20208	85	503,129
The Cove	0264-733-20	20208	86	486,490
The Cove	0264-733-21	20208	87	488,318
The Cove	0264-733-22	20208	88	525,443
The Cove	0264-733-23	20208	89	527,844
The Cove	0264-733-24	20208	90	527,070
The Cove	0264-733-25	20208	91	494,460
The Cove	0264-733-26	20208	92	496,458
The Cove	0264-733-27	20208	93	528,543
The Cove	0264-733-41	20208	94	525,259
The Cove	0264-733-42	20208	95	519,248
The Cove	0264-733-43	20208	96	550,208
The Cove	0264-733-44	20208	97	534,860
The Cove	0264-733-45	20208	98	562,462
The Cove	0264-733-46	20208	99	531,222
The Cove	0264-733-47	20208	100	507,250
The Cove	0264-733-48	20208	101	513,130
			TOTAL	41,988,907

Product	APN	Tract	Lot	AV
Blueridge	0264-722-02	20209	1	577,320
Blueridge	0264-722-03	20209	2	575,321
Blueridge	0264-722-04	20209	3	568,403
Blueridge	0264-722-05	20209	4	606,912
Blueridge	0264-722-06	20209	5	576,810
Blueridge	0264-722-07	20209	6	566,977
Blueridge	0264-722-08	20209	7	561,000
Blueridge	0264-722-09	20209	8	523,770
Blueridge	0264-722-10	20209	9	580,380
Blueridge	0264-722-11	20209	10	555,900
Blueridge	0264-722-12	20209	11	566,702
Blueridge	0264-722-13	20209	12	554,072
Blueridge	0264-722-14	20209	13	589,652
Blueridge	0264-722-15	20209	14	544,089
Blueridge	0264-722-16	20209	15	549,127
Blueridge	0264-722-17	20209	16	526,034
Blueridge	0264-722-18	20209	17	614,547
Blueridge	0264-722-19	20209	18	556,880
Blueridge	0264-722-20	20209	19	584,672
Blueridge	0264-722-21	20209	20	540,029
Blueridge	0264-722-22	20209	21	606,123
Blueridge	0264-722-23	20209	22	560,220
Blueridge	0264-722-24	20209	23	553,521
Blueridge	0264-722-25	20209	24	555,261
Blueridge	0264-722-26	20209	25	600,820
Blueridge	0264-722-27	20209	26	554,416
Blueridge	0264-722-28	20209	27	604,220
Blueridge	0264-722-29	20209	28	607,893
Blueridge	0264-722-30	20209	29	548,640
Blueridge	0264-722-31	20209	30	529,392
Blueridge	0264-722-32	20209	31	484,814
Blueridge	0264-722-33	20209	32	606,392
Blueridge	0264-722-34	20209	33	507,500
Blueridge	0264-722-35	20209	107	580,878
Blueridge	0264-722-36	20209	108	410,958
Blueridge	0264-722-37	20209	109	557,410
Blueridge	0264-722-38	20209	110	551,366
Blueridge	0264-722-39	20209	111	590,990
Blueridge	0264-722-40	20209	112	578,567
Blueridge	0264-722-41	20209	113	559,720
Blueridge	0264-722-42	20209	114	568,085
Blueridge	0264-722-43	20209	115	590,684
Blueridge	0264-722-45	20209	117	609,561
Blueridge	0264-722-46	20209	118	583,891
Blueridge	0264-722-47	20209	119	542,578
Blueridge	0264-722-48	20209	120	586,643

Product	APN	Tract	Lot	AV
Blueridge	0264-722-49	20209	121	594,623
Blueridge	0264-722-50	20209	122	543,221
Blueridge	0264-722-51	20209	123	559,605
Blueridge	0264-722-52	20209	124	601,041
Blueridge	0264-722-53	20209	125	585,697
Blueridge	0264-722-54	20209	126	583,175
Blueridge	0264-722-55	20209	127	565,784
Blueridge	0264-722-56	20209	128	568,844
Blueridge	0264-722-57	20209	129	525,398
Blueridge	0264-722-58	20209	130	582,930
Blueridge	0264-722-59	20209	131	538,240
Blueridge	0264-793-08	20206	65	698,181
Blueridge	0264-793-09	20206	66	667,179
Blueridge	0264-793-10	20206	67	566,655
Blueridge	0264-822-33	20209	75	533,000
Blueridge	0264-822-34	20209	76	473,591
Blueridge	0264-822-35	20209	77	584,000
Blueridge	0264-822-36	20209	78	507,500
Blueridge	0264-822-44	20209	86	354,794
Blueridge	0264-822-45	20209	87	345,616
Blueridge	0264-822-46	20209	88	383,398
Blueridge	0264-822-47	20209	89	342,147
Blueridge	0264-822-48	20209	90	350,367
Blueridge	0264-822-49	20209	91	314,367
Blueridge	0264-822-50	20209	92	334,200
Blueridge	0264-822-51	20209	93	580,338
Blueridge	0264-822-52	20209	94	529,338
Blueridge	0264-822-53	20209	95	546,338
Blueridge	0264-822-54	20209	96	529,338
Blueridge	0264-822-55	20209	97	580,338
Blueridge	0264-822-56	20209	98	556,480
Blueridge	0264-822-57	20209	99	581,384
Blueridge	0264-822-58	20209	100	573,419
Blueridge	0264-822-59	20209	101	595,139
Blueridge	0264-822-60	20209	102	569,366
Blueridge	0264-822-61	20209	103	527,746
Blueridge	0264-822-62	20209	104	586,699
Blueridge	0264-822-63	20209	105	565,630
Blueridge	0264-822-64	20209	106	593,078
Blueridge	0264-832-02	20209	34	550,000
Blueridge	0264-832-03	20209	35	529,392
Blueridge	0264-832-04	20209	36	503,892
Blueridge	0264-832-05	20209	37	580,392
Blueridge	0264-832-06	20209	38	584,000
			TOTAL	49,315,000

Product	APN	Tract	Lot	AV
Ridgewater	0264-132-01	20205	83	661,019
Ridgewater	0264-132-02	20205	84	609,144
Ridgewater	0264-132-03	20205	85	664,020
Ridgewater	0264-132-04	20205	86	625,479
Ridgewater	0264-132-05	20205	87	607,727
Ridgewater	0264-132-06	20205	88	569,727
Ridgewater	0264-132-07	20205	89	607,727
Ridgewater	0264-132-08	20205	90	562,127
Ridgewater	0264-132-09	20205	91	607,727
Ridgewater	0264-132-10	20205	92	554,415
Ridgewater	0264-132-11	20205	93	646,437
Ridgewater	0264-132-12	20205	94	681,439
Ridgewater	0264-132-13	20205	95	632,844
Ridgewater	0264-132-14	20205	96	705,705
Ridgewater	0264-132-15	20205	97	637,630
Ridgewater	0264-132-16	20205	98	667,829
Ridgewater	0264-132-17	20205	99	633,779
Ridgewater	0264-132-18	20205	100	577,632
Ridgewater	0264-132-19	20205	101	554,049
Ridgewater	0264-132-20	20205	102	692,505
Ridgewater	0264-132-21	20205	103	650,859
Ridgewater	0264-132-22	20205	104	648,392
Ridgewater	0264-132-23	20205	105	597,392
Ridgewater	0264-132-24	20205	106	546,392
Ridgewater	0264-132-25	20205	107	459,000
Ridgewater	0264-132-26	20205	108	625,737
Ridgewater	0264-132-27	20205	109	680,238
Ridgewater	0264-132-28	20205	110	629,844
Ridgewater	0264-132-29	20205	111	664,062
Ridgewater	0264-132-30	20205	112	571,288
Ridgewater	0264-132-31	20205	113	678,846
Ridgewater	0264-132-32	20205	114	541,349
Ridgewater	0264-132-33	20205	115	607,372
Ridgewater	0264-132-34	20205	116	561,651
Ridgewater	0264-132-35	20205	117	598,815
Ridgewater	0264-132-36	20205	118	671,401
Ridgewater	0264-132-37	20205	119	620,404
Ridgewater	0264-132-38	20205	120	542,285
Ridgewater	0264-133-01	20205	1	516,527
Ridgewater	0264-133-02	20205	2	607,727
Ridgewater	0264-133-03	20205	3	523,687
Ridgewater	0264-133-04	20205	4	644,130
Ridgewater	0264-133-05	20205	5	646,978
Ridgewater	0264-133-06	20205	6	686,511
Ridgewater	0264-133-07	20205	7	614,346
Ridgewater	0264-133-08	20205	8	666,254

Product	APN	Tract	Lot	AV
Ridgewater	0264-133-09	20205	9	571,710
Ridgewater	0264-133-10	20205	10	538,268
Ridgewater	0264-133-11	20205	11	664,020
Ridgewater	0264-133-12	20205	12	553,884
Ridgewater	0264-133-13	20205	13	688,961
Ridgewater	0264-133-14	20205	14	642,015
Ridgewater	0264-133-15	20205	15	543,820
Ridgewater	0264-133-16	20205	16	685,321
Ridgewater	0264-133-29	20205	64	648,392
Ridgewater	0264-133-30	20205	65	597,392
Ridgewater	0264-133-31	20205	66	648,392
Ridgewater	0264-133-32	20205	67	546,392
Ridgewater	0264-133-33	20205	68	693,030
Ridgewater	0264-133-34	20205	69	653,403
Ridgewater	0264-133-35	20205	70	686,842
Ridgewater	0264-133-36	20205	71	620,246
Ridgewater	0264-133-37	20205	72	655,995
Ridgewater	0264-133-38	20205	73	633,659
Ridgewater	0264-133-39	20205	74	658,130
Ridgewater	0264-133-40	20205	75	632,569
Ridgewater	0264-133-41	20205	76	700,342
Ridgewater	0264-133-42	20205	77	647,630
Ridgewater	0264-133-43	20205	78	687,452
Ridgewater	0264-133-44	20205	79	547,334
Ridgewater	0264-133-45	20205	80	676,164
Ridgewater	0264-133-46	20205	81	592,814
Ridgewater	0264-133-47	20205	82	548,765
Ridgewater	0264-793-11	20206	68	729,621
Ridgewater	0264-793-12	20206	69	675,624
			TOTAL	46,668,635

Product	APN	Tract	Lot	AV
Summerbrooke	0264-112-05	20205	22	623,000
Summerbrooke	0264-112-06	20205	23	610,980
Summerbrooke	0264-112-07	20205	24	669,018
Summerbrooke	0264-112-08	20205	25	613,006
Summerbrooke	0264-112-09	20205	26	552,019
Summerbrooke	0264-112-10	20205	27	608,685
Summerbrooke	0264-112-12	20205	29	653,112
Summerbrooke	0264-112-13	20205	30	562,789
Summerbrooke	0264-112-14	20205	31	614,539
Summerbrooke	0264-112-15	20205	32	671,841
Summerbrooke	0264-112-16	20205	33	600,561
Summerbrooke	0264-112-17	20205	34	570,291
Summerbrooke	0264-112-18	20205	35	602,949
Summerbrooke	0264-112-19	20205	36	575,949
Summerbrooke	0264-112-20	20205	37	602,949
Summerbrooke	0264-112-21	20205	38	575,913
Summerbrooke	0264-112-22	20205	39	820,104
Summerbrooke	0264-112-23	20205	40	360,566
Summerbrooke	0264-112-24	20205	41	620,370
Summerbrooke	0264-112-25	20205	42	662,454
Summerbrooke	0264-112-26	20205	43	629,780
Summerbrooke	0264-112-27	20205	44	578,160
Summerbrooke	0264-112-28	20205	45	613,360
Summerbrooke	0264-112-29	20205	46	635,715
Summerbrooke	0264-112-30	20205	47	631,014
Summerbrooke	0264-112-31	20205	48	612,329
Summerbrooke	0264-112-32	20205	49	603,979
Summerbrooke	0264-112-33	20205	50	579,979
Summerbrooke	0264-112-34	20205	51	602,913
Summerbrooke	0264-112-38	20205	55	663,500
Summerbrooke	0264-112-39	20205	56	578,401
Summerbrooke	0264-112-40	20205	141	570,647
Summerbrooke	0264-112-41	20205	142	604,990
Summerbrooke	0264-112-42	20205	143	682,664
Summerbrooke	0264-112-43	20205	144	588,254
Summerbrooke	0264-112-44	20205	145	682,462
Summerbrooke	0264-112-45	20205	146	557,096
Summerbrooke	0264-132-39	20205	121	567,385
Summerbrooke	0264-132-40	20205	122	687,950
Summerbrooke	0264-132-41	20205	123	587,622
Summerbrooke	0264-132-42	20205	124	639,136
Summerbrooke	0264-132-43	20205	125	614,611
Summerbrooke	0264-132-44	20205	126	614,678
Summerbrooke	0264-132-45	20205	127	572,091
Summerbrooke	0264-132-46	20205	128	596,678
Summerbrooke	0264-132-47	20205	129	605,754
Summerbrooke	0264-132-48	20205	130	635,406
Summerbrooke	0264-132-49	20205	131	294,151
Summerbrooke	0264-132-50	20205	132	680,676
Summerbrooke	0264-132-51	20205	133	600,701
Summerbrooke	0264-132-52	20205	134	651,923
Summerbrooke	0264-132-53	20205	135	593,253
Summerbrooke	0264-132-54	20205	136	610,336
Summerbrooke	0264-132-55	20205	137	640,485
Summerbrooke	0264-132-56	20205	138	597,769
Summerbrooke	0264-132-57	20205	139	642,989
Summerbrooke	0264-132-58	20205	140	623,756
Summerbrooke	0264-133-17	20205	17	581,320
Summerbrooke	0264-133-18	20205	18	638,416
Summerbrooke	0264-133-19	20205	19	599,030
Summerbrooke	0264-133-20	20205	20	683,400
Summerbrooke	0264-133-21	20205	21	611,073
Summerbrooke	0264-133-22	20205	57	634,820
Summerbrooke	0264-133-23	20205	58	638,243
Summerbrooke	0264-133-24	20205	59	657,263
Summerbrooke	0264-133-25	20205	60	603,038
Summerbrooke	0264-133-26	20205	61	646,999
Summerbrooke	0264-133-27	20205	62	608,411
Summerbrooke	0264-133-28	20205	63	588,299
Summerbrooke	0264-793-19	20206	76	757,807
Summerbrooke	0264-793-20	20206	77	708,463
			TOTAL	43,600,270

Product	APN	Tract	Lot	AV
Edgestone	0264-092-08	20204	17	675,259
Edgestone	0264-092-09	20204	18	617,100
Edgestone	0264-092-10	20204	19	644,140
Edgestone	0264-092-11	20204	20	492,759
Edgestone	0264-092-12	20204	21	440,759
Edgestone	0264-092-13	20204	22	655,259
Edgestone	0264-092-14	20204	23	612,851
Edgestone	0264-112-47	20204	1	452,227
Edgestone	0264-112-48	20204	2	493,027
Edgestone	0264-112-49	20204	3	477,727
Edgestone	0264-112-50	20204	4	469,700
Edgestone	0264-112-51	20204	5	692,485
Edgestone	0264-112-52	20204	6	644,210
Edgestone	0264-112-53	20204	7	665,315
Edgestone	0264-112-54	20204	8	689,311
Edgestone	0264-112-55	20204	9	634,918
Edgestone	0264-112-56	20204	10	662,109
Edgestone	0264-112-57	20204	11	676,110
Edgestone	0264-112-58	20204	12	632,460
Edgestone	0264-112-59	20204	13	648,224
Edgestone	0264-112-60	20204	14	667,980
Edgestone	0264-112-61	20204	15	622,180
Edgestone	0264-112-62	20204	16	473,295
Edgestone	0264-112-83	20204	125	452,227
Edgestone	0264-112-84	20204	126	477,727
Edgestone	0264-112-85	20204	127	477,727
Edgestone	0264-112-86	20204	128	487,927
Edgestone	0264-112-87	20204	129	452,227
Edgestone	0264-112-88	20204	130	487,927
Edgestone	0264-793-16	20206	73	330,917
Edgestone	0264-793-17	20206	74	333,331
			TOTAL	17,239,415

Product	APN	Tract	Lot	AV
Stonecreek	0264-792-07	20206	3	1,048,543
Stonecreek	0264-792-08	20206	4	914,326
Stonecreek	0264-792-09	20206	5	819,929
Stonecreek	0264-792-10	20206	6	390,849
Stonecreek	0264-792-11	20206	7	660,500
Stonecreek	0264-792-12	20206	8	729,850
Stonecreek	0264-792-13	20206	9	682,646
Stonecreek	0264-792-14	20206	10	753,409
Stonecreek	0264-792-15	20206	11	593,166
Stonecreek	0264-792-16	20206	12	843,601
Stonecreek	0264-792-17	20206	13	635,329
Stonecreek	0264-792-18	20206	14	1,019,096
Stonecreek	0264-792-19	20206	15	733,953
Stonecreek	0264-792-20	20206	16	789,999
Stonecreek	0264-792-21	20206	17	879,867
Stonecreek	0264-792-22	20206	18	768,701
Stonecreek	0264-792-23	20206	19	669,684
Stonecreek	0264-792-24	20206	20	952,970
Stonecreek	0264-792-25	20206	21	826,367
Stonecreek	0264-792-26	20206	22	940,160
Stonecreek	0264-792-27	20206	23	760,160
Stonecreek	0264-792-28	20206	24	940,124
Stonecreek	0264-792-29	20206	25	925,248
Stonecreek	0264-792-30	20206	26	1,310,134
Stonecreek	0264-792-31	20206	27	975,132
Stonecreek	0264-792-32	20206	28	908,880
Stonecreek	0264-792-33	20206	29	798,285
Stonecreek	0264-792-34	20206	30	667,198
Stonecreek	0264-792-35	20206	31	1,008,280
Stonecreek	0264-792-36	20206	32	738,967
Stonecreek	0264-792-37	20206	33	904,785
Stonecreek	0264-792-38	20206	34	639,894
Stonecreek	0264-792-39	20206	35	739,740
Stonecreek	0264-792-40	20206	36	747,848
Stonecreek	0264-792-41	20206	37	633,252
Stonecreek	0264-792-42	20206	38	890,273
Stonecreek	0264-792-43	20206	39	728,963
Stonecreek	0264-792-44	20206	40	682,816
Stonecreek	0264-792-45	20206	41	872,912
Stonecreek	0264-792-46	20206	42	596,678
Stonecreek	0264-792-47	20206	43	677,275
Stonecreek	0264-792-48	20206	44	823,026
Stonecreek	0264-792-49	20206	45	960,969
Stonecreek	0264-792-50	20206	46	772,395
Stonecreek	0264-792-51	20206	47	638,140
Stonecreek	0264-792-52	20206	48	750,985

Product	APN	Tract	Lot	AV
Stonecreek	0264-792-53	20206	49	792,530
Stonecreek	0264-792-54	20206	50	629,551
Stonecreek	0264-792-55	20206	51	894,316
Stonecreek	0264-792-56	20206	52	711,034
Stonecreek	0264-792-58	20206	54	786,073
Stonecreek	0264-792-59	20206	55	816,656
Stonecreek	0264-792-60	20206	56	673,200
Stonecreek	0264-792-61	20206	57	743,637
Stonecreek	0264-793-01	20206	58	620,255
Stonecreek	0264-793-02	20206	59	828,690
Stonecreek	0264-793-03	20206	60	672,000
Stonecreek	0264-793-04	20206	61	787,856
Stonecreek	0264-793-05	20206	62	261,538
Stonecreek	0264-793-06	20206	63	1,041,557
Stonecreek	0264-793-07	20206	64	875,869
Stonecreek	0264-793-21	20206	78	354,099
Stonecreek	0264-793-22	20206	79	617,205
Stonecreek	0264-793-23	20206	80	737,793
Stonecreek	0264-793-24	20206	81	797,023
Stonecreek	0264-793-25	20206	82	941,321
Stonecreek	0264-793-26	20206	83	655,377
Stonecreek	0264-793-27	20206	84	905,938
Stonecreek	0264-793-28	20206	85	801,116
Stonecreek	0264-793-29	20206	86	639,161
			TOTAL	54,329,099

QUALIFICATIONS
OF
STEPHEN G. WHITE, MAI

PROFESSIONAL EXPERIENCE

Real Estate Appraiser since 1976.

1983 through current date: Self-employed; office located at 1801 Lexington Dr., Fullerton, CA 92835 (Phone: 714-738-1595)

1976-1982: Employed by Cedric A. White, Jr., MAI, independent appraiser located in Anaheim.

Real estate appraisals have been completed on most types of properties for purposes of fair market value, leased fee value, leasehold value, easement value, partial acquisitions and severance damages.

PROFESSIONAL ORGANIZATIONS

Designated Member, Appraisal Institute; MAI designation obtained 1985

Affiliate Member, Pacific West Association of Realtors

LICENSES

Licensed by the State of California as a Certified General Real Estate Appraiser; BREA ID No. AG013311; valid through September 22, 2026.

EDUCATION

B.A. Economics & Business, Westmont College, Santa Barbara (1976)

Appraisal Institute Courses:
- Basic Appraisal Principles, Methods and Techniques
- Capitalization Theory and Techniques
- Urban Properties
- Litigation Valuation
- Standards of Professional Appraisal Practice

Numerous seminars and continuing education on various appraisal subjects, including valuation of easements and leased fee interests, litigation, the money market and its impact on real estate, and standards of professional appraisal practice.

COURT/TESTIMONY EXPERIENCE

Qualified as an expert witness in the Superior Courts of Orange, Los Angeles, Riverside and San Bernardino Counties; also for the Assessment Appeals Board of Orange and Los Angeles Counties.

TYPES OF PROPERTY APPRAISED

Residential: vacant lots, acreage and subdivisions; single family residences, condominiums, townhomes and apartment complexes.

Commercial: vacant lots/acreage; office buildings, retail/shopping centers, restaurants, hotels/motels.

Industrial: vacant lots and acreage; warehouses, manufacturing buildings, R&D buildings, industrial parks, mini-warehouses.

Special Purpose: mobilehome parks, churches, automobile agencies, medical buildings, convalescent hospitals, easements, leased fee and leasehold interests.

QUALIFICATIONS, Page 2

CLIENT LIST

Corporations:

Aera Energy
British Pacific Properties
BSI Consultants
Crown Central Petroleum
Firestone Building Materials
Foodmaker Realty Corp.
Greyhound Lines
Holiday Rambler Corp.
International Baking Co.
Johnson Controls
Kampgrounds of America
Knowlwood Restaurants
Kroger Company
La Habra Products, Inc.
MCP Foods
Orangeland RV Park
Pacific Scientific
Penhall International
Pic 'N Save Stores
Sargent-Fletcher Co.
Shell-Western E&P
Southern Distributors Corp.
Southern California Edison
The Home Depot
Tooley and Company
Wastewater Disposal Co.

Developers:

Brighton Homes
BRIDGE Housing
Brookfield
Citation Builders
Davison-Ferguson Investment Devel.
D.T. Smith Homes
Irvine Company
Kathryn Thompson Developers
Mission Viejo Co.
Premier Homes
Presley Homes
Rockefeller & Associates
Taylor Woodrow Homes
Unocal Land & Development

Law Firms:

Atkinson, Andelson, Loya, Ruud & Romo
Baldikoski, Klotz & Dragonette
Best, Best & Krieger LLP
Bowie, Arneson, Wiles & Giannone
Bye, Hatcher & Piggott
Callahan, McCune & Willis
Cooksey, Coleman & Howard
Dawson & Dawson
Hamilton & Samuels
Horgan, Rosen, Beckham & Coren
Kirkland & Ellis
Latham & Watkins LLP
McKee, Charles C.
Mosich, Nicholas J.
Long, David M.
Nossaman, Guthner, Knox & Elliott, LLP
Oliver, Barr & Vose
Ollestad, Freedman & Taylor
Palmieri, Tyler, Wiener, Wilhelm & Waldron LLP
Paul, Hastings, Jonofsky & Walker LLP
Piggott, George B.
Pothier, Rose
Rosenthal & Zimmerman
Ross Wersching & Wolcott LLP
Rutan & Tucker, LLP
Sikora & Price, Inc.
Smith & Politiski
Williams, Gerold G.
Woodruff, Spradlin & Smart, P.C.
Yates, Sealy M.

Financial Institutions:

Ahmanson Trust Company
Barclays Bank
Chino Valley Bank
Continental Bank
First Interstate Mortgage
First Niagara Bank
First Wisconsin Bank
NorthMarq
Pacific Western Bank
San Clemente Savings & Loan
Security Pacific Bank
Sunwest Bank
United Calif. Savings Bank
Washington Square Capital

QUALIFICATIONS, Page 3

Cities:

Anaheim	Laguna Beach	San Diego
Baldwin Park	Lake Elsinore	San Marino
Buena Park	Long Beach	Santa Ana
City of Industry	Mission Viejo	Santee
Cypress	Orange	Seal Beach
Dana Point	Palm Desert	Stanton
Duarte	Placentia	Temecula
Fontana	Rialto	Tustin
Fullerton	Riverside	Wildomar
La Habra	San Clemente	Yorba Linda

Counties:

County of Orange	County of Riverside

Other Governmental:

Agua Mansa Industrial Growth Association	Lee Lake Water District
Eastern Municipal Water District	Metropolitan Water District
El Toro Water District	Orange County Water District
Federal Deposit Insurance Corporation (FDIC)	Trabuco Canyon Water District
Kern County Employees Retirement Association	U.S. Postal Service

School Districts:

Alvord Unified	Irvine Unified	Riverside Unified
Anaheim Union High	Jurupa Unified	Romoland
Anaheim Elementary	Lake Elsinore Unified	Saddleback Valley Unified
Banning Unified	Menifee Union	San Jacinto Unified
Beaumont Unified	Moreno Valley Unified	San Marcos Unified
Capistrano Unified	Murrieta Valley Unified	Santa Ana Unified
Castaic Union	Newhall	Saugus Union
Cypress	Newport-Mesa Unified	Sulphur Springs Union
Etiwanda	Orange Unified	Westside Union
Fullerton	Palm Springs Unified	William S. Hart Union High
Fullerton Jt. Union High	Placentia-Yorba Linda Unif.	Victor Elementary
Garden Grove Unified	Poway Unified	
Hemet Unified	Rialto Unified	

Churches/Church Organizations:

Calvary Church, Santa Ana	Lutheran Church, Missouri Synod
Central Baptist Church, Pomona	Presbytery of Los Rancho
Christian & Missionary Alliance Church, Santa Ana	St. Mark's Lutheran Church, Hac. Hts.
Christian Church Foundation	United Methodist Church
Congregational Church, Fullerton	Vineyard Christian Fellowship
First Church of the Nazarene	Yorba Linda United Methodist Church

Other:

Beverly Hospital
The Claremont College Services
GOALS (nonprofit org.)