PRELIMINARY OFFICIAL STATEMENT DATED DECEMBER __, 2022

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

In the opinion of Quint & Thimmig LLP, Larkspur, California, Bond Counsel, subject however, to certain qualifications described in this Official Statement, under existing law, interest on the 2022 Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended. For tax years beginning after December 31, 2022, interest on the 2022 Bonds may affect the corporate alternative minimum tax for certain corporations. In the further opinion of Bond Counsel, interest on the 2022 Bonds is exempt from personal income taxation imposed by the State of California. See "TAX MATTERS."

$15,000,000*

CITY OF ALAMEDA
COMMUNITY FACILITIES DISTRICT NO. 22-1
(ALAMEDA MARINA)
2022 SPECIAL TAX BONDS
(Green Bonds)

Dated: date of issuance **Due: September 1, as shown on inside cover**

The City of Alameda, California (the "City"), for and on behalf of the City of Alameda Community Facilities District No. 22-1 (Alameda Marina) (the "District"), is issuing the above-captioned bonds (the "2022 Bonds") to (i) finance costs of sea level rise resilience and adaptive improvements authorized to be funded by the District, (ii) fund a reserve fund for the 2022 Bonds, (iii) fund a capitalized interest account for the 2022 Bonds, and (iv) pay costs of issuing the 2022 Bonds. See "PLAN OF FINANCING" and "THE 2022 BONDS—Designation as Green Bonds." The 2022 Bonds are being issued pursuant to a Fiscal Agent Agreement, dated as of December 1, 2022, by and between the City, for and on behalf of the District, and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent").

The 2022 Bonds are payable from the proceeds of annual Special Taxes (as defined in the Fiscal Agent Agreement) to be levied on property located within the District (see "THE DEVELOPMENT AND THE DISTRICT—Description of the District"), and from certain funds pledged under the Fiscal Agent Agreement. The Special Taxes will be levied according to a rate and method of apportionment of Special Taxes. See "SECURITY FOR THE 2022 BONDS—Special Taxes" and Appendix B – "Rate and Method."

Interest on the 2022 Bonds is payable on March 1 and September 1 of each year, commencing on March 1, 2023. The 2022 Bonds will be issued in book-entry form only and, when delivered, will be registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the 2022 Bonds. Individual purchases of the 2022 Bonds will be made in book-entry form only. Purchasers of the 2022 Bonds will not receive physical certificates representing their ownership interests in the 2022 Bonds purchased. Principal of and interest on the 2022 Bonds are payable directly to DTC by the Fiscal Agent. Upon receipt of payments of principal and interest, DTC will in turn distribute such payments to the beneficial owners of the 2022 Bonds. See "THE 2022 BONDS" and Appendix G – "DTC and the Book-Entry Only System."

The 2022 Bonds are subject to optional and mandatory redemption prior to maturity. See "THE 2022 BONDS—Redemption."

The City may issue additional bonded indebtedness that will be secured by a lien on the Special Tax Revenues (as defined in the Fiscal Agent Agreement) and by funds pledged under the Fiscal Agent Agreement for the payment of the 2022 Bonds, on a parity with the 2022 Bonds. See "SECURITY FOR THE 2022 BONDS—Issuance of Additional Bonds."

NONE OF THE FAITH AND CREDIT OF THE DISTRICT, THE CITY OR THE STATE OF CALIFORNIA OR OF ANY OF THEIR RESPECTIVE POLITICAL SUBDIVISIONS IS PLEDGED TO THE PAYMENT OF THE 2022 BONDS. EXCEPT FOR THE SPECIAL TAX REVENUES, NO OTHER TAXES ARE PLEDGED TO THE PAYMENT OF THE 2022 BONDS. THE 2022 BONDS ARE NEITHER GENERAL NOR SPECIAL OBLIGATIONS OF THE CITY NOR GENERAL OBLIGATIONS OF THE DISTRICT, BUT ARE LIMITED OBLIGATIONS OF THE CITY FOR THE DISTRICT, PAYABLE SOLELY FROM CERTAIN AMOUNTS PLEDGED THEREFOR UNDER THE FISCAL AGENT AGREEMENT, AS MORE FULLY DESCRIBED IN THIS OFFICIAL STATEMENT.

This cover page contains certain information for quick reference only. Investors should read the entire Official Statement to obtain information essential to the making of an informed investment decision with respect to the 2022 Bonds. The purchase of the 2022 Bonds involves significant risks, and the 2022 Bonds are not appropriate investments for all types of investors. See "SPECIAL RISK FACTORS" in this Official Statement for a discussion of certain risk factors that should be considered, in addition to the other matters set forth in this Official Statement, in evaluating the investment quality of the 2022 Bonds.

The 2022 Bonds are offered when, as and if issued, subject to approval as to their legality by Quint & Thimmig LLP, Larkspur, California, Bond Counsel, and certain other conditions. Certain legal matters with respect to the 2022 Bonds will be passed upon for the City by the City Attorney, and by Quint & Thimmig LLP, in its capacity as Disclosure Counsel to the City for the 2022 Bonds. Certain legal matters related to the 2022 Bonds will be passed upon for the Underwriter by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, acting as Underwriter's Counsel. It is anticipated that the 2022 Bonds in definitive form will be available for delivery to DTC on or about December __, 2022.

STIFEL

The date of this Official Statement is December __, 2022.

* Preliminary, subject to change.

$15,000,000*
CITY OF ALAMEDA
COMMUNITY FACILITIES DISTRICT NO. 22-1
(ALAMEDA MARINA)
2022 SPECIAL TAX BONDS
(Green Bonds)

Maturity Schedule

$__________ Serial Bonds, CUSIP Prefix 010780**

Maturity Date (September 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP Suffix**

$________ ____% Term Bonds due September 1, ____ Yield ____% Price ____ CUSIP Number 010780 ____**
$________ ____% Term Bonds due September 1, ____ Yield ____% Price ____ CUSIP Number 010780 ____**
$________ ____% Term Bonds due September 1, ____ Yield ____% Price ____ CUSIP Number 010780 ____**

* Preliminary, subject to change.

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GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

The information contained in this Official Statement has been obtained from sources that are believed to be reliable. No representation, warranty or guarantee, however, is made by the Underwriter as to the accuracy or completeness of any information in this Official Statement, including, without limitation, the information contained in the Appendices, and nothing contained in this Official Statement should be relied upon as a promise or representation by the Underwriter.

Neither the City nor the Underwriter has authorized any dealer, broker, salesperson or other person to give any information or make any representations with respect to the offer or sale of 2022 Bonds other than as contained in this Official Statement. If given or made, any such information or representations must not be relied upon as having been authorized by the City or the Underwriter. The information and expressions of opinion in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the 2022 Bonds shall under any circumstances create any implication that there has been no change in the affairs of any party described in this Official Statement, or in the status of any property described in this Official Statement, subsequent to the date as of which such information is presented.

This Official Statement and the information contained in this Official Statement are subject to amendment without notice. The 2022 Bonds may not be sold, and no offer to buy the 2022 Bonds may be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the 2022 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

When used in this Official Statement and in any continuing disclosure by the City, in any press release and in any oral statement made with the approval of an authorized officer of the City or any other entity described or referenced in this Official Statement, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend" and similar expressions identify "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

All summaries of the documents referred to in this Official Statement are qualified by the provisions of the respective documents summarized and do not purport to be complete statements of any or all of such provisions.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as 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 the completeness of such information.

In connection with the offering of the 2022 Bonds, the Underwriter may overallot or effect transactions that stabilize or maintain the market prices of the 2022 Bonds at levels 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 2022 Bonds to certain dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

The 2022 Bonds have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), in reliance upon an exemption from the registration requirements contained in the Securities Act. The 2022 Bonds have not been registered or qualified under the securities laws of any state.

The City maintains an Internet website, but the information on the website is not incorporated in this Official Statement.

CITY OF ALAMEDA

City Council

Marilyn Ezzy Ashcraft, *Mayor*
Malia Vella, *Vice Mayor*
Tony Daysog, *Councilmember*
Trish Herrera Spencer, *Councilmember*
[To Be Determined](1), *Councilmember*

City Officials

Erin Smith, *Acting City Manager/ Public Works Director*
Margaret O'Brien, *Finance Director*
Lisa Maxwell, *Community Development Director*
Yibin Shen, Esq., *City Attorney*
Lara Weisiger, *City Clerk*

PROFESSIONAL SERVICES

Municipal Advisor
Urban Futures Incorporated
Tustin, California

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

Special Tax Consultant and Dissemination Agent
NBS
Temecula, California

Appraiser
Integra Realty Resources Sacramento
Rocklin, California

Bond Counsel and Disclosure Counsel
Quint & Thimmig LLP
Larkspur, California

(1) To be sworn in on December 20, 2022.

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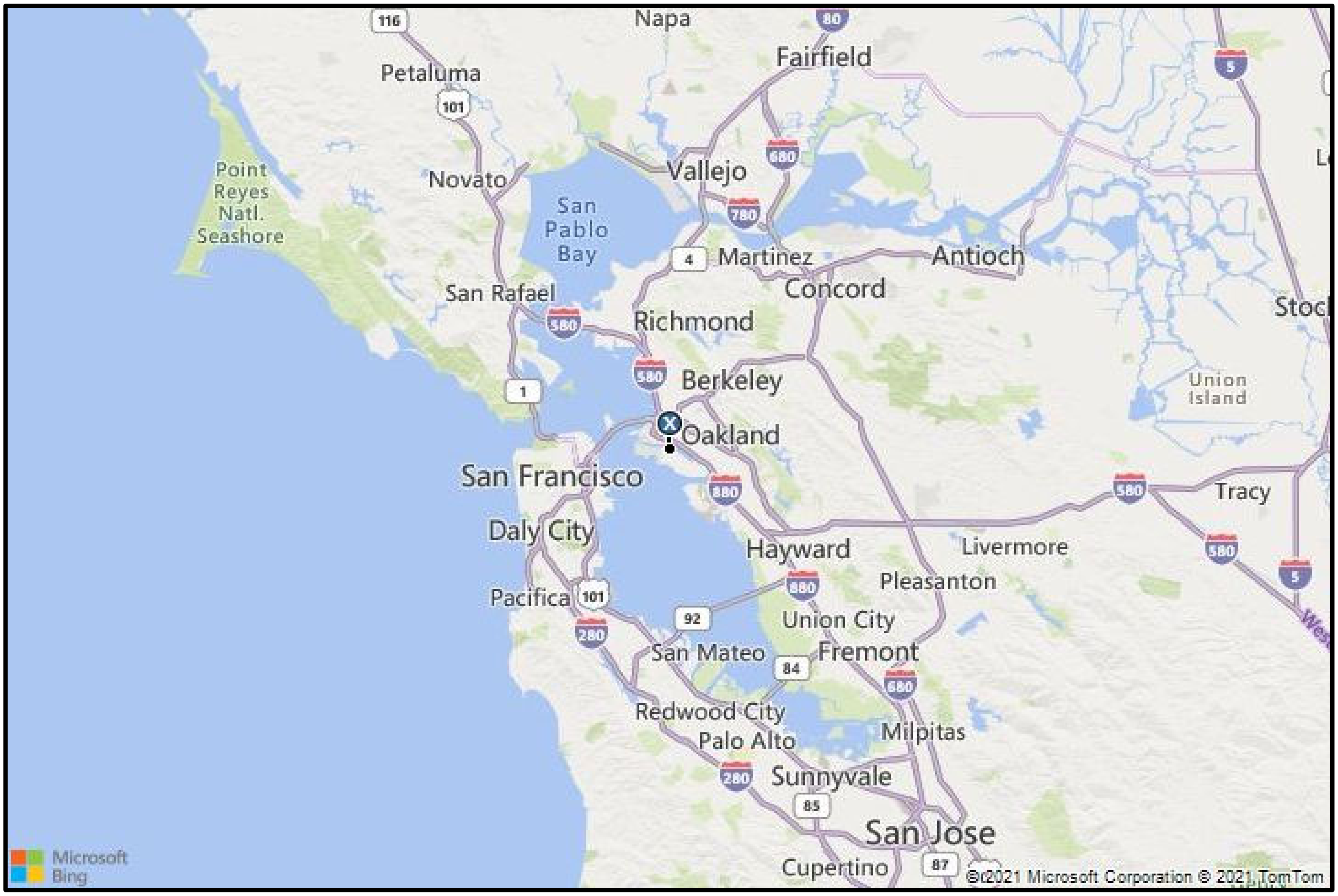
CITY OF ALAMEDA LOCATION MAP



OFFICIAL STATEMENT

$15,000,000*
CITY OF ALAMEDA
COMMUNITY FACILITIES DISTRICT NO. 22-1
(ALAMEDA MARINA)
2022 SPECIAL TAX BONDS
(Green Bonds)

INTRODUCTION

This introduction is not a summary of this Official Statement and is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in this entire Official Statement and the documents summarized or described in this Official Statement. A full review should be made of this entire Official Statement by those interested in purchasing the 2022 Bonds. The sale and delivery of 2022 Bonds to potential investors is made only by means of the entire Official Statement. Certain capitalized terms used in this Official Statement and not defined herein have the meanings set forth in Appendix C—"Summary of the Fiscal Agent Agreement—Definitions" and in Appendix B—"Rate and Method."

General

The purpose of this Official Statement, which includes the cover page, the inside cover page, the table of contents and the attached appendices (the "**Official Statement**"), is to provide certain information concerning the issuance by the City of Alameda, California (the "**City**"), for and on behalf of the City of Alameda Community Facilities District No. 22-1 (Alameda Marina) (the "**District**"), of the City of Alameda Community Facilities District No. 22-1 (Alameda Marina) 2022 Special Tax Bonds (the "**2022 Bonds**"). The 2022 Bonds are being issued to (i) finance costs of sea level rise resilience and adaptive improvements authorized to be funded by the District, (ii) fund a reserve fund for the 2022 Bonds, (iii) fund a capitalized interest account for the 2022 Bonds, and (iv) pay costs of issuing the 2022 Bonds. See "PLAN OF FINANCING" and "THE 2022 BONDS—Designation as Green Bonds."

Authority for Issuance

General. The District was formed in April 2022 under the authority of the City of Alameda Special Tax Financing Improvement Code, constituting Section 3-70.1 of the Alameda Municipal Code (the "**Law**"). The Law was enacted by Ordinance No. 2498 adopted by the City Council of the City (the "**City Council**") on September 18, 1990, and has provisions similar to those of the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 et seq.). The Law authorizes the City Council to establish community facilities districts with defined boundaries and, subject to approval by at least a two-thirds vote of the votes cast by the qualified electors within a district and compliance with the provisions of the Law, the City Council may issue bonds for a community facilities district established by it and may levy and collect a special tax within the community facilities district to repay the bonds.

Bond Authority. The 2022 Bonds are authorized to be issued pursuant to the Law, a Resolution adopted on December 6, 2022 by the City Council, acting as the legislative body of the District, and the Fiscal Agent Agreement, dated as of December 1, 2022 (the "**Fiscal Agent Agreement**"), between the City, for and on behalf of the District, and U.S. Bank Trust Company,

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* Preliminary, subject to change.

National Association, as fiscal agent (the "**Fiscal Agent**"). For more detailed information about the formation of the District and the authority for issuance of the 2022 Bonds, see "THE 2022 BONDS—Authority for Issuance" and "THE DEVELOPMENT AND THE DISTRICT—History of the District." When used in this Official Statement the term "**Bonds**" means the 2022 Bonds and any **Parity Bonds** that may be issued in the future under and as such term is defined in the Fiscal Agent Agreement. See "SECURITY FOR THE 2022 BONDS—Issuance of Additional Bonds."

The 2022 Bonds

General. The 2022 Bonds will be issued only as fully registered bonds, in denominations of $5,000 or any integral multiple thereof, and will bear interest at the rates per annum and will mature on the dates and in the principal amounts set forth on the inside cover page of this Official Statement. The 2022 Bonds will be dated the date of their issuance and interest on the 2022 Bonds will be payable on March 1 and September 1 of each year, commencing March 1, 2023 (each an "**Interest Payment Date**"). The 2022 Bonds will be issued in book-entry form only and, when delivered, will be registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("**DTC**"), which will act as securities depository for the 2022 Bonds. See "THE 2022 BONDS—General Provisions."

Redemption Prior to Maturity. The 2022 Bonds are subject to optional and mandatory redemption prior to maturity. See "THE 2022 BONDS—Redemption."

Designation as Green Bonds

The City is designating the 2022 Bonds as "green bonds" due to the benefits of the sea level rise resilience and adaptation improvements being financed with the net proceeds of the 2022 Bonds. Those improvements have been designed to provide protection for the Development against sea level rise of approximately ______ feet, an amount currently not projected to occur through the end of the century. See "THE 2022 BONDS—Designation as Green Bonds" and "THE DEVELOPMENT AND THE DISTRICT—The Improvements."

Security for the 2022 Bonds

Pledge Under the Fiscal Agent Agreement. Pursuant to the Fiscal Agent Agreement, the 2022 Bonds are secured by a first pledge of all of the Special Tax Revenues after deducting the Minimum Administrative Expense Requirement in each Fiscal Year (referred to in this Official Statement as the "Pledged Special Tax Revenues") and all moneys deposited in the Bond Fund, the Reserve Fund and, until disbursed in accordance with the Fiscal Agent Agreement, in the Special Tax Fund, all of which funds are held by the Fiscal Agent under the Fiscal Agent Agreement. "**Special Tax Revenues**," as defined in the Fiscal Agent Agreement, means the proceeds of the Special Taxes received by the City, including any scheduled payments and any prepayments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes to the amount of said lien, but does not include interest and penalties, if any, collected with the Special Taxes that are in excess of the rate of interest payable on the Bonds. "**Minimum Administrative Expense Requirement**" is defined in the Fiscal Agent Agreement to mean (a) for Fiscal Year 2022-23, $50,000; and (b) for each Fiscal Year after Fiscal Year 2022-23, an amount equal to 102% of the Minimum Administrative Expense Requirement in effect for the immediately preceding Fiscal Year.

The Pledged Special Tax Revenues, and all moneys on deposit in the Bond Fund, the Reserve Fund and the Special Tax Fund are dedicated to the payment of the principal of, and interest and any premium on, the 2022 Bonds in accordance with the Fiscal Agent Agreement until all of the 2022 Bonds have been paid or defeased. See "SECURITY FOR THE 2022 BONDS—Special Taxes."

Special Taxes; Rate and Method. The Special Taxes to be used to pay debt service on the 2022 Bonds will be levied in accordance with the Rate and Method of Apportionment of Special Taxes (the "**Rate and Method**") for the District, which is described under the heading "SECURITY FOR THE 2022 BONDS—Summary of Rate and Method," and is set forth in its entirety in Appendix B—"Rate and Method." "**Special Taxes**" as defined in the Fiscal Agent Agreement, means the special tax levied within the District pursuant to the Law, Ordinance No. 3319 adopted by the City Council on May 3, 2022 (the "**Ordinance Levying Special Taxes**"), which provides for the levy of the Special Taxes in accordance with the Rate and Method, and the Fiscal Agent Agreement. The Special Taxes are levied on "**Taxable Property**," which is defined in the Rate and Method as all of the County of Alameda Assessor's Parcels within the District which are not exempt from the Special Tax by applicable law or the Rate and Method (which exempts (i) certain **Property Owner Association Property** and **Public Property**, as such capitalized terms are defined in the Rate and Method, (ii) up to 25 Below Market Rate Units ("**BMR Units**") classified as such under the Rate and Method, and (iii) any Accessory Dwelling Units ("**ADUs**"), as defined in the Rate and Method). See "SECURITY FOR THE 2022 BONDS—Special Taxes" and "—Summary of Rate and Method."

Limitations. The first Special Tax Revenues in the amount of the applicable Minimum Administrative Expense Requirement received by the City in each Fiscal Year, as well as amounts in the Administrative Expense Fund, the Improvement Fund and the Costs of Issuance Fund, each of which is established under the Fiscal Agent Agreement, are not pledged to the repayment of the 2022 Bonds. The improvements financed by the District are not pledged to pay the debt service on the 2022 Bonds. The proceeds of any sale, condemnation or destruction of any of the improvements financed by the District are not pledged to pay the debt service on the 2022 Bonds.

In the event that the Special Taxes are not paid when due, the only sources of funds available to repay the 2022 Bonds are amounts held by the Fiscal Agent in the Bond Fund, the Special Tax Fund and the Reserve Fund established under the Fiscal Agent Agreement, and the proceeds, if any, from foreclosure sales of Taxable Property within the District in respect of delinquent Special Taxes.

Reserve Fund

The Fiscal Agent Agreement establishes a Reserve Fund as a reserve for the payment of principal of and interest on the Bonds (which includes the 2022 Bonds and any Parity Bonds). The Reserve Fund is required to be funded on the Closing Date at the "**Reserve Requirement,**" which is defined in the Fiscal Agent Agreement as an amount equal to the least of (i) the then Maximum Annual Debt Service, (ii) one hundred twenty-five percent (125%) of the average Annual Debt Service as of the date of issuance of the 2022 Bonds, or (iii) ten percent (10%) of the initial principal amount of the 2022 Bonds. The Reserve Requirement is not subject to increase unless and until recomputed at the time, if any, that Parity Bonds are issued. The Reserve Fund will be available to pay the debt service on the 2022 Bonds and any Parity Bonds in the event of a shortfall in the amount in the Bond Fund for such purpose. The Reserve Requirement as of the date of issuance of the 2022 Bonds will be $____________. See " SECURITY FOR THE 2022 BONDS—Reserve Fund."

The Development

The property initially included in the District consisting of approximately 11 acres, constitutes a portion of the larger, approximately 44 acre development known as Alameda Marina (the "Development"), located along the Oakland Estuary in the eastern portion of the City. Approximately 17 acres, consisting primarily of the marina and shoreline areas, is the subject of a lease (the "Tidelands Lease") with the City. See "THE DEVELOPMENT AND THE DISTRICT—Location and Description of the Development."

The Development is the subject of the Alameda Marina Master Plan approved by the City Council in July of 2018 in connection with the rehabilitation and improvement of a former working waterfront area, with zoning as mixed use planned development with multifamily residential, commercial uses, continued marina uses, parks and trails. The Development is planned to include 360 residential apartment units and 8 commercial work/live units, 182 townhomes, and 218 condominium units, 104 of which total units will be deed restricted as affordable. The Development also includes 55,000 square feet commercial space in one new building and seven rehabilitated buildings some of which have historic importance, and continues to include 530 boat slips, a 60 boat dry storage area, graving dock and a water life park. Upon completion, the Development will also include 3.45 acres of parks, shoreline access, bike paths and an extension of the Bay Trail. See "THE DEVELOPMENT AND THE DISTRICT—Location and Description of the Development" for more information regarding the Development."

The master developer of the Development, Alameda Marina, LLC (the "Master Developer"), has completed virtually all of the infrastructure improvements necessary for development and redevelopment to occur, including extensive sea level rise resilience and adaptive improvements protecting the Development site, and roadway, storm drain and other site improvements, the costs of some of which are subject to financing by the District. See "THE DEVELOPMENT AND THE DISTRICT—The Improvements." Construction is underway on a 360 unit apartment and 8 work/live unit complex known as "The Launch", expected to be completed in 2023, and construction has recently just begun on the first 18 of 182 townhomes. Full buildout of all of the Development to occur over several years. While only the portion of the Development that is in the District initially will be subject to the levy of the Special Taxes, other portions of the Development are located in a future annexation area of the District and may be annexed into the District at a later date. If any such annexation occurs, it is expected that Parity Bonds will be issued to finance improvements authorized to be funded by the District but not funded with proceeds of the 2022 Bonds. See "SECURITY FOR THE 2022 BONDS—Issuance of Additional Bonds."

The District

The District was formed by the City Council pursuant to proceedings conducted under the Law on April 19, 2022 with a maximum bonded indebtedness of $37,000,000. See "THE DEVELOPMENT AND THE DISTRICT—History of the District." The District includes approximately 11 acres within the Development to be improved with a total of 182 townhomes in 31 buildings, including 25 BMR Units that will not be subject to the levy of Special Taxes. The townhomes are being constructed by Landsea Construction LLC on behalf of LS-Alameda Marina LLC, a Delaware limited liability company (the "**Builder**"), both of which are affiliated with Landsea Homes Corporation, a publicly traded homebuilder (Nasdaq: LSEA) based in Newport Beach, California that has operations in several states and has been building homes in Northern California for over eight years. Construction of in-tract improvements began in March, 2022 and is approximately 50% complete as of November 14, 2022. Building permits have been issued by the City for 3 of the buildings that are to include 18 of the townhomes, with construction underway and expected to be completed on these initial units by the end of July 2023. Full buildout of all 182 planned townhomes is expected to occur over the next several years. See "THE DEVELOPMENT AND THE DISTRICT—Description of the District" for a more complete description of the development occurring and to occur in the District.

Land Valuation

The firm of Integra Realty Resources Sacramento (the "**Appraiser**") has prepared an Appraisal of property in the District dated November 11, 2022 (the "**Appraisal Report**") with a valuation date of September 6, 2022, estimating the market value of the 157 townhomes being constructed in the District that will be subject to the levy of the Special Taxes (the "Taxable Property").

The Appraiser concluded in the Appraisal Report that the market value of the Taxable Property in the District is $58,750,000, subject to certain assumptions and limiting conditions set forth in the Appraisal Report, including a hypothetical condition that proceeds of the 2022 Bonds will be available for the reimbursement of public improvement costs. The appraised value of the land in the District, as reflected in the Appraisal Report, $58,750,000, is approximately 3.9* times the $15,000,000* initial principal amount of the 2022 Bonds. On November __, 2022, the Appraiser provided a letter to the City (the "Update Letter") to the effect that the value of the property in the District as of November __ 2022 was not less than the value as of the September 6, 2022 date of value in the Appraisal. The Appraisal Report and the Update Letter, copies of which are included in Appendix H, should be read in their entirety by prospective purchasers of the 2022 Bonds. See "THE DEVELOPMENT AND THE DISTRICT—Property Values" and "SPECIAL RISK FACTORS—Property Value."

No assurance can be given that should Special Taxes levied on one or more of the completed townhomes or Taxable Property not yet improved with townhomes become delinquent, and should the delinquent parcels be offered for sale at a judicial foreclosure sale, that any bid would be received for the property or, if a bid is received, that such bid would be sufficient to pay such parcel's delinquent Special Taxes. See "SPECIAL RISK FACTORS—Property Value" and "SPECIAL RISK FACTORS—Insufficiency of Special Taxes."

Limited Obligation

Although the unpaid Special Taxes constitute liens on the Taxable Property within the District on which they are levied, they do not constitute a personal indebtedness of any owners of the Taxable Property. There is no assurance that the Builder, which is the initial entity responsible for payment of the Special Taxes until townhomes are built and sold to townhome buyers, or any owner or purchaser of a townhome in the District, will be financially able to pay the Special Taxes levied on their property in the District or that they will pay the Special Taxes even though financially able to do so.

NONE OF THE FAITH AND CREDIT OF THE DISTRICT, THE CITY OR THE STATE OF CALIFORNIA OR OF ANY OF THEIR RESPECTIVE POLITICAL SUBDIVISIONS IS PLEDGED TO THE PAYMENT OF THE 2022 BONDS. EXCEPT FOR THE SPECIAL TAX REVENUES, NO OTHER TAXES ARE PLEDGED TO THE PAYMENT OF THE 2022 BONDS. THE 2022 BONDS ARE NEITHER GENERAL NOR SPECIAL OBLIGATIONS OF THE CITY NOR GENERAL OBLIGATIONS OF THE DISTRICT, BUT ARE LIMITED OBLIGATIONS OF THE CITY FOR THE DISTRICT PAYABLE SOLELY FROM CERTAIN AMOUNTS PLEDGED

* Preliminary, subject to change.

THEREFOR UNDER THE FISCAL AGENT AGREEMENT, AS MORE FULLY DESCRIBED IN THIS OFFICIAL STATEMENT.

Issuance of Additional Bonds

The City may in the future incur additional bonded indebtedness that is secured by a lien on the Special Tax Revenues and on the funds pledged under the Fiscal Agent Agreement for the payment of the 2022 Bonds on a parity with the 2022 Bonds ("**Parity Bonds**"), subject to the applicable provisions of the Fiscal Agent Agreement, which include a valuation test and a Special Tax coverage test (except for Refunding Bonds that are to be Parity Bonds). The Fiscal Agent Agreement allows for the issuance of Parity Bonds in a principal amount of up to $22,000,000* (which is an amount equal to the difference between the $37,000,000 bonded indebtedness limit of the District, and the initial principal amount of the 2022 Bonds) to provide additional financing for the improvements authorized to be funded by the District (the "Improvements"), and otherwise that are Refunding Bonds. See "SECURITY FOR THE 2022 BONDS—Issuance of Additional Bonds." It is expected that Parity Bonds, other than Refunding Bonds, will only be issued if additional property is annexed to the District. See "PLAN OF FINANCING—General."

Bondowners' Risks

Certain events could affect the ability of the City to pay the principal of and interest on the 2022 Bonds when due. Except for the Special Taxes, no other taxes are pledged to the payment of the 2022 Bonds. See "SPECIAL RISK FACTORS" for a discussion of certain factors that should be considered in evaluating an investment in the 2022 Bonds. The purchase of the 2022 Bonds involves significant risks, and the 2022 Bonds are not appropriate investments for all types of investors.

Continuing Disclosure

For purposes of complying with Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934, as amended (the "**Rule**"), the City has agreed to provide, or cause to be provided, to the Municipal Securities Rulemaking Board (the "**MSRB**") certain annual financial information and notice of certain significant events. These covenants have been made in order to assist the Underwriter in complying with the Rule. See "CONTINUING DISCLOSURE—The City" and Appendix E for a description of the specific nature of the annual reports and notices of significant events, as well as the terms of the Continuing Disclosure Agreement to which the City will be a party and pursuant to which such reports and notices are to be made. Also see "CONTINUING DISCLOSURE—The City" for a description of certain failures by an entity related to the City to fully comply with certain prior obligations under the Rule.

The Builder has agreed to enter into a separate Continuing Disclosure Agreement-Builder pursuant to which it will provide certain information on an annual and a semi annual basis and notice of certain events relative to property in the District it owns or is under contract to acquire. The obligation of the Builder to provide such information will terminate on the date on which the at least 146 of the townhomes constructed in the District or to be constructed are the subject of closed sales with townhome buyers. See "CONTINUING DISCLOSURE—The Builder," and see Appendix F—"Form of Continuing Disclosure Agreement–Builder" for the complete text of the Continuing Disclosure Agreement–Builder.

Other Information

This Official Statement speaks only as of its date, and the information contained in this Official Statement is subject to change without notice. Except where otherwise indicated, all information contained in this Official Statement has been provided by the City on behalf of the District.

Copies of the Fiscal Agent Agreement and certain other documents referenced in this Official Statement are available for inspection at the office of, and (upon written request and payment to the City of a charge for copying, mailing and handling) are available for delivery from, the City's Finance Director, c/o City of Alameda, 2263 Santa Clara Avenue, Room 220, Alameda, California 94501.

PLAN OF FINANCING

Overview

The District was formed for the purpose of providing financing for costs of the Improvements, including sea level rise resilience and adaptive improvements, and street and storm drain improvements. The sea level rise improvements include the reconstruction of 4,009 linear feet of embankments, a seawall, bulkheads and revetment slopes providing protection for the Development against projected end of the century sea level rise. The City, for and on behalf of the District, has entered into an Acquisition and Funding Agreement with the Master Developer, dated as of March 15, 2022, (the "**Acquisition and Funding Agreement**"), pursuant to which the City has agreed to use proceeds of Bonds issued for the District to pay a portion of the costs of the construction by the Master Developer of the Improvements. See "THE DEVELOPMENT AND THE DISTRICT—The Improvements."

All of the Improvements constituting public infrastructure needed for the development of the property in the District have been completed, as well as all but the renovation of a promenade wharf expected to cost approximately $1,700,000. In accordance with the Acquisition and Funding Agreement, proceeds of the 2022 Bonds deposited to the Improvement Fund will be used to make payments to the Master Developer for costs of the sea level rise improvements. See "PLAN OF FINANCING—Sources and Uses of Funds" and "THE DEVELOPMENT AND THE DISTRICT—The Improvements." The Master Developer has advised that it expects to submit the documents required by the Acquisition and Funding Agreement for payment of costs of the Improvements that will fully utilize all of the 2022 Bond proceeds to be deposited to the Improvement Fund sometime in the next month or two.

The Fiscal Agent Agreement allows for the issuance of Parity Bonds in a principal amount of up to $22,000,000* (which is an amount equal to the difference between $37,000,000 bonded indebtedness limit of the District, and the initial principal amount of the 2022 Bonds), and otherwise that are Refunding Bonds, which Parity Bonds will be secured on a parity with the 2022 Bonds. Proceeds of any Parity Bonds that are not used for refunding purposes will be available to pay additional costs of the Improvements pursuant to the Acquisition and Funding Agreement. The principal amount of the 2022 Bonds has been sized to leverage the annual Pledged Special Tax Revenues with at least 110% coverage of the debt service on the 2022 Bonds (see "THE DEVELOPMENT AND THE DISTRICT—Projected Debt Service Coverage"). Additional Parity Bonds that are not Refunding Bonds are not expected to be issued unless additional property is annexed to the District or if Refunding Bonds create sufficient excess

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* Preliminary, subject to change.

pledged Special Tax Revenue capacity. See "SECURITY FOR THE BONDS—Issuance of Additional Parity Bonds."

In addition to providing financing for the Improvements, proceeds of the 2022 Bonds will also be used to fund the Reserve Fund for the 2022 Bonds, make a deposit to a Capitalized Interest Account to pay interest on the 2022 Bonds for a limited period of time, and to pay the costs of issuance of the 2022 Bonds.

Estimated Sources and Uses of Funds

The sources and uses of funds in connection with the 2022 Bonds are expected to be as follows:

Principal of 2022 Bonds	$
Plus (Less): Original Issue Premium (Discount)	
Less: Underwriter's Discount	
Total Sources	$
Deposit to Improvement Fund(1)	$
Deposit to Reserve Fund(2)	
Deposit to Costs of Issuance Fund(3)	
Deposit to Capitalized Interest Account(4)	
Total Uses	$

(1) To be used to finance costs of the sea level rise resilience and adaptive improvements authorized to be funded by the District. See "PLAN OF FINANCING—Overview" and "THE DEVELOPMENT AND THE DISTRICT—The Improvements."
(2) Equal to the initial Reserve Requirement. See "SECURITY FOR THE 2022 BONDS—Reserve Fund."
(3) Costs of issuance include, without limitation, Municipal Advisor fees and expenses, Fiscal Agent fees and expenses, Bond Counsel and Disclosure Counsel and other legal fees and expenses, and printing costs.
(4) Equal to the interest due on the 2022 Bonds on March 1, 2023 and September 1, 2023 without accounting for any investment earnings thereon. See "SECURITY FOR THE 2022 BONDS—Capitalized Interest Account."

THE 2022 BONDS

Authority for Issuance

Pursuant to the Law, on April 19, 2022, the City Council adopted Resolution No. 15891 establishing the District ("**Resolution of Formation**"). Also on April 19, 2022, the then owner of the property in the District (being a land-banking entity – see "THE DEVELOPMENT AND THE DISTRICT—Land Ownership"), and thereby the qualified elector for the District, authorized the issuance of bonded indebtedness to finance specified public improvements, and approved the levy of the Special Taxes pursuant to the Rate and Method on property in the District.

The 2022 Bonds are authorized to be issued pursuant to the Law, a Resolution adopted on December 6, 2022, by the City Council, acting as the legislative body of the District, and the Fiscal Agent Agreement. The Special Taxes to be used to pay debt service on the 2022 Bonds will be levied in accordance with the Rate and Method.

General Provisions

The 2022 Bonds will be issued only as fully registered 2022 Bonds, in the denomination of $5,000 or any integral multiple thereof, and will bear interest at the rates per annum and will mature on the dates set forth on the inside cover page of this Official Statement. The 2022 Bonds will be dated the date of their issuance and interest will be payable on each Interest Payment Date, commencing March 1, 2023.

Each 2022 Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date; or (b) it is authenticated on or before February 15, 2023, in which event it will bear interest from the date of issuance of the 2022 Bonds; provided, however, that if, as of the date of authentication of any 2022 Bond, interest thereon is in default, such 2022 Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon. The term "**Record Date**" as defined in the Fiscal Agent Agreement means the fifteenth (15th) day of the month next preceding the month of the applicable Interest Payment Date, whether or not such fifteenth (15th) day is a Business Day.

The 2022 Bonds will be payable both as to principal and interest, and as to any premium upon the redemption thereof, in lawful money of the United States of America. The principal of the 2022 Bonds and any premium due upon the redemption thereof will be payable by check of the Fiscal Agent upon presentation and surrender of the applicable 2022 Bonds at the Principal Office of the Fiscal Agent. Interest with respect to each Bond will be computed using a year of 360 days comprised of twelve 30-day months.

The 2022 Bonds will be issued in book-entry form only and, when delivered, will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the 2022 Bonds. Individual purchases of the 2022 Bonds will be made in book-entry form only. Purchasers of the 2022 Bonds will not receive physical certificates representing their ownership interests in the 2022 Bonds purchased. Principal and interest payments represented by the 2022 Bonds are payable directly to DTC by the Fiscal Agent. Upon receipt of payments of principal and interest, DTC will in turn distribute such payments to the beneficial owners of the 2022 Bonds. See Appendix G—"DTC and the Book-Entry Only System." *So long as the 2022 Bonds are registered in the name of Cede & Co., as nominee of DTC, references in this Official Statement to the owners shall mean Cede & Co., and shall not mean the purchasers or Beneficial Owners of the 2022 Bonds.*

Designation as Green Bonds

The City is designating the 2022 Bonds as "green bonds" due to the benefits of the sea level rise resilience and adaptation improvements being financed with the net proceeds of the 2022 Bonds. Those improvements have been designed to provide protection for the Development against sea level rise of approximately seven feet, an amount currently not projected to occur through the end of the century. See "THE DEVELOPMENT AND THE DISTRICT—The Improvements."

The purpose of designating the 2022 Bonds as "green bonds" is to allow owners of the 2022 Bonds to invest directly in bonds that address the effects of climate change through the provision of resilient and adaptive improvements. The 2022 Bonds may not be a suitable investment for all investors seeking exposure to "green" assets. There currently is no market consensus on what precise attributes are required for particular improvements to be defined as "green" and therefore no assurance can be provided to investors that the sea level resilience related improvements to be financed with proceeds of the 2022 Bonds will meet and continue to meet investor expectations regarding sea level rise protection performance.

The City has not requested any independent review or certification of the 2022 Bonds as "green" bonds, and does not intend to provide investors with continuing information on the performance of the sea level resilience improvements, although the Tidelands Lease sets forth various ongoing obligations related to those improvements. See "SPECIAL RISKS FACTORS—Risk of Sea Level Changes." "Green bonds" is entirely a self-designated label lacking any established objective guidelines or criteria.

The term "green bonds" is not defined in the Fiscal Agent Agreement, and is solely for identification purposes and is not intended to provide or imply that the owners of the 2022 Bonds are entitled to any security other than as described under the heading "SECURITY FOR THE 2022 BONDS."

Redemption

Optional Redemption. The 2022 Bonds maturing on and after September 1, ____ are subject to optional redemption prior to their stated maturity on any Interest Payment Date occurring on or after September 1, ____, as a whole, or in part among maturities as determined by the Finance Director of the City and by lot within a maturity, at a redemption price (expressed as a percentage of the principal amount of the 2022 Bonds to be redeemed), as set forth below, together with accrued interest thereon to the date fixed for redemption:

Redemption Dates	Redemption Prices
September 1, ____ and March 1, ____	%
September 1, ____ and March 1, ____	
September 1, ____ and March 1, ____	
September 1, ____ and any Interest Payment Date thereafter	

Mandatory Sinking Payment Redemption*.* The 2022 Bonds maturing on September 1, ____, are subject to mandatory sinking payment redemption in part on September 1, ____, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, from sinking payments as follows:

Redemption Date (September 1)	Sinking Payments

The 2022 Bonds maturing on September 1, ____, are subject to mandatory sinking payment redemption in part on September 1, ____, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, from sinking payments as follows:

Redemption Date (September 1)	Sinking Payments

The 2022 Bonds maturing on September 1, ____, are subject to mandatory sinking payment redemption in part on September 1, ____, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, from sinking payments as follows:

Redemption Date (September 1)	Sinking Payments

The amounts in the foregoing tables will be reduced as a result of any prior partial redemption of the 2022 Bonds pursuant to the optional redemption or redemption from special tax prepayments provisions of the Fiscal Agent Agreement, so as to maintain to the extent practicable the same debt service profile for the Bonds as in effect prior to such redemption, as specified in writing by the City's Finance Director to the Fiscal Agent.

Mandatory Redemption From Special Tax Prepayments. The 2022 Bonds are subject to mandatory redemption prior to their stated maturity on any Interest Payment Date, from the proceeds of Special Tax Prepayments and corresponding transfers of funds from the Reserve Fund (as described below under "SECURITY FOR THE 2022 BONDS—Reserve Fund"), as a whole or in part by lot and allocated among maturities of the 2022 Bonds as determined by the Finance Director so as to maintain substantially the same debt service profile for the Bonds as in effect prior to such redemption, at a redemption price (expressed as a percentage of the principal amount of the 2022 Bonds to be redeemed), as set forth below, together with accrued interest to the date fixed for redemption:

Redemption Dates	Redemption Prices
any Interest Payment Date to and including March 1, ____	%
September 1, ____ and March 1, ____	
September 1, ____ and March 1, ____	
September 1, ____ and any Interest Payment Date thereafter	

No assurance can be given regarding future prepayments of Special Taxes which, if they occur, could result in a redemption of 2022 Bonds prior to maturity. See the last paragraph under the heading "SECURITY FOR THE 2022 BONDS—Summary of Rate and Method" and "SPECIAL RISK FACTORS—Potential Early Redemption of Bonds from Special Tax Prepayments."

Purchase of 2022 Bonds In Lieu of Redemption. In lieu of redemption as described above, moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding 2022 Bonds, upon the filing with the Fiscal Agent of an Officer's Certificate requesting such purchase prior to the selection of 2022 Bonds for redemption, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer's Certificate may provide, but in no event may 2022 Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase.

Selection of 2022 Bonds for Redemption. Whenever provision is made in the Fiscal Agent Agreement for the redemption of less than all of the 2022 Bonds or any given portion thereof pursuant to the optional redemption or redemption from Special Tax Prepayment provisions of the Fiscal Agent Agreement, the Fiscal Agent shall select the 2022 Bonds to be redeemed, from all 2022 Bonds or such given portion thereof not previously called for redemption among maturities as directed in writing by the Finance Director, and within a maturity by lot in any manner which the Fiscal Agent in its sole discretion shall deem appropriate and fair. For purposes of selection of 2022 Bonds to be redeemed, all 2022 Bonds shall be deemed to be comprised of separate $5,000 portions, and such portions shall be treated as separate 2022 Bonds that may be separately redeemed.

Notice of Redemption. The Fiscal Agent will cause notice of any redemption to be mailed by first class mail, postage prepaid, at least 30 days but not more than 60 days prior to the date fixed for redemption, to the Securities Depositories and to one or more Information Services (or by such other means as permitted by such services), and to the respective registered Owners of any 2022 Bonds designated for redemption, at their addresses appearing on the Bond registration books in the Principal Office of the Fiscal Agent; but such mailing is not a condition precedent to redemption and failure to mail or to receive any such notice, or any defect therein, will not affect the validity of the proceedings for the redemption of such 2022 Bonds. The redemption notice will state the redemption date and the redemption price and, if less than all of the then Outstanding 2022 Bonds are to be called for redemption, will designate the CUSIP numbers and Bond numbers of the 2022 Bonds to be redeemed by giving the individual CUSIP number and Bond number of each Bond to be redeemed or will state that all 2022 Bonds between two stated Bond numbers, both inclusive, are to be redeemed or that all of the 2022 Bonds of one or more maturities have been called for redemption, will state as to any Bond called in part the principal amount thereof to be redeemed, and will require that such 2022 Bonds be then surrendered at the Principal Office of the Fiscal Agent for redemption at the said redemption price, and will state that further interest on such 2022 Bonds will not accrue after the redemption date.

Notwithstanding the foregoing, any notice of redemption in connection with an optional redemption or redemption from Special Tax Prepayments may state that the redemption is conditioned upon receipt by the Fiscal Agent of sufficient moneys to redeem the 2022 Bonds on the anticipated redemption date, and that the redemption will not occur if by no later than the scheduled redemption date sufficient moneys to redeem the 2022 Bonds have not been deposited with the Fiscal Agent. In the event that the Fiscal Agent does not receive sufficient funds by the scheduled redemption date to so redeem the 2022 Bonds to be redeemed, the Fiscal Agent will send written notice to the owners of the 2022 Bonds, to the Securities Depositories and to one or more of the Information Services to the effect that the redemption did not occur as anticipated, and the 2022 Bonds for which notice of redemption was given will remain Outstanding for all purposes of the Fiscal Agent Agreement.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the 2022 Bonds so called for redemption have been deposited in the Bond Fund, such 2022 Bonds so called will cease to be entitled to any benefit under the Fiscal Agent Agreement other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date.

Tender of 2022 Bonds in Payment of Special Taxes. The City has covenanted in the Fiscal Agent Agreement not to permit the tender of 2022 Bonds in payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the City having insufficient Special Tax Revenues to pay the principal or and interest on the Bonds that will remain Outstanding following such tender.

Transfer or Exchange of 2022 Bonds

So long as the 2022 Bonds are registered in the name of Cede & Co., as nominee of DTC, transfers and exchanges of 2022 Bonds shall be made in accordance with DTC procedures. See Appendix G—"DTC and the Book-Entry Only System." If the book-entry only system for the 2022 Bonds is ever discontinued, any 2022 Bond may, in accordance with its terms, be transferred or exchanged by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such 2022 Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form approved by the Fiscal Agent. Whenever any 2022 Bond or 2022 Bonds are surrendered for transfer or exchange, the City will execute and the Fiscal Agent will authenticate and deliver a new 2022 Bond or 2022 Bonds, for a like aggregate principal amount of 2022 Bonds of authorized denominations and of the same maturity. The Fiscal Agent will collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer or exchange.

No transfers or exchanges of 2022 Bonds will be required to be made (i) within the 15 days prior to the date designated by the Fiscal Agent as the date for selecting 2022 Bonds for redemption, or (ii) with respect to any 2022 Bond after such 2022 Bond has been selected for redemption.

Discontinuance of DTC Services

DTC may determine to discontinue providing its services with respect to the 2022 Bonds at any time by giving written notice to the Fiscal Agent during any time that the 2022 Bonds are Outstanding, and discharging its responsibilities with respect to the 2022 Bonds under applicable law. The City may terminate the services of DTC with respect to the 2022 Bonds if it determines that DTC is unable to discharge its responsibilities with respect to the 2022 Bonds or that continuation of the system of book-entry transfers through DTC is not in the best interest of the Beneficial Owners. The City will mail any such notice of termination to the Fiscal Agent.

Upon the termination of the services of DTC as provided in the previous paragraph, and if no substitute Depository willing to undertake the functions can be found which is willing and able to undertake such functions upon reasonable or customary terms, or if the City determines that it is in the best interest of the Beneficial Owners of the 2022 Bonds that they obtain certificated bonds, the 2022 Bonds will no longer be restricted to being registered in the Registration Books of the Fiscal Agent in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or name the Owners designate at that time, in accordance with the Fiscal Agent Agreement.

To the extent that the Beneficial Owners are designated as the transferee by the Owners, the 2022 Bonds will be delivered to such Beneficial Owners as soon as practicable in accordance with the Fiscal Agent Agreement.

Scheduled Debt Service

The following is the debt service schedule for the 2022 Bonds, assuming no optional redemption or any redemption with proceeds of Special Tax Prepayments of the 2022 Bonds:

Period Ending September 1	Principal	Interest	Total
2023	$	$	$
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
2053			
Totals	$	$	$

* Indicates a mandatory sinking fund payment.

SECURITY FOR THE 2022 BONDS

General

Pursuant to the Fiscal Agent Agreement, the 2022 Bonds are secured by a pledge of all of the Special Tax Revenues as described below (other than the first Special Tax Revenues in the amount of the Minimum Administrative Expense Requirement received by the City in each Fiscal Year, which are to be used to pay Administrative Expenses), and all moneys deposited in the Bond Fund, the Reserve Fund and, until disbursed in accordance with the Fiscal Agent Agreement, the Special Tax Fund. "**Special Tax Revenues**," as defined in the Fiscal Agent Agreement, means the proceeds of the Special Taxes received by the City, including any scheduled payments and any prepayments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes to the amount of said lien, but does not include interest and penalties, if any, collected with the Special Taxes that are in excess of the rate of interest payable on the Bonds. The Special Tax Revenues and all moneys deposited into said 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 2022 Bonds in accordance with the Fiscal Agent Agreement until all of the 2022 Bonds have been paid or defeased.

The Fiscal Agent Agreement provides for a Capitalized Interest Account within the Bond Fund established under the Fiscal Agent Agreement. The amount deposited to the Capitalized Interest Account from the proceeds of the 2022 Bonds will be an amount sufficient to pay the interest due on the 2022 Bonds on March 1, 2023 and on September 1, 2023. See "SECURITY FOR THE 2022 BONDS— Capitalized Interest Account."

Amounts in the Administrative Expense Fund, in the Improvement Fund and in the Costs of Issuance Fund, and amounts in the Special Tax Fund to be retained by the City or deposited to the Administrative Expense Fund to be used to pay Administrative Expenses, are not pledged to the repayment of the 2022 Bonds. The Improvements are not pledged to pay the debt service on the 2022 Bonds. The proceeds of any funds realized following condemnation or destruction of any of the Improvements are not pledged to pay the debt service on the 2022 Bonds.

Limited Obligation

The 2022 Bonds are limited obligations of the City on behalf of the District and are payable solely from and secured solely by the Special Tax Revenues (other than the first Special Tax Revenues in the amount of the Minimum Administrative Expense Requirement received by the City in each Fiscal Year, which are to be used to pay Administrative Expenses), and the amounts in the Bond Fund, the Reserve Fund and the Special Tax Fund created pursuant to the Fiscal Agent Agreement.

In the event that the Special Taxes are not paid when due, the only sources of funds available to repay the 2022 Bonds are amounts held by the Fiscal Agent under the Fiscal Agent Agreement in the Bond Fund, the Special Tax Fund and the Reserve Fund, and the proceeds, if any, from foreclosure sales of parcels with delinquent Special Taxes levies.

Special Taxes

The Rate and Method is set forth in its entirety in Appendix B. The Rate and Method provides for the levy of "**Special Taxes**" in order to fund the annual "**Special Tax Requirement,"** which includes the amounts needed to pay the debt service on the Bonds, to pay the costs of administering the District, and to replenish any draws on the Reserve Fund, and to account for reasonably anticipated delinquencies in the payment of Special Taxes. The first Special Tax levy will be for fiscal year 2023-24, for debt service due on the 2022 Bonds in calendar year 2024 and for administrative expenses of the District. The Special Taxes levied on any parcel of Taxable Property may not exceed the applicable maximum amount as provided in the Rate and Method. See "SECURITY FOR THE 2022 BONDS—Summary of Rate and Method."

The Special Taxes levied on Taxable Property will be payable and will be collected in the same manner, at the same time and in the same installment as the County ad valorem taxes on property levied on the secured tax roll, and pursuant to the Law have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the taxes levied on the secured tax roll. Notwithstanding the foregoing, the Special Taxes may be collected at a different time or in a different manner if necessary to meet the District's financial obligations.

Although the Special Taxes will constitute a lien on parcels of Taxable Property within the District, they do not constitute a personal indebtedness of the owners of the property within the District. Pursuant to the Law, in the event of any delinquency in the payment of the Special Tax on a parcel of Taxable Property, the City may order the institution of a superior court action to foreclose the lien on the parcel of Taxable Property within specified time limits. In such an action, the real property subject to the unpaid amount of the Special Tax lien may be sold at judicial foreclosure sale. The Law provides that the Special Taxes are secured by a continuing lien which is subject to the same lien priority in the case of delinquency as *ad valorem* property taxes. See "SECURITY FOR THE 2022 BONDS—Summary of Rate and Method," "SECURITY FOR THE 2022 BONDS—Covenant for Superior Court Foreclosure" and "SPECIAL RISK FACTORS—Parity Taxes and Special Assessments."

Other liens for taxes and assessments already exist on the property located within the District and others could come into existence in the future. See "THE DEVELOPMENT AND THE DISTRICT—Direct and Overlapping Governmental Obligations" and "SPECIAL RISK FACTORS—Parity Taxes and Special Assessments." There is no assurance that any owner of a parcel subject to the Special Tax levy will be financially able to pay the annual Special Taxes or that it will pay such taxes even if financially able to do so. See "SPECIAL RISK FACTORS."

Special Tax Fund

***Deposit of Special Tax Revenues*.** The Special Tax Fund is established by the Fiscal Agent Agreement as a separate fund to be held by the Fiscal Agent. The Fiscal Agent Agreement provides that there shall be deposited to the Special Tax Fund all Special Tax Revenues received by the City, which the City has agreed in the Fiscal Agent Agreement to transfer, as soon as practicable following receipt by the City, to the Fiscal Agent.

Notwithstanding the foregoing,

(i) with respect to the first Special Tax Revenues collected by the City in any Fiscal Year in the amount of the Minimum Administrative Expense Requirement for such Fiscal Year; first, the City may retain all or any portion thereof, and not remit the same to the Fiscal Agent, to the extent the City determines that it needs said amount to pay Administrative Expenses of the City (and the City shall so use such amount to pay Administrative Expenses); and second, any remaining portion of such amount shall be separately identified by the City and shall be deposited by the Fiscal Agent in the Administrative Expense Fund;

(ii) any Special Tax Revenues constituting the collection of delinquencies in payment of Special Taxes shall be separately identified by the City and shall be deposited by the Fiscal Agent first, in the Bond Fund to the extent needed to pay any past due debt service on the Bonds; second, to the Reserve Fund to the extent needed to increase the amount then on deposit in the Reserve Fund up to the then Reserve Requirement; and third, to the Special Tax Fund for use as described below; and

(iii) any proceeds of Special Tax Prepayments shall be separately identified by the City and shall be deposited by the Fiscal Agent as follows (as directed in writing by the Finance Director): (a) that portion of any Special Tax Prepayment constituting the Future Facilities Costs (as defined in Section I of the Rate and Method) shall be deposited by the Fiscal Agent to the Improvement Fund so long as the Improvement

Fund has not theretofore been closed, and if the Improvement Fund has been closed, then such amount shall be retained by the City to be used to pay costs of the Improvements; and (b) any remaining portion of any Special Tax Prepayment shall be deposited by the Fiscal Agent in the Special Tax Prepayments Account within the Bond Fund to be used to redeem Bonds pursuant to the Fiscal Agent Agreement (see "THE 2022 BONDS—Redemption – Mandatory Redemption From Special Tax Prepayments").

Moneys in the Special Tax Fund will be held by the Fiscal Agent for the benefit of the City and the Owners of the Bonds, will be disbursed as described below and, pending disbursement, will be subject to a lien in favor of the Owners of the Bonds and the City.

Disbursements. From time to time as needed to pay the obligations of the District, but no later than the Business Day before each Interest Payment Date, the Fiscal Agent will withdraw from the Special Tax Fund and transfer the following amounts in the following order of priority:

(i) to the Bond Fund an amount, taking into account any amounts then on deposit in the Bond Fund and any expected transfers under the Fiscal Agent Agreement from the Improvement Fund, the Reserve Fund and the Special Tax Fund to the Bond Fund, such that the amount in the Bond Fund equals the principal (including any mandatory sinking payment or principal due on the Bonds pursuant to optional or special tax prepayment redemptions), premium, if any, and interest due on the Bonds on the next Interest Payment Date, and

(ii) to the Reserve Fund an amount, taking into account amounts then on deposit in the Reserve Fund, such that the amount in the Reserve Fund is equal to the Reserve Requirement;

provided that no such transfers shall exceed the amount then available to be transferred from the Special Tax Fund.

In addition to the foregoing, if in any Fiscal Year there are sufficient funds in the Special Tax Fund to make the foregoing transfers to the Bond Fund and the Reserve Fund in respect of the Interest Payment Dates occurring in the Bond Year that commences in such Fiscal Year, the Finance Director may direct the Fiscal Agent to transfer to the Administrative Expense Fund, from time to time, any amount in the Special Tax Fund in excess of the amount needed to make such transfers to the Bond Fund and the Reserve Fund, (i) to the Administrative Expense Fund, if the Finance Director determines that monies are needed to pay Administrative Expenses in excess of the amount then on deposit in the Administrative Expense Fund, or (ii) to the City, to be used for any lawful purpose under the Law.

Summary of Rate and Method

The Rate and Method is used to allocate the amount of the Special Taxes that is needed to be collected each fiscal year to fund the Special Tax Requirement among the Taxable Property within the District based upon the development status of the Taxable Property and the square footage of the applicable townhome or non-residential property, subject to specified maximum tax rates. The Rate and Method is set forth in full in Appendix B and the following is a summary of the Rate and Method. Capitalized terms used below and not otherwise defined in this Official Statement or in the Fiscal Agent Agreement have the meanings given to them in the Rate and Method.

The Rate and Method classifies all Taxable Property, i.e., all Assessor's Parcels in the District not exempt pursuant to law or the Rate and Method from the levy of the Special Taxes, into six categories: Developed Property, Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, Taxable Welfare Exempt Property and Undeveloped Property. Developed Property includes Taxable Property for which a building permit for new construction of a residential or non-residential building on an Assessor's Parcels was issued after January 1, 2021 and on or before May 1 of the prior Fiscal Year. Final Mapped Property includes, in general, Taxable Property that is not Developed Property, Taxable Public Property, Taxable Property Owner Association Property, or Taxable Welfare Exempt Property for which a Final Subdivision Map (that creates individual lots for which Building Permits may be issued without further subdivision) has recorded prior to May 1 of the preceding Fiscal Year, but not earlier than January 1, 2021. All of the Taxable Property in the District is currently Final Mapped Property or Developed Property.

The amount of Special Taxes that the District may levy on each parcel of Taxable Property is limited by the Maximum Special Tax applicable to the property, which is the greater of the applicable Assigned Special Tax or Backup Special Tax. Under the Rate and Method, the Assigned Special Tax and the Backup Special Tax for Developed Property and Final Map Property increases each July 1, commencing July 1, 2023, by an amount equal to two percent (2%) of the amount in effect for the previous fiscal year. Assigned Special Tax rates for Developed Property for Fiscal Year 2023-24 are as set forth in Table 1 below. The Backup Special Tax applicable to an Assessor's Parcel of Taxable Property is determined pursuant to the provisions of Section C.1.b. of the Rate and Method based on the number of expected dwelling units and the amount of special tax revenues expected to occur in each Land Use Class as set forth in Table 2 in Section C.1.b. of the Rate and Method. The Special Tax Consultant has advised that the Backup Special Tax, based on the manner in which it is computed, is less than the related Assigned Special Tax for the Taxable Property.

The Maximum Assigned Special Taxes for Fiscal Year 2023-24 for each Land Use Class of Developed Property in the District is shown in Table 1 below.

Table 1
City of Alameda
Community Facilities District No. 22-1
(Alameda Marina)
Assigned Special Taxes for Fiscal Year 2023/24

Land Use Class	Description	Assigned Special Tax
1	Townhome Property – Greater Than or Equal to 2,680 Square Feet	$8,100.84 per Dwelling Unit
2	Townhome Property – 2,430 – 2,679 Square Feet	7,912.14 per Dwelling Unit
3	Townhome Property – 2,180 – 2,429 Square Feet	7,157.34 per Dwelling Unit
4	Townhome Property – 1,930 – 2,179 Square Feet	7,131.84 per Dwelling Unit
5	Townhome Property – 1,680 – 1,929 Square Feet	6,212.82 per Dwelling Unit
6	Townhome Property – Less Than 1,680 Square Feet	5,607.96 per Dwelling Unit
7	Non-Residential Property	0.765 per Square Foot of Non-Residential Floor Area

Source: NBS.

Each Fiscal Year, commencing with Fiscal Year 2023-24, the City determines the Special Tax Requirement and will levy the Special Taxes until the total Special Tax levy equals the Special Tax Requirement. The Special Tax Requirement is defined in the Rate and Method as the amount required in any Fiscal Year for the District to (i) pay the Debt Service on all outstanding 2022 Bonds and any Parity Bonds due in the Debt Year that commences in such Fiscal Year, (ii) pay Administrative Expenses, (iii) provide any amount required to establish or replenish a reserve fund in connection with any Bonds, (iv) any amount required to establish or replenish any operating reserve held by the City for Administrative Expenses, (v) provide an amount equal to reasonably anticipated delinquent Special Taxes as determined by the CFD Administrator; less in any Fiscal Year (in the City's sole discretion) (i) interest earnings on or surplus balances in funds and accounts for Bonds to the extent that such earnings or balances are available to apply against Debt Service pursuant to the Fiscal Agent Agreement, (ii) proceeds from the collection of penalties associated with delinquent Special Taxes, and (iii) any other revenues available to pay Debt Service on outstanding Bonds or other indebtedness as determined by the CFD Administrator. See "SECURITY FOR THE 2022 BONDS—No Limitation on Increases in Special Tax Levies by Reason of Delinquencies" for information regarding how the Law differs from the Mello-Roos Community Facilities Act of 1982 in respect of the ability of the City to increase Special Tax levies on parcels in the District in the event of delinquencies in the payment of Special Taxes, subject in any event to the Maximum Special Taxes described above.

The Rate and Method provides that certain property in the District will be exempt from the levy of the Special Tax, including 25 BMR Units among the townhomes being constructed in the District, certain acres of property classified as Property Owner Association Property or Public Property, and certain welfare exempt property. Unless and until additional property is annexed to the District, the Taxable Property is expected to consist of the 157 townhomes being constructed in the District that are not BMR Units.

Under the Rate and Method, the City will levy the Special Taxes in five steps, in the following order, until the amount of the levy equals the amount needed to be collected to satisfy the Special Tax Requirement. The City will:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property and Taxable Welfare Exempt Property at a rate up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Final Map Property at a rate up to 100% of the Maximum Special Tax for Final Map Property to satisfy the Special Tax Requirement.

Third: If additional monies are needed to satisfy the Special Tax Requirement after the second step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property at a rate up to 100% of the Maximum Special Tax for Undeveloped Property to satisfy the Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied on each Assessor's Parcel of Taxable Property Owner Association Property at a rate up to 100% of the Maximum Special Tax for Taxable Property Owner Association Property to satisfy the Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on all Taxable Public Property at a rate up to 100% of the Maximum Special Tax for Taxable Public Property to satisfy the Special Tax Requirement.

The term "Proportionately" as used in the above steps means, for Developed Property and Final Map Property, that the ratio of the Special Tax levy to the Assigned Special Tax or the Backup Special Tax is equal within each respective Tax Zone. For Undeveloped Property, "Proportionately" means that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre is equal within each respective Tax Zone.

The Rate and Method also provides that the Special Taxes may be levied for no more than 40 years from the initial levy of the Special Tax. In any event no Special Tax is authorized to be levied after the 2061/62 Fiscal Year.

The Special Taxes obligation applicable to a parcel of Taxable Property within the District may be prepaid and the obligation to pay any Special Taxes for such Taxable Property may be fully or partially satisfied as described in the Rate and Method. See Section I in the Rate and Method in Appendix B. No assurance can be given that partial or full prepayments of Special Taxes will not occur in the future. Prepayments of Special Taxes will result in a mandatory redemption of the 2022 Bonds. See "THE 2022 BONDS—Redemption – Mandatory Redemption From Special Tax Prepayments" and "SPECIAL RISK FACTORS—Potential Early Redemption of Bonds from Special Tax Prepayments."

Reserve Fund

The Fiscal Agent Agreement establishes a debt service reserve fund (the "**Reserve Fund**") as a separate fund to be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds (which include the 2022 Bonds and any Parity Bonds), as a reserve for the payment of principal of, and interest and any premium on, the Bonds and moneys in the Reserve Fund are subject to a lien in favor of the Owners of the Bonds. The Reserve Fund is required by the Fiscal Agent Agreement to be funded in an amount equal to the **Reserve Requirement**, which amount is (a) as of any date of calculation prior to the issuance of Parity Bonds that are not Refunding Bonds, an amount equal to the least of (i) the then Maximum Annual Debt Service, (ii) one hundred twenty-five percent (125%) of the average Annual Debt Service as of the date of issuance of the 2022 Bonds, or (iii) ten percent (10%) of the initial principal amount of the 2022 Bonds; and (b) as of any date of calculation from and after the issuance of Parity Bonds that are not Refunding Bonds, an amount equal to the least of (i) the then Maximum Annual Debt Service, (ii) one hundred twenty-five percent (125%) of the average annual debt service as of the date of issuance of the Parity Debt, and (iii) ten percent (10%) of the then outstanding principal amount of the Bonds and the principal amount of the Parity Bonds. Once determined under (a) or (b), the Reserve Requirement is not subject to increase. The Reserve Requirement as of the date of issuance of the 2022 Bonds will be $____________.

Except as otherwise provided in the Fiscal Agent Agreement (with respect to the use of moneys in the Reserve Fund for the payment of any rebate liability due to the federal government, and the use of excess moneys in the Reserve Fund to pay debt service on the Bonds), all amounts deposited in the Reserve Fund will be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Bond Fund in the event of any deficiency at any time in the Bond Fund of the amount then required for payment of the principal of, and interest and any premium on, the Bonds. See Appendix C—"Summary of Fiscal Agent Agreement—Funds and Accounts – Reserve Fund."

Whenever the balance in the Reserve Fund exceeds the amount required to redeem or pay the Outstanding Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, the Fiscal Agent will transfer the amount in the Reserve Fund to the Bond Fund to be applied, on the next succeeding Interest Payment Date, to the payment and redemption of all of the Outstanding Bonds. In the event that the amount transferred from the Reserve Fund to the Bond Fund exceeds the amount required to pay and redeem the Outstanding Bonds, the balance in the Reserve Fund will be transferred to the City to be used for any lawful purpose under the Law. Notwithstanding the foregoing, no amounts will be transferred from the Reserve Fund until after (i) amounts in the Reserve Fund are withdrawn, at the written request of the Treasurer, for purposes of making any rebate payment due to the federal government in accordance with the Fiscal Agent Agreement following payment of the Bonds, and (ii) payment of any fees and expenses due to the Fiscal Agent. See Appendix C—"Summary of Fiscal Agent Agreement – Funds and Accounts – Reserve Fund."

Covenant for Superior Court Foreclosure

Foreclosure Under the Act. Pursuant to the Law, in the event of any delinquency in the payment of the Special Tax on any Taxable Property, the City may order the institution of a superior court action to foreclose the lien on the taxed parcel within specified time limits. In such an action, the real property subject to the unpaid amount of the Special Tax lien may be sold at judicial foreclosure sale.

City Foreclosure Covenant. Judicial foreclosure proceedings in the event of delinquent Special Taxes are not mandatory. However, the City has covenanted in the Fiscal Agent Agreement for the benefit of the Bondowners that it will order, and cause to be commenced as hereinafter provided, and thereafter diligently prosecute to judgment (unless such delinquency is theretofore brought current), an action in the superior court to foreclose the lien of any Special Tax or installment thereof not paid when due as described in the following paragraphs.

On or about August 15 of each Fiscal Year, the Finance Director shall compare the amount of Special Taxes theretofore levied in the District to the amount of Special Tax Revenues theretofore received by the City. Following such comparison, or if at any other time the Finance Director becomes aware of any delinquency in the payment of any Special Tax due and owing:

(a) Individual Delinquencies. If the Finance Director determines that any single parcel subject to the Special Tax in the District is delinquent in the payment of Special Taxes in the aggregate amount of $10,000 or more, or which otherwise is delinquent with respect to two (2) years of Special Tax levies, the Finance Director will send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to the property owner by the following October 1, and (if the delinquency remains uncured) foreclosure proceedings will be commenced by the City against the delinquent parcel within 90 days of the sending of such notice and shall be diligently pursued by the City to completion. Notwithstanding the foregoing, the City need not take any such action so long as the amount then in the Reserve Fund is at least equal to the Reserve Requirement.

(b) Aggregate Delinquencies. If the Finance Director determines that the aggregate amount of Special Taxes levied in the District for the preceding Fiscal Year and theretofore collected is less than ninety-five percent (95%) of the total amount of Special Taxes levied for such Fiscal Year, the Finance Director will send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to each property owner with delinquent Special Taxes by the following October 1, and (if any such delinquency remains uncured) foreclosure proceedings will be commenced by the City within 90 days of the sending of such notices against all such delinquent parcels.

No assurance can be given as to the time necessary to complete any foreclosure sale or that any foreclosure sale will be successful. See "SPECIAL RISK FACTORS—Proceeds of Foreclosure Sales." The City is not required to be a bidder at any foreclosure sale.

In a foreclosure proceeding the City is entitled to recover penalties and interest on the delinquent Special Taxes through the date that an order of sale is entered. However, under the Fiscal Agent Agreement, the Special Taxes pledged to the payment of the Bonds does not include any such penalties and interest collected by the City that are in excess of the rate of interest payable on the Bonds. Also it should be noted that prompt commencement of foreclosure proceedings may not, in and of itself, result in a timely or complete payment of delinquent Special Taxes.

Sufficiency of Foreclosure Sale Proceeds; Foreclosure Limitations and Delays. No assurances can be given that the real property subject to a judicial foreclosure sale will be sold or, if sold, that the proceeds of sale will be sufficient to pay any delinquent Special Tax installment. Subject to the maximum rates, the Rate and Method is designed to generate from all Taxable Property within the District the current year's debt service on the 2022 Bonds, administrative expenses, and replenishment of the Reserve Fund to the Reserve Requirement. If foreclosure proceedings are necessary, however, and the Reserve Fund has been depleted, there could be a delay in payments to owners of the 2022 Bonds pending prosecution of the foreclosure proceedings and receipt by the City of the proceeds of the foreclosure sale.

The ability of the City to foreclose the lien of delinquent unpaid Special Taxes may be limited in certain instances and may require prior consent of the obligee in the event the property is owned by or in receivership of the Federal Deposit Insurance Corporation. See "SPECIAL RISK FACTORS—FDIC/Federal Government Interests in Properties."

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

Section 3-70.94 of the Law requires that property sold pursuant to foreclosure under the Act be sold for not less than the amount of judgment in the foreclosure action, plus post-judgment interest and authorized costs, unless the consent of the owners of 51% of the principal outstanding Bonds is obtained. Neither the Law nor the Fiscal Agent Agreement requires the City to purchase or otherwise acquire any lot or parcel of property foreclosed upon if there is no other purchaser at such sale, and the City has no intent to be such a purchaser.

The City will levy the Special Tax to pay the current year's debt service on the 2022 Bonds and related administrative expenses, and to replenish the Reserve Fund to the Reserve Requirement, subject to Maximum Special Tax rates. However, if superior court foreclosure proceedings are necessary to collect delinquent Special Taxes, and if the Reserve Fund has been depleted, there could be a delay in payments of principal of and interest on the 2022 Bonds pending prosecution of the foreclosure proceedings and receipt by the City of the proceeds of the foreclosure sale. See "SPECIAL RISK FACTORS—Bankruptcy Delays" and "—Proceeds of Foreclosure Sales."

No Teeter Plan

Collection of the Special Taxes is not subject to the "Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds," as provided for in Section 4701 et seq. of the California Revenue and Taxation Code (known as the "Teeter Plan"). Accordingly, collections of Special Taxes will reflect actual delinquencies, if any.

No Limitation on Increases in Special Tax Levies by Reason of Delinquencies

While the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 et seq.) expressly prohibits an increase of more than ten percent (10%) in the Special Tax levy on any parcel for which an occupancy permit for residential use has been issued as a consequence of delinquency or default by the owner of any other parcel within the District, the Law has no such limitation. Thus, the City has the ability, and the obligation under the Fiscal Agent Agreement, to levy Special Taxes, up to the Maximum Special Tax rates set forth in the Rate and Method, to provide sufficient funds to pay the debt service on the Bonds without any limitation of the nature described in the first sentence of this paragraph.

Investment of Moneys

Except as otherwise provided in the Fiscal Agent Agreement, all moneys in any of the funds or accounts established pursuant to the Fiscal Agent Agreement will be invested by the Fiscal Agent solely in Permitted Investments, as directed by the City. See Appendix C—"Summary of the Fiscal Agent Agreement" for a definition of "**Permitted Investments**" and for additional provisions regarding the investment of funds held under the Fiscal Agent Agreement.

Issuance of Additional Bonds

Parity Bonds. The Fiscal Agent Agreement authorizes the City to issue one or more series of Parity Bonds. Subject to meeting the conditions summarized below, the Parity Bonds will be secured by a lien on the Special Tax Revenues and funds pledged for the payment of the Bonds under the Fiscal Agent Agreement on a parity with all other Bonds Outstanding under the Fiscal Agreement.

The City may issue the Parity Bonds subject to the following specific conditions precedent, as set forth in the Fiscal Agent Agreement:

(A) ***Current Compliance.*** The City must be in compliance on the date of issuance of the Parity Bonds with all covenants set forth in the Fiscal Agent Agreement and all Supplemental Agreements.

(B) ***Payment Dates.*** The interest on the Parity Bonds must be payable on March 1 and September 1, and principal of the Parity Bonds must be payable on

September 1 in any year in which principal is payable (provided that there is no requirement that any Parity Bonds pay interest on a current basis).

(C) ***Funds and Accounts; Reserve Fund Deposit***. The Supplemental Agreement providing for the issuance of the Parity Bonds may provide for the establishment of separate funds and accounts, and shall provide for a deposit to the Reserve Fund (or to a separate account created for such purpose) in an amount necessary so that the amount on deposit in the Reserve Fund (together with the amount in any such separate account), following the issuance of such Parity Bonds, is equal to the Reserve Requirement.

(D) ***Aggregate Value-to-Lien Ratio***. The District Value shall be at least three times the sum of: (i) the aggregate principal amount of all Bonds then Outstanding, plus (ii) the aggregate principal amount of the series of Parity Bonds proposed to be issued, plus (iii) the aggregate principal amount of any fixed assessment liens on the parcels in the District 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 District (the "Other District Bonds") equal to the aggregate principal amount of the Other District Bonds multiplied by a fraction, the numerator of which is the amount of special taxes levied for the Other District Bonds on parcels of land within the District, 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 the special taxes are levied to pay the Other District Bonds (such fraction to be determined based upon the maximum special taxes which could be levied in the year in which maximum annual debt service on the Other District Bonds occurs), based upon information from the most recent available Fiscal Year.

Annexed Area Value-to-Lien Ratio. With respect to any Parity Bonds that will not be Refunding Bonds and incident to property being annexed to the District in connection with such Parity Bonds, the District Value (taking into account only the property being annexed to the District) shall be at least three times the sum of: (i) the aggregate principal amount of the series of Parity Bonds proposed to be issued, plus (ii) the aggregate principal amount of any fixed assessment liens on the parcels in the property being annexed to the District subject to the levy of Special Taxes, plus (iii) 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 property being annexed to the District (the "Other Annex Area District Bonds") equal to the aggregate principal amount of the Other Annex Area District Bonds multiplied by a fraction, the numerator of which is the amount of special taxes levied for the Other Annex Area District Bonds on parcels of land within the property being annexed to the District, and the denominator of which is the total amount of special taxes levied for the Other Annex Area District Bonds on all parcels of land against which the special taxes are levied to pay the Other Annex Area District Bonds (such fraction to be determined based upon the maximum special taxes which could be levied in the year in which maximum annual debt service on the Other Annex Area District Bonds occurs), based upon information from the most recent available Fiscal Year.

(E) ***The Special Tax Coverage***. The City shall obtain a certificate of a Tax Consultant to the effect that (i) the amount of the maximum Special Taxes that may be levied in each Fiscal Year shall be at least one hundred ten percent (110%) of the total Annual Debt Service for each such Fiscal Year on the Bonds and the proposed Parity

Bonds plus estimated Administrative Expenses, and (ii) based upon the Special Taxes that may be levied under the Rate and Method of Apportionment of the Special Taxes for the District, the aggregate Special Tax Prepayments that could occur after the issuance of the Parity Bonds is not less than the Outstanding principal amount of the Bonds and such Parity Bonds.

(F) ***Officer's Certificate.*** The City must certify to the Fiscal Agent that the conditions for the issuance of Parity Bonds described above in the Fiscal Agent Agreement have been satisfied. The City can conclusively rely on certificates of the Fiscal Agent, the Tax Consultant and others in providing the certification.

Refunding Bonds. The City may issue Refunding Bonds as Parity Bonds without the need to satisfy the requirements of paragraphs (D) or (E) above, and, in connection therewith, the Officer's Certificate referred to in paragraph (F) above need not make reference to said paragraphs (D) and (E).

The term "**District Value**" referred to in (D) above and as used in the Fiscal Agent Agreement means the market value as determined by reference to (i) an appraisal performed within six (6) months of the date of issuance of any proposed Parity Bonds by an MAI appraiser selected by the City, of the parcels of real property in the District (or, as applicable, in the area being annexed to the District) subject to the levy of the Special Taxes and not delinquent in the payment of any Special Taxes then due and owing, including with respect to such nondelinquent parcels the value of the then existing improvements and any facilities to be constructed or acquired with any amounts then on deposit in the Improvement Fund and with the proceeds of any proposed series of Parity Bonds, or (ii), in the alternative as to some or all of the parcels, the assessed value of all such nondelinquent parcels and improvements thereon as shown on the then current County real property tax roll available to the Finance Director. Neither the City nor the Finance Director shall be liable to the Owners, the Original Purchaser or any other person or entity in respect of any appraisal provided for purposes of the foregoing definition or by reason of any exercise of discretion made by any appraiser pursuant to the foregoing definition.

Because the principal amount of the 2022 Bonds was determined based on projected 110% coverage of annual Special Taxes, after deduction of the Minimum Administrative Expense Requirement, over the scheduled debt service on the 2022 Bonds (see "THE DEVELOPMENT AND THE DISTRICT—Projected Debt Service Coverage"), it is not expected that any new money Parity Bonds will be issued unless additional property is annexed to the District. While the boundary map for the District includes a "future annexation area," and the Master Developer has indicated an intent to annex all or some of such area to the District in the future, no assurance can be given with respect to the future annexation of property to the District.

Subordinate Bonds. The provisions of the Fiscal Agent Agreement do not in any way prohibit the City from issuing bonds or otherwise incurring debt secured by a pledge of Special Tax Revenues subordinate to the pledge of such Special Tax Revenues under the Fiscal Agent Agreement.

THE DEVELOPMENT AND THE DISTRICT

Location and Description of the Development

The property in the District includes approximately 11 acres in the larger Alameda Marina development (referred to herein as the "Development"), which includes a total of approximately 44 acres in the eastern portion of the City. The Development is located on Clement Avenue between Marina Drive and Willow Street, and is bounded on the north by the Oakland Estuary, on the west by the Alameda Municipal Power offices, on the east by the Navy Operations Support Center and on the south by light industrial, retail and residential properties. The Development is located near several transit facilities, including the Fruitvale BART Station (1.8 miles away), the Alameda Ferry Terminal (3.3 miles away), and the AC transit Transbay O Line (5 blocks away).

The property was a working waterfront for many years but encountered structural deterioration and failure along the shoreline with aging infrastructure and unstable soil. The shoreline improvements, built in the early 1940s, had exceeded their useful life and needed to be rebuilt.

In 2007, Pacific Shops Inc. purchased approximately 27 acres of property included in the Development. On May 16, 2012, the Master Developer entered into a long-term lease of approximately 17 acres included in the Development, consisting primarily of the marina and shoreline areas (the "**Tidelands Lease**"). Pacific Shops, Inc. transferred fee simple title, and its position as tenant under the Tidelands Lease, to the Master Developer that assumed Pacific Shops, Inc.'s secured loan obligation, as consideration for the transfer.

In July of 2018, the City Council approved the Alameda Marina Master Plan that provided for mixed use planned development and multifamily residential zoning and for the rebuilding of the shoreline improvements. It is currently anticipated that the Development will be developed in several phases. Approximately 17 acres in the Development, consisting primarily of the marina and shoreline areas, are the subject of a Tidelands Lease, dated as of May 16, 2012, between the City and the Master Developer. The term of the Tidelands Lease, as currently amended, extends to May 11, 2078. The Master Developer has various obligations under the Tidelands Lease, including the payment of annual rent to the City, and ongoing reporting related to and the ongoing rehabilitation of the shoreline improvements. Those obligations include the funding of a Capital Replacement Fund in an annual amount, beginning in the tenth year of the Tidelands Lease, of at least $50,000, and updated marina engineering reports each 15th year of the Tidelands Lease, with any capital replacement and rehabilitation work to be completed by the Master Developer. Under the provisions of a Master Declaration of Covenants, Conditions and Restrictions of Alameda Marina recorded against the property in the Development, the Master Developer, as owner or the "commercial core" portion of the Development, is obligated, among the other owners of property in the Development, to satisfy all requirements of the Tidelands Lease.

The Development, at buildout, is expected to include:

- The 182 townhomes to be constructed in the District (as described under the subheading "Description of the District" below);
- A 360-unit apartment complex and 8 commercial work/live units, with a 496 stall parking facility that is currently under construction and is expected to be completed in the third quarter of 2023 being constructed on 4.08 acres of land owned by PRII/BWG The Launch Owner LLC (the "Launch Owner");

- A "commercial core" consisting of 9.32 acres owned by the Master Developer involving the construction of a new building and the rehabilitation of 7 existing buildings, some of which have historical importance, expected to be completed in the second quarter of 2025;

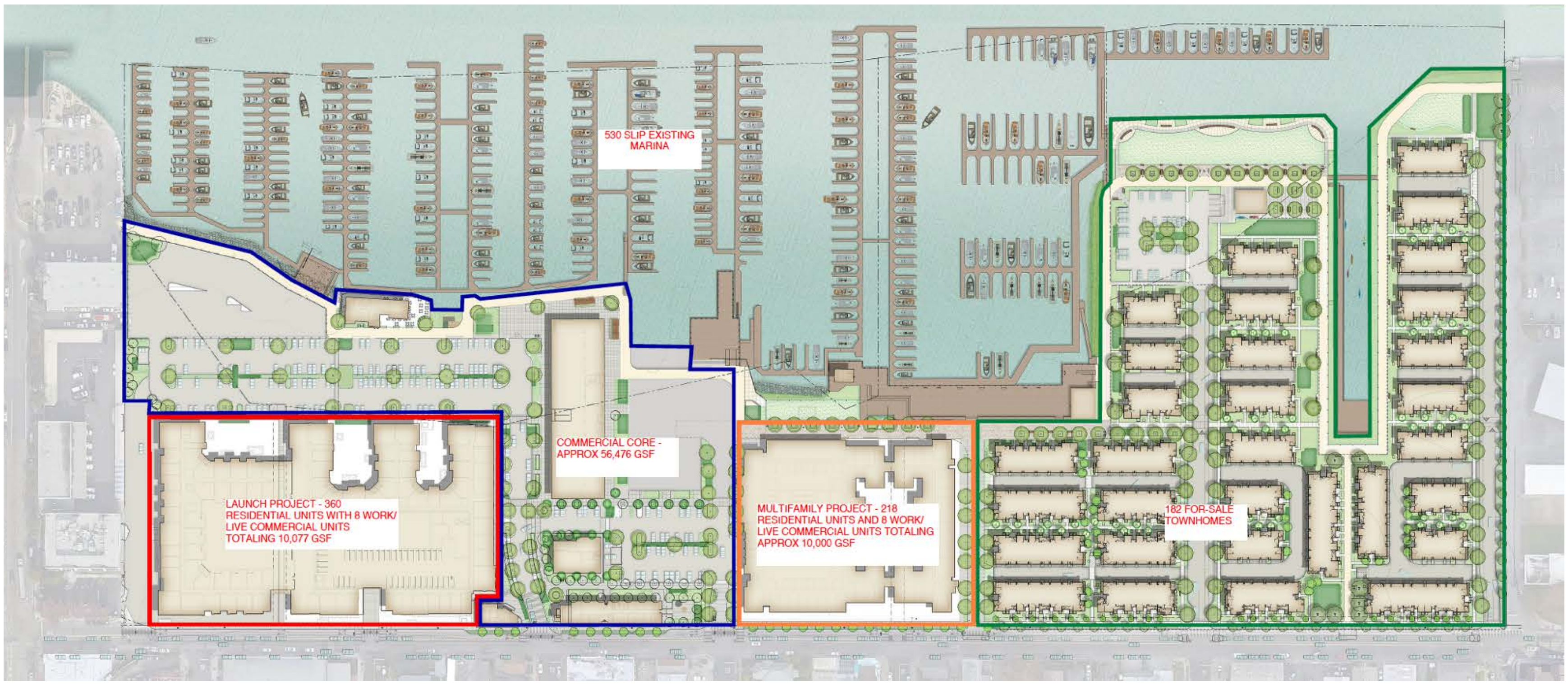
- 218 residential condominium units and a 280 stall parking facility on 2.3 acres owned by the Master Developer expected to be completed, subject to market conditions, in the second quarter of 2026;

- Continued operation of the existing marina, including 530 boat slips, a 60 boat dry storage area, and a parking area; and

- 3.45 acres of parks, shoreline access and an extension of the Bay Trail.

The Master Developer has advised that it expects to annex the commercial core and the condominiums into the District at some future date, but no assurance can be given that any such annexation will occur. The next page has the current site plan for the Development.

Alameda Marina Development Site Plan



In May of 2021, the Master Developer sold the property in the District to a land bank entity for $51,900,000, as further described under "THE DEVELOPMENT AND THE DISTRICT—Land Ownership" below.

All discretionary environmental and land use approvals needed for the construction to occur in the Development have been secured, including permits from the San Francisco Bay Conservation and Development Commission other than an amendment to such permit that is required prior to occupancy of the buildings and is being processed by the Master Developer (see "SPECIAL RISK FACTORS—Failure to Complete or Delay in Completion of the Townhomes"), the San Francisco Regional Water Quality Control Board and the City, and only building permits and certificates of occupancy from the City for specific buildings to be constructed or rehabilitated need to be obtained for the planned construction in the Development.

The Master Developer has advised that it has expended over $76,000,000 on development costs to date, funded with equity contributions, and the Launch Owner has spent an additional over $105,000,000 on the apartment complex and commercial work/live units described above. All site improvements necessary for development of the property in the Development, including the sea level rise resilience and adaptive improvements, have been completed by the Master Developer, except for (i) approximately $1,700,000 of wharf promenade improvements to be completed in 2023, and (ii) completion of domestic and fire water service (laterals), joint trench, pad grading, curb, gutter, paving, stripping, signage, park and Bay Trail improvements.

The Master Developer has advised that it has executed a lease with a local Bay Area brewery for the buildout of one of the historic buildings located in the commercial core. The City approved an Administrative Use Permit for the brewery with tasting room, restaurant/tavern use, and an outdoor dining and waterfront beer garden on September 19, 2022. The Master Developer is working with the City Building Department on the applicable permits required to fit out the interior tenant improvements and historic exterior modifications, and it is anticipated that the tenant will occupy the building in the third quarter of 2023.

There currently are websites that contain certain information regarding the Development (at https://alamedamarina.com) and the marina located in the Development (at https://alamedamarina.net), but the foregoing internet websites are included for reference only and the information on these internet sites is not a part of this Official Statement and is 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 such internet websites.

History of the District

Pursuant to the Law, the City Council of the City, acting in its capacity as the legislative body for the District, adopted Resolution No. 15871 (the "Resolution of Intention") on March 15, 2022, stating its intention to establish the District and to levy the special tax within the District. On April 19, 2022, the City Council formed the District and adopted Resolution No. 15893, authorizing a special election with respect to the incurrence of indebtedness and the levy of the Special Tax. Also on April 19, 2022, the then sole landowner in the District, the Landbank (see "THE DEVELOPMENT AND THE DISTRICT—Land Ownership"), and thereby the sole qualified elector for the District, voted in favor of the incurrence of up to $37,000,000 principal amount of bonded indebtedness to finance the Improvements and approved the Rate and Method and an appropriations limit for the District.

On May 3, 2022, the City Council adopted Ordinance No. 3319 providing for the levy of the Special Taxes on property in the District. On June 3, 2022, the City recorded a Notice of Special Tax Lien as Document No. 2022106135 in the Alameda County Recorder's Office, with respect to the lien securing the payment of the Special Taxes to be levied on property in the District.

Pursuant to the Law, on December 6, 2022, the City Council, acting as the legislative body of the District, adopted a Resolution authorizing the issuance of the 2022 Bonds, and approving related documents (including the Fiscal Agent Agreement) and actions. The net proceeds of the 2022 Bonds will be used to reimburse the Master Developer for costs of the Improvements constructed by it in accordance with the Acquisition and Funding Agreement, consisting of seawall improvements and related work. See "PLAN OF FINANCING—Overview."

The Improvements

The District is authorized to fund various public infrastructure improvements, including the following facilities constructed in and for the Development:

- Sea level rise resilience and adaptive improvements, including but not limited to the reconstruction of approximately 4,009 linear feet of shoreline embankments, seawall, bulkheads and revetment slopes. The improvements include, but are not limited to overwater demolition of existing structural features, re-grading and installation of riprap (including earth removal and grading), removal of existing seawall and pile driving steel members along with backfill (including lava rock) and lagging installation, construction of cast-in-place concrete walls, placement of new cast-in-place deadman anchor, installation of tie rods, installation of interlocking steel sheets and including related appurtenances.

  The design and service life of the sea wall improvements as currently constructed is anticipated to be 75 years with minimal ongoing maintenance. The design allows for future adaptive capacity strategies without the need to reconstruct the improvements. The improvements provide built-in protection from over 7 feet of sea level rise above the current mean higher water and 6 feet sea level rise above current King Tide (2-year occurrence).

- Outfall construction, including but not limited to acquisition and installation of stormwater out-fall improvements consisting of reinforced concrete piping and related headwall and related appurtenances, as well as construction of temporary cofferdam to control seawater during construction (including a concrete headwall and storm drain piping).

- Promenade wharf retrofit, including but not limited to structural retrofit of existing promenade, consisting of installation of precast concrete piles, steel girders, overwater demolition of deteriorated wood piles and seismic jacketing of wood piles, and related appurtenances.

- Boat hoist construction, including but not limited to pile driving precast concrete and steel piles, installation of an elevated cast-in-place concrete platform, and related appurtenances.

- Graving dock construction, including but not limited to excavation, removal of deteriorated lagging, installation of steel sheets and precast concrete piles, backfill and compaction, and related appurtenances.

- Clement Avenue improvements, including but not limited to the reconstruction of approximately 4,450 linear feet of Clement Avenue for the frontage from Alameda Marina Drive to Willow Avenue and including but not limited to demolition of existing improvements, grinding and overlay of new asphalt paving, upgrading of underground conduits, upgrading of storm and sewer drain catch basins and manholes, removal of existing water service, installation of street lights, sidewalks, curb and gutter and landscaping and irrigation system, and fencing, construction of dedicated bike lane and striping and signage, and related appurtenances.

The budget for the reimbursement to the Master Developer for the costs of the Improvements in the Acquisition and Funding Agreement includes $3,886,532 for various land improvements (including site work related to the seawall), $1,843,623 for the stormwater outfalls, $11,324,218 for sea level rise resilience and adaptive improvements, and $6,518,067 for street and roadway improvements including the Clement Avenue improvements. It is expected that the proceeds of the 2022 Bonds available to pay costs of the Improvements will be used to pay for costs of the sea level rise resilience and adaptive improvements, including related costs of abatement, demolition of an existing seawall (including overwater and surface demolition), ground improvements and raising grades.

The Improvements completed to date have been constructed under the supervision of the Master Developer pursuant to the Acquisition and Funding Agreement. The Improvements needed for the development of the District have been completed, as well as all of the other Improvements, except for approximately $1,700,000 of promenade wharf improvements expected to be completed in 2023.

Description of the District

LS-Alameda Marina LLC (referred to in this Official Statement as the "Builder") intends to build 182 townhomes in 31 different buildings in the District, with 157 of the townhomes to be Taxable Property under the Rate and Method and 25 of the townhomes to be below market rate or "BMR" Units not subject to the levy of the Special Taxes. The BMR Units are the subject of an Affordable Housing Agreement, dated August 1, 2022, between the City and the Builder, which requires that 7 townhomes be designated and deed restricted for sale to very low income buyers, 7 for low income buyers and 11 for moderate income buyers, with sales prices limited as set forth in the Affordable Housing Agreement. The first floor of each of the 31 buildings will provide for parking for two cars for each of the units in the respective building.

The townhomes are being constructed in two product lines: Waterside units located in buildings on the waterfront and Island View units with views of the marina. Waterside units will be offered with four floor plans ranging from 2,189 square feet to 2,744 square feet, some with rooftop decks, and 3-4 bedrooms and 3.5 bathrooms. Island View units will be offered, with seven floor plans ranging from 1,459 square feet to 2,389 square feet, 2-3 bedrooms and 2.5 to 3.5 bathrooms. A complete listing of the 182 townhomes and their respective Assigned Special Tax for Fiscal Year 2023-24, can be found in Appendix I. Monthly homeowners' association dues are projected to be $500 or so per month.

There will be three model homes including one to be used as a sales office located in building 11, which is currently under construction. The Builder expects that sales activities will commence in January of 2023. Initial base pricing for the units has not yet been determined.

The townhomes are being constructed by Landsea Construction LLC as the general contractor, although the actual construction work will be performed by subcontractors. A list of other residential projects which Landsea Construction LLC, or its affiliates, have completed as a general contractor in Northern California include:

- Jordan Ranch, Dublin – 123 Units
- Siena, Milpitas – 73 Units
- Sanctuary, Newark – 108 Units
- Verandah, Novato – 16-80 Units
- Catalina, Santa Clara – 93 Units
- Lavender, Sunnyvale – 128 Units
- The Vale, Sunnyvale – 171 Units
- Ellis, Tracy – 308 Units
- Stoneyridge, Walnut Creek – 30 Units

See "SPECIAL RISK FACTORS—Failure to Complete or Delay in Completion of the Townhomes" for a description of an amendment to a permit that needs to be obtained, and a description of electric service to the townhome site that must be completed, before certificates of occupancy can be provided by the City for completed townhomes.

Land Ownership

The land in the District was acquired by Arroyo CAP II-5, LLC, a Delaware limited liability company (the "Landbank") from the Master Developer on May 5, 2021 for $51,900,000. Concurrently with its acquisition of the property in the District, the Landbank and the Builder entered into an Option Agreement dated as of May 5, 2021 ("Option Agreement"), and the Landbank and Landsea Construction LLC entered into a Construction Agreement ("Construction Agreement"), pursuant to which Landsea Construction LLC, among other things, agreed to cause certain horizontal site improvements to be completed on the property for a cost not to exceed a fixed sum. The Master Developer has an option to repurchase the land in the District if the Builder fails to diligently develop the land in compliance with its agreements with the Master Developer. If the Master Developer exercises this repurchase option, the Builder would no longer own the repurchased property and development of the land would be delayed.

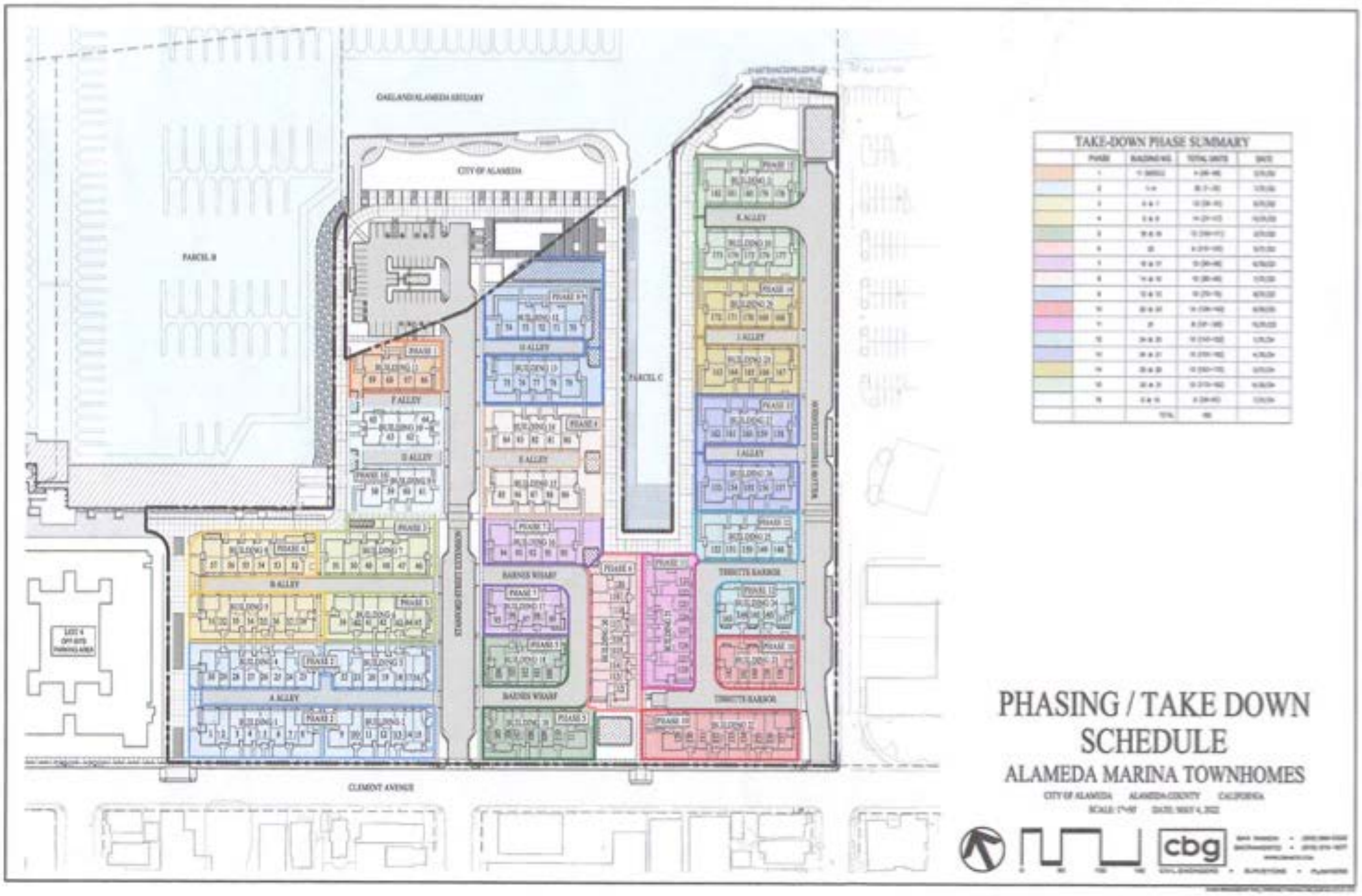
The Landbank's sole member is Arroyo Capital II, LLC, a Delaware limited liability company, which was formed in 2016 by Oaktree Capital Management, LP, an affiliate of Oaktree Capital Management ("Oaktree"), and provides structured lot options to homebuilders throughout the United States. The Landbank funded a portion of the acquisition cost of the land in the District with its own capital and a portion through a loan. Oaktree is a global asset management firm headquartered in Los Angeles, California. The firm was founded in 1995 and as of June 30, 2022, Oaktree managed $159 billion in assets for its clients. Oaktree Capital Group LLC is listed on the New York Stock Exchange at OAK-PA and maintains a website at https://www.oaktreecapital.com. The foregoing internet website is included for reference only and the information on the internet site is not a part of this Official Statement and is 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 such internet website.

Pursuant to the Option Agreement, the Landbank granted to the Builder the right and option (the "Option") to acquire the property in accordance with the terms of the Option Agreement. The term of the Option ("Option Term"), unless sooner terminated, expires on the earlier of (a) July 31, 2024, or (b) the date the Builder acquires all of the property ("Expiration Date"). The Option was granted in consideration of the Builder delivering to the Landbank a non-refundable sum of $15,712,331 (the "Option Payment"), which was paid at the time the Option Agreement was executed. The Builder also pays the Landbank a monthly fee ("Option

Fee") calculated on the daily "Unreturned Owner's Costs" at an annual percentage rate, with a minimum total Option Fee. After the Expiration Date or any termination of the Option Agreement, the Builder shall have no further right to acquire the property or any of the lots not already acquired.

The Option Agreement includes a "Takedown Schedule" that sets forth the outside date for the acquisition of each group of lots ("Takedown Group') and the number of lots in each Takedown Group. If the Builder fails to purchase a Takedown Group within each of the time periods required by the Takedown Schedule, the Option Agreement automatically terminates. The Builder has the right to extend the Closing Date on the Takedown Schedule for all of the lots in any subsequent Takedown Group(s) for up to a total of three (3) one month periods (which may be exercised all on one Takedown Group or on different Takedown Groups, at the Builder's election) beyond the dates otherwise set forth in the Takedown Schedule (each, an "Extension Option" and collectively, the "Extension Options"), which exercise of an Extension Option also extends the deadline date by one month for the acquisition of all subsequent Takedown Groups (but in no event shall the Takedown Schedule for any Takedown Group be extended beyond the end of the Option Term), provided that (a) the Builder shall not be in default of its obligations under the Option Agreement, (b) no event or circumstance has occurred which, with notice and the passage of time, would constitute a default by the Builder, (c) the Builder must give the Landbank not less than ten (10) business days' prior written notice of the Builder's intention to exercise any such Extension Option, (d) during any extension period, the Builder shall continue paying the Option Fee to the Landbank, and (e) the exercise of an Extension Option cannot be split between or among lots with different product types. The Takedown Schedule is not adjusted due to any delays due to strikes, unavailability of materials, governmental delays, inability to obtain required governmental permits, acts of God or any other matters regardless of whether such matters can or cannot be anticipated and/or which are outside of the reasonable control of the Builder. In the event of a default by the Builder or a default by Landsea Construction LLC under the Construction Agreement, the Landbank is entitled to terminate the Option Agreement and the Construction Agreement and, in addition to any other right or remedy available at law or equity, the Landbank has the right to retain the unapplied portion of the Option Payment and any other unapplied Option consideration paid by the Builder.

Set forth below is the current takedown plan for the townhomes:



At any time, the Builder may elect to exercise the Option to purchase all of the unpurchased lots in a single bulk transaction for the Bulk Purchase Price set forth in the Option Agreement ("Bulk Purchase"). The Builder must give written notice to the Landbank ("Bulk Purchase Notice") of such election before the Expiration Date or termination of the Option Agreement, including during any notice and cure periods provided for a default.

Table 1 below sets forth additional detail regarding the current Takedown Schedule for the Property, including the takedown prices, the number of units for each takedown, and the 2023/24 fiscal year Assigned Special Taxes for the townhome units being taken down.

Table 1
City of Alameda
Community Facilities District No. 22-1
Building Takedown Schedule and Fiscal Year 2023-24
Assigned Special Taxes per Building

Takedown Schedule	Building #s	Takedown Price	# of Market Rate Units	# of Total Units(1)	Cumulative Takedowns # of Units	Cumulative Takedowns Percentage of Total Units	2023/24 Assigned Special Tax	Cumulative Percentage of Assigned Special Taxes
3/31/22	11	$ 1,904,184	3	4	4	2%	$ 23,170.32	2%
8/2/22	1-4	11,808,300	26	30	34	19	163,592.70	17
8/31/22	6, 7	5,611,546	11	13	47	26	74,810.88	24
10/31/22	5, 8	6,005,156	12	14	61	34	81,024.72	32
3/31/23	18, 19	4,723,320	10	12	73	40	62,830.98	38
5/31/23	20	3,542,490	8	9	82	45	50,091.18	42
6/30/23	16, 17	4,348,280	8	10	92	51	57,382.14	48
7/31/23	14, 15	4,760,460	10	10	102	56	74,970.00	55
8/31/23	12, 13	4,760,460	9	10	112	62	67,057.86	61
9/30/23	22, 23	5,510,540	13	14	126	69	81,809.10	68
10/31/23	21	3,148,880	7	8	134	74	45,402.24	73
1/31/24	24, 25	4,348,280	8	10	144	79	57,382.14	78
4/30/24	26, 27	4,760,460	9	10	154	85	67,057.86	84
5/31/24	28, 29	4,760,460	9	10	164	90	67,057.86	90
6/30/24	30, 31	4,760,460	8	10	174	96	58,957.02	96
7/31/24	9, 10	3,808,368	6	8	182	100	44,642.34	100
	31	$78,61,644	157	182			$1,077,239.34	

(1) Buildings 1, 2, 3, 4, 5, 6, 7, 8, 11, 13, 16, 17, 18, 19, 20, 21, 22, 24, 25, 26, 29, 30 and 31 each include one Below Market Rate townhome, and building 10 has two such units. See APPENDIX I.
Sources: The Builder, NBS.

So long as the Option Agreement is in effect, the Builder is obligated to pay property taxes (including any Special Taxes) on property not yet taken down by the Builder. To date, the Builder has purchased property in the District in accordance with the Takedown Schedule, without any extensions.

Current Development in the District

Pursuant to the Construction Agreement, Landsea Construction LLC has been constructing in-tract improvements necessary for vertical construction to proceed.

As described in Table 1, above, through November 14, 2022, the Builder has acquired from the Landbank property planned for 6 buildings designed to include a total of 61 units, of which 52 will be market rate units subject to the Special Tax. The construction schedule for the buildings on property that has been conveyed to the Builder, is as follows:

Building No.	Building Permit[1]	Construction Start	Expected Completion
11	7/27/2022	8/8/2022	7/31/2023
2	8/24/2022	9/1/2022	7/31/2023
3	9/20/2022	9/20/2022	7/31/2023
1	*5/15/2023*	6/5/2023	2/26/2024
4	*4/15/2023*	5/15/2023	2/5/2025
5	*8/15/2023*	9/15/2023	6/7/2024
6	*1/15/2023*	1/15/2023	9/29/2023
7	*12/15/2023*	1/15/2023	10/3/2023
8	*6/15/2023*	7/15/2023	3/31/2024

(1) Dates in italics indicate anticipated building permit issuance dates. No assurance can be given that the Builder will request or that the City will provide, building permits as currently projected.

The Builder is financing its acquisition and construction activities with funds provided by Landsea Homes Corporation from a senior unsecured revolving line of credit provided by Western Alliance Bank. The credit line was originated on October 6, 2021, and has an expiration date of October 6, 2024 with a possible 1 year extension. The total amount currently available under the line of credit is $675 million, with an outstanding balance of $594.3 million as of September 30, 2022. The Builder also expects to finance part of the costs of its acquisition and construction activities from the sale of townhomes being constructed in the District.

The Builder and Landsea Construction LLC are both affiliates of Landsea Homes Corporation, a publicly traded homebuilder (Nasdaq: LSEA) that has operations in several states and has been building homes in Northern California for over eight years. Landsea Homes Corporation maintains a website at https://www.landseahomes.com.

The foregoing internet website is included for reference only and the information on the internet site is not a part of this Official Statement and is 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 such internet website.

Property Values

The value of property within the District is an important factor in determining the investment quality of the 2022 Bonds. If a property owner defaults in the payment of the Special Tax, the City's primary remedy is to foreclose on the delinquent property in an attempt to obtain funds with which to pay the delinquent Special Tax. The Special Tax is not a personal obligation of the owners of the property. A variety of economic, political, and natural occurrences incapable of being accurately predicted can affect property values. See "SPECIAL RISK FACTORS—Property Value."

The City has commissioned the Appraisal Report, dated November 11, 2022, for the property in the District. The Appraiser concluded in the Appraisal Report that, as of September 6, 2022, the market value of the property in the District is $58,750,000. The Appraiser's conclusion of value is subject to certain assumptions and limiting conditions set forth in the Appraisal Report, including a hypothetical condition that proceeds of the 2022 Bonds will be available for the reimbursement of public improvement costs. On November __, 2022, the Appraiser provided a letter to the City (the "Update Letter") to the effect that the value of the property in the District as of November __ 2022 was not less than the value as of the September 6, 2022 date of value in the Appraisal.

The appraised value of the land in the District as reflected in the Appraisal Report, is approximately 3.9* times the $15,000,000* initial principal amount of the 2022 Bonds. **The Appraisal Report and the Update Letter are included in Appendix H to this Official Statement and should be read in their entirety, including in the Appraisal Report an explanation of the methodology and the assumptions underlying and the conditions limiting the valuation conclusions contained in the Appraisal Report. Neither the City nor the Underwriter makes any representation as to the accuracy or completeness of the Appraisal Report or the Update Letter.**

The Appraisal Report does not take into account possible future liens or indebtedness which may be imposed by the City or by other public entities on Taxable Property in the District. The City has not covenanted, and in many instances does not have the legal ability, to restrict other entities from imposing indebtedness which may be secured by a lien on the Taxable Property in the District which is on a parity with the Special Tax. See "THE DEVELOPMENT AND THE DISTRICT—Direct and Overlapping Governmental Obligations" and "SPECIAL RISK FACTORS—Parity Taxes and Special Assessments." A number of economic, political, and natural occurrences may adversely affect the value of the property as expressed in the Appraisal Report. See "SPECIAL RISK FACTORS."

Direct and Overlapping Governmental Obligations

General. Presently, land within the District is subject to approximately $934,514 of total direct and overlapping tax and assessment debt, in addition to the $15,000,000* initial principal amount of the 2022 Bonds. To repay direct and overlapping debt the owners of the land within the District must pay the annual Special Taxes and the general property tax levy. The ability of the City to collect the Special Taxes could be adversely affected if additional debt is issued with respect to the Taxable Property in the District. The land, at any time, could become subject to additional debt with a parity claim on property values in the event of foreclosure either by the formation of additional community facilities districts or the imposition of other taxes and assessments by public agencies other than the City on behalf of the property owners within the District. The imposition of additional liens on a parity with the Special Taxes may reduce the ability or willingness of the landowners to pay the Special Taxes and may increase the possibility that foreclosure proceeds will not be adequate to pay delinquent Special Taxes.

Direct and overlapping indebtedness, tax and assessment debt as of October 1, 2022 is shown in the following Table 2 compiled by California Municipal Statistics, Inc. Neither the City nor the Underwriter has independently verified the information in the Table and they make no representation as to its completeness or accuracy.

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* Preliminary, subject to change.

Table 2
City of Alameda
Community Facilities District No. 22-1
Direct and Overlapping Debt Summary

2022-23 Local Secured Assessed Valuation: $52,938,000

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 10/1/22
Alameda County General Obligation Bonds	0.014%	$ 72,869
Bay Area Rapid Transit District General Obligation Bonds	0.006	138,062
East Bay Regional Park District General Obligation Bonds	0.009	15,562
Peralta Community College District General Obligation Bonds	0.038	137,046
Alameda Unified School District General Obligation Bonds	0.297	554,281
City of Alameda General Obligation Bonds	0.297	16,694
City of Alameda Community Facilities District No. 22-1	100.	- (1)
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$934,514
OVERLAPPING GENERAL FUND DEBT:		
Alameda County General Fund Obligations	0.014%	$104,904
Alameda-Contra Costa Transit District Certificates of Participation	0.017	1,871
Peralta Community College District Pension Obligation Bonds	0.038	46,404
Alameda Unified School District Certificates of Participation	0.297	15,050
City of Alameda Certificates of Participation	0.297	14,910
TOTAL OVERLAPPING GENERAL FUND DEBT		$183,139
COMBINED TOTAL DEBT		$1,117,653 (2)

(1) Excludes the 2022 Bonds.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2022-23 Local Secured Assessed Valuation:

Direct Debt ($0)	0.00%
Total Direct and Overlapping Tax and Assessment Debt	1.77%
Combined Total Debt	2.11%

Source: California Municipal Statistics, Inc.

CFD 22-2. At the time the City formed the District, it also formed a Community Facilities District No. 22-2 (Alameda Marina – Shoreline Improvements Maintenance and Adaptive Measures) ("**CFD 22-2**") that includes all of the property in the Development, other than the property subject to the Tidelands Lease. However, the rate and method of apportionment of special taxes for CFD 22-2 explicitly provides, in effect, that no special taxes will be levied on property in CFD 22-2 earlier than the date on which any debt obligations of the District have been paid in full or otherwise have been fully discharged and the special tax lien with respect to the District has been terminated. See "SPECIAL RISK FACTORS—Risk of Sea Level Changes" for additional information regarding CFD 22-2.

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

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

Moreover, in the event of a delinquency in the payment of Special Taxes, no assurance can be given that the proceeds of any foreclosure sale of Taxable Property with delinquent Special Taxes would be sufficient to pay the delinquent Special Taxes. See "SPECIAL RISK FACTORS—Property Value."

Projected Debt Service Coverage

The Maximum Special Taxes that can be levied on Taxable Property in the District in any fiscal year increases by two percent (2%) over the Maximum Special Taxes for the prior fiscal year. See "SECURITY FOR THE 2022 BONDS—Special Taxes" and "—Summary of Rate and Method."

Set forth in Table 3 below is the projected Maximum Special Taxes from the 157 townhomes to be built in the District that will to be subject to the levy of Special Taxes, assuming no delinquencies in the payment of Special Taxes, that could be available to pay the debt service on the 2022 Bonds.

Table 3
City of Alameda
Community Facilities District No. 22-1
Estimated Maximum Taxing Capacity

Bond Year Ending	Maximum Assigned Special Taxes(1)	Priority Administrative Expenses(2)	Pledged Special Tax Revenues	2022 Bond Debt Service(3)	Estimated Debt Service Coverage(3)
9/1/23	$1,077,239	$(50,000)	$1,027,239	$933,854	N/A(4)
9/1/24	1,098,784	(51,000)	1,047,784	952,531	110%
9/1/25	1,120,760	(52,020)	1,068,740	971,582	110
9/1/26	1,143,175	(53,060)	1,090,115	991,013	110
9/1/27	1,166,039	(54,122)	1,111,917	1,010,834	110
9/1/28	1,189,359	(55,204)	1,134,155	1,031,050	110
9/1/29	1,213,146	(56,308)	1,156,838	1,051,671	110
9/1/30	1,237,409	(57,434)	1,179,975	1,072,704	110
9/1/31	1,262,158	(58,583)	1,203,575	1,094,159	110
9/1/32	1,287,401	(59,755)	1,227,646	1,116,042	110
9/1/33	1,313,149	(60,950)	1,252,199	1,138,363	110
9/1/34	1,339,412	(62,169)	1,277,243	1,161,130	110
9/1/35	1,366,200	(63,412)	1,302,788	1,184,353	110
9/1/36	1,393,524	(64,680)	1,328,844	1,208,040	110
9/1/37	1,421,394	(65,974)	1,355,420	1,232,200	110
9/1/38	1,449,822	(67,293)	1,382,529	1,256,844	110
9/1/39	1,478,819	(68,639)	1,410,180	1,281,982	110
9/1/40	1,508,395	(70,012)	1,438,383	1,307,621	110
9/1/41	1,538,563	(71,412)	1,467,151	1,333,773	110
9/1/42	1,569,334	(72,841)	1,496,493	1,360,449	110
9/1/43	1,600,721	(74,297)	1,526,424	1,387,658	110
9/1/44	1,632,735	(75,783)	1,556,952	1,415,411	110
9/1/45	1,665,390	(77,299)	1,588,091	1,443,719	110
9/1/46	1,698,698	(78,845)	1,619,853	1,472,594	110
9/1/47	1,732,672	(80,422)	1,652,250	1,502,046	110
9/1/48	1,767,325	(82,030)	1,685,295	1,532,086	110
9/1/49	1,802,672	(83,671)	1,719,001	1,562,728	110
9/1/50	1,838,725	(85,344)	1,753,381	1,593,982	110
9/1/51	1,875,500	(87,051)	1,788,449	1,625,863	110
9/1/52	1,913,010	(88,792)	1,824,218	1,658,380	110
9/1/53	1,951,270	(90,568)	1,860,702	1,691,547	110
	$45,652,800	($2,118,972)	$43,533,828	$39,576,207	

(1) Based on the Assigned Special Tax that can be levied on parcels in the District for the respective Bond Year. See "SECURITY FOR THE 2022 BONDS—Summary of Rate and Method."
(2) Based on the Minimum Administrative Expense Requirement; not pledged to the repayment of the 2022 Bonds.
(3) Preliminary, subject to change.
(4) Debt service on the 2022 Bonds for the Bond Year ending 9/1/23 will be paid from 2022 Bond proceeds deposited to the Capitalized Interest Account. See "PLAN OF FINANCING—Sources and Uses of Funds."
Source: NBS, the Underwriter.

See "SECURITY FOR THE 2022 BONDS—No Limitation on Increases in Special Tax Levies by Reason of Delinquencies" for information regarding how the Law differs from the Mello-Roos Community Facilities Act of 1982 in respect of the ability of the City to increase Special Tax levies on parcels in the District in the event of delinquencies in the payment of Special Taxes, subject in any event to the Maximum Special Taxes described under the heading "SECURITY FOR THE 2022 BONDS—Summary of Rate and Method."

SPECIAL RISK FACTORS

The following is a description of certain risk factors affecting the District, the property owners in the District, the parcels subject to the levy of Special Taxes and the payment of and security for the 2022 Bonds. The following discussion of risks is not meant to be a complete list of the risks associated with the purchase of the 2022 Bonds and does not necessarily reflect the relative importance of the various risks. Potential investors are advised to consider the following factors along with all other information in this Official Statement in evaluating the investment quality of the 2022 Bonds. There can be no assurance that other risk factors will not become material in the future.

No General Obligation of the City or the District

The City's obligations under the 2022 Bonds and under the Fiscal Agent Agreement are limited obligations of the City on behalf of the District and are payable solely from and secured solely by the Special Tax Revenues and amounts in the Special Tax Fund, the Bond Fund and the Reserve Fund. The 2022 Bonds are neither general or special obligations of the City nor general obligations of the District, but are limited obligations of the City for the District payable solely from the revenues and funds pledged therefor and under the Fiscal Agent Agreement. Neither the faith and credit nor the taxing power of the City or the State of California or of any of their respective political subdivisions is pledged to the payment of the 2022 Bonds.

Concentration of Ownership

Based on lot takedowns to date, Taxable Property in the District responsible for approximately 32% of the Special Tax levy is currently owned by the Builder, with the balance owned by the Landbank; however, the Builder has advised that its contract with the Landbank requires it to pay Special Taxes on property owned by the Landbank and not yet conveyed to the Builder so long as the Option Agreement remains in effect. See "THE DEVELOPMENT AND THE DISTRICT—Land Ownership." Accordingly, until it sells townhomes to townhome buyers, the Builder will be responsible for the payment of any Special Taxes levied on the Taxable Property in the District. The lack of diversity in ownership of property in the District, and the consequent lack of diversity in the obligation to pay the Special Taxes levied in the District, represents significant risk to the owners of the 2022 Bonds in that the ability of the Builder to pay the Special Taxes levied on property it or the Landbank owns may depend, in part, on the successful sales of townhomes in the District.

Failure of the Builder to pay the annual Special Taxes when due on the property not yet sold to townhome buyers could result in the rapid, total depletion of the Reserve Fund prior to replenishment from the resale of the delinquent parcels of land upon a foreclosure or otherwise. In that event, there could be a default in payments of the principal of, and interest on, the 2022 Bonds. See "SPECIAL RISK FACTORS—Insufficiency of Special Tax Revenues."

Failure to Complete or Delay in Completion of the Townhomes

Construction of the Townhomes. The completion of the development of the planned 157 townhomes that are the Taxable Property in the District requires the completion of certain on-site and off-site improvements and the construction of townhomes. The Builder currently estimates all in-tract horizontal improvements will be completed by December, 2026. The Builder has advised that it currently expects the schedule for vertical construction of each of the buildings to be approximately eight months from the time construction commences, and that construction of all of the buildings is currently estimated to be complete by December, 2026. See "THE DEVELOPMENT AND THE DISTRICT—Land Ownership." No assurance can be given that the Builder will complete the takedown of the property in the District from the

Landbank, or that Landsea Construction LLC will complete the construction of all of the 182 townhomes, including the 157 to be subject to the levy of Special Taxes, as currently expected or at all.

As described under the heading "THE DEVELOPMENT AND THE DISTRICT—Land Ownership," the Builder has the right to extend the Takedown Schedule. In addition, economic and other conditions, including changes to mortgage interest rates and increases in development costs, may affect the Builder's decision whether or not to acquire any additional land pursuant to the Option Agreement, whether or not to proceed with construction of additional townhomes and whether or not to delay the schedule for the construction and sale of the townhouses.

Amendment to BCDC Permit. The Development has been issued a Major Permit by the San Francisco Bay Conservation and Development Commission (Permit No. 2018.003.00) on September 30, 2020, as amended through February 16, 2022. The construction phasing plan, as proposed by the Builder, requires an amendment to the Major Permit in order to adjust the phasing and timing of delivery of certain public open space improvements within the Development site. The amendment is needed to revise the permit to allow for park and Bay Trail improvements to be constructed at a later phase of the townhome construction, as a safety matter to not have public use adjacent to the area where building construction is ongoing. The Master Developer must submit the request for the amendment and expects to do so by ____________.

Certificates of occupancy for completed townhomes cannot be issued until BCDC has approved the amendment. It is anticipated that once the request for the amendment has been submitted, and after a sixty-day comment period, the amendment may be approved at a BCDC staff level, but no assurance can be given as to the timing of approval of the amendment. If approval of the amendment is delayed, there may be a delay in obtaining certificates of occupancy for completed townhomes.

Electric Service. The Builder has advised that it needs Alameda Municipal Power ("AMP") to provide electricity to the site on which the townhomes are being constructed before certificates of occupancy can be provided for completed townhomes. It has been informed by AMP that AMP cannot provide the needed electrical connection until it has received necessary transformers, and that there currently is a several month delay in AMP obtaining the transformers. No assurance can be given as to the timing of delivery of the transformers to AMP, and AMP's connection of the site to its electric grid.

Human Remains and Artifacts. The Master Developer has advised that human remains and artifacts were found on the Development site. It is possible that additional remains and artifacts will be found that could prevent or delay development. An Archaeological Resource Management Plan (the "Plan") for the Development was submitted to the City in March 2020. It documented extensive testing on the Development site and documented the human remains that were found. The Master Developer has advised that it has proceeded with site development as recommended in the Plan.

Payment of the Special Tax is not a Personal Obligation

The Builder and the purchasers of townhomes in the District are not personally obligated to pay the Special Tax. Rather, the Special Tax is an obligation that is secured only by a lien against the Taxable Property on which it is levied. If the value of a Taxable Property is not sufficient to secure fully the payment of the Special Tax levied and to be levied on it, the City has no recourse against the owners of the Taxable Property.

Property Value

If the Builder, or a townhome owner, defaults in the payment of the Special Tax, the only legal remedy is the institution of a superior court action to foreclose on the delinquent Taxable Property in an attempt to obtain funds with which to pay the Special Tax. The value of the Taxable Property in the District could be adversely affected by economic factors beyond the City's control, 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 in the event of sale or foreclosure; (ii) changes in real estate tax rates and other expenses of owning Taxable Property, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies; and (iii) natural disasters (including, without limitation, wildfire, earthquakes, tsunamis and floods), which may result in uninsured losses. See "SPECIAL RISK FACTORS—Natural Disasters and Potential Drought Conditions."

No assurance can be given that the real property subject to a judicial foreclosure sale will be sold or, if sold, that the proceeds of such sale will be sufficient to pay the delinquent Special Tax installment. Although the Law authorizes the City to cause such an action to be commenced and diligently pursued to completion, the Law does not specify any obligation of the City with regard to purchasing or otherwise acquiring any lot or parcel of property sold at the foreclosure sale in any such action if there is no other purchaser at such sale. The City is not obligated and does not expect to be a bidder at any such foreclosure sale. See "SECURITY FOR THE BONDS—Covenant for Superior Court Foreclosure" and "SPECIAL RISK FACTORS—Proceeds of Foreclosure Sales."

COVID-19 Pandemic

General. Information about the State's current status can be found at the State's website, www.covid19.ca.gov. Also see the County's website http://covid-19.acgov.org for up to date information regarding COVID-19 restrictions in place in the County. Reference to the State's and the County's website is included in this Official Statement for general information only and information on such website is not included in this Official Statement by reference to such website.

Effect on the Property in the District. Generally, homebuilders have experienced material increases in certain construction costs, supply chain delays and increased cycle time for home deliveries, and have experienced significant development delays resulting from work stoppages, reduced attendance of workers, and the ability to obtain necessary inspections and approvals for homes, which may be attributed, directly or indirectly, to the COVID-19 pandemic. The Builder has advised that it has encountered delays with the delivery of various supplies, materials and equipment, and there are likely to be additional delays in the procurement of concrete and other supplies, materials and equipment needed for the construction of the townhomes. While the cost increases and delays may have been and may continue to be intermittently affected by COVID-19, the majority of ongoing cost increases and delays can primarily be attributable to the strength of the housing market and the result of vendors not anticipating the scale of the demand for housing materials.

The recent material cost increases and construction delays have and are expected to continue to have a significant impact on the overall development of the townhomes in the District. In addition, the impacts caused by the outbreak are evolving and no prediction can be made with respect to the ultimate effects of the COVID-19 outbreak and related public health and governmental authorities' orders and actions. Such effects, if and as they arise, could have a material adverse effect on the ability to construct and sell townhomes in the District as planned, and no assurance can be provided that the Builder will be able to (a) complete in whole or in any part, or within any particular time, the construction of the townhomes within the District; (b) avoid additional material increases in development costs or delays resulting from work stoppages, reduced attendance of workers, shortages or delays in the delivery of building materials, and/or delays in obtaining necessary inspections and approvals; or (c) sell townhomes, and close townhome sales, due to in each case to public health or governmental restrictions, further spread of COVID-19, an economic downturn driven by the pandemic, or otherwise.

It should be noted that the Special Taxes are expected to be collected on ad valorem property tax bills delivered by the County. Property tax delinquencies may increase as a consequence of economic difficulties of property owners.

Exempt Properties

Certain properties are exempt from the Special Tax in accordance with the Rate and Method. In addition, the Law provides that properties or entities of the state, federal or local government are exempt from the Special Tax; provided, however, that property within the District acquired by a public entity through a negotiated transaction, or by gift or devise, that is not otherwise exempt from the Special Tax, will continue to be subject to the Special Tax. It is possible that property acquired by a public entity following a tax sale or foreclosure based upon failure to pay taxes could become exempt from the Special Tax. 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, for outstanding 2022 Bonds, is to be treated as if it were a special assessment. The constitutionality and operation of these provisions of the Act have not been tested. See "SECURITY FOR THE 2022 BONDS—Special Taxes."

In particular, insofar as the Law requires payment of the Special Tax by a federal entity acquiring property within the District, it may be unconstitutional. See "SPECIAL RISK FACTORS—FDIC/Federal Government Interests in Properties." If for any reason property within the District becomes exempt from taxation by reason of ownership by a nontaxable entity such as the federal government or another public agency, subject to the limitation of the Maximum Special Taxes, the Special Tax will be reallocated to the remaining taxable properties within the District. This would result in the owners of such property paying a greater amount of the Special Taxes and could have an adverse impact upon the timely payment of the Special Taxes. Moreover, if a substantial portion of land within the District becomes exempt from the Special Taxes because of public ownership, or otherwise, the maximum rate that could be levied upon the remaining acreage might not be sufficient to pay principal of and interest on the 2022 Bonds when due and a default would occur with respect to the payment of such principal and interest.

The Law further provides that no other properties or entities are exempt from the Special Tax unless the properties or entities are expressly exempted in a resolution of consideration to levy a new special tax or to alter the rate or method of apportionment of an existing special tax.

Parity Taxes and Special Assessments

The Special Taxes and any penalties thereon will constitute liens against the taxable parcels in the District until they are paid. Such lien is on a parity with all special taxes and special assessments levied by other agencies and is coequal to and independent of the lien for general property taxes regardless of when they are imposed upon the taxable parcel. The Special Taxes have priority over all existing and future private liens imposed on the property. The Special Taxes and the special taxes levied by the City for CFD 22-2 have the same lien priority with respect to the Taxable Property. See "THE DEVELOPMENT AND THE DISTRICT—Direct and Overlapping Governmental Obligations" for a description of existing overlapping liens on the Taxable Property.

The City has no control over the ability of other entities and districts to issue indebtedness secured by special taxes or assessments payable from all or a portion of the taxable property within the District subject to the levy of Special Taxes. 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 or assessments, and any such special taxes or assessments may have a lien on such property on a parity with the Special Taxes. The imposition of additional indebtedness could reduce the willingness and the ability of the property owners within the District to pay the Special Taxes when due.

Insufficiency of Special Taxes

In order to pay debt service on the 2022 Bonds, it is necessary that the Special Taxes levied against Taxable Property within the District be paid in a timely manner. The City has established the Reserve Fund in an amount equal to the Reserve Requirement to pay debt service on the 2022 Bonds and any Parity Bonds to the extent Special Taxes are not paid on time and other funds are not available. See "SECURITY FOR THE 2022 BONDS—Reserve Fund" and Appendix C—"Summary of the Fiscal Agent Agreement – Funds and Accounts – Reserve Fund." Under the Fiscal Agent Agreement, the City has covenanted to maintain in the Reserve Fund an amount equal to the Reserve Requirement; subject, however, to the limitation that the City may not levy the Special Tax in any fiscal year at a rate in excess of the Maximum Special Taxes rates permitted under the Rate and Method. Consequently, if a delinquency occurs, the City may be unable to replenish the Reserve Fund to the Reserve Requirement due to the limitation of the Maximum Special Tax rates. If such defaults were to continue in successive years, the Reserve Fund could be depleted and a default on the 2022 Bonds would occur if proceeds of a foreclosure sale did not yield a sufficient amount to pay the delinquent Special Taxes.

The City has made certain covenants regarding the institution of foreclosure proceedings to sell any property with delinquent Special Taxes in order to obtain funds to pay debt service on the 2022 Bonds. See "SECURITY FOR THE 2022 BONDS—Covenant for Superior Court Foreclosure." If foreclosure proceedings were ever instituted, any mortgage or deed of trust holder could, but would not be required to, advance the amount of delinquent Special Taxes to protect its security interest.

Potential Early Redemption of Bonds from Special Tax Prepayments

Property owners within the District are permitted to prepay their Special Taxes at any time. Any such prepayments will first be used to redeem outstanding 2016 Bonds before they are used to redeem 2022 Bonds; and when there are no longer any 2016 Bonds outstanding such prepayments will result in a mandatory redemption of 2022 Bonds on the next Interest Payment Date for which timely notice may be given under the Fiscal Agent Agreement following the receipt of the Special Tax prepayment. Any resulting redemption of 2022 Bonds that were purchased at a price greater than par could reduce the otherwise expected yield on such 2022 Bonds. While to date there have been no prepayments of Special Taxes, the Authority cannot predict whether and if so when Special Tax prepayments will occur in the future. See "THE 2022 BONDS—Redemption – Mandatory Redemption from Special Tax Prepayments."

Tax Delinquencies

Under provisions of the Law, the Special Taxes, from which funds necessary for the payment of principal of, and interest on, the 2022 Bonds are derived, are being billed to the Taxable Property within the District on the regular property tax bills sent to owners of the parcels. Such Special Tax installments are due and payable, and bear the same penalties and interest for non-payment, as do regular property tax installments. Special Tax installment payments cannot be made separately from property tax payments. Therefore, the unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and Special Tax installment payments in the future. See "SECURITY FOR THE 2022 BONDS—Reserve Fund" and "-Covenant for Superior Court Foreclosure" 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 delinquency in the payment of Special Tax installments. See also "THE DEVELOPMENT AND THE DISTRICT—Special Tax Levies and Delinquencies" for historical Special Tax delinquency history.

Bankruptcy Delays

The payment of the Special Tax and the ability of the City to commence a superior court action to foreclose the lien of a delinquent unpaid Special Tax, as discussed in "SECURITY FOR THE 2022 BONDS—Covenant for Superior Court Foreclosure," may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State of California relating to judicial foreclosure. Any legal opinion to be delivered concurrently with the delivery of the 2022 Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Although bankruptcy proceedings would not cause the Special Taxes to become extinguished, bankruptcy of a property owner or any other person claiming an interest in the property could result in a delay in superior court foreclosure proceedings and could result in the possibility of Special Tax installments not being paid in part or in full. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the 2022 Bonds.

Proceeds of Foreclosure Sales

Pursuant to the Law, in the event of any delinquency in the payment of any Special Tax, the City Council, as the legislative body of the District, may order that the Special Taxes be collected by a superior court action to foreclose the lien within specified time limits. The City has covenanted in the Fiscal Agent Agreement that it will, under certain circumstances, commence such a foreclosure action. See "SECURITY FOR THE 2022 BONDS—Covenant for Superior Court Foreclosure."

No assurances can be given that a taxable parcel in the District that would be subject to a judicial foreclosure sale for delinquent Special Taxes will be sold or, if sold, that the proceeds of such sale will be sufficient to pay the delinquent Special Tax installment. Although the Law authorizes the City to cause such an action to be commenced and diligently pursued to completion, the Law does not specify any obligation of the City with regard to purchasing or otherwise acquiring any lot or parcel of property sold at the foreclosure sale in any such action if there is no other purchaser at such sale and the City has not in any way agreed nor does it expect to be such a bidder.

In a foreclosure proceeding, a judgment debtor (i.e., the property owner) has 140 days from the date of service of the notice of levy in which to redeem the property to be sold and may have other redemption rights afforded by law. If a judgment debtor fails to so redeem and the property is sold, his only remedy is an action to set aside the sale, which must be brought within 90 days of the date of sale if the purchaser at the sale was the judgment creditor. If a foreclosure sale is thereby set aside, the judgment is revived and the judgment creditor is entitled to interest on the revived judgment as if the sale had not been made.

If foreclosure proceedings were ever instituted, any holder of a mortgage or deed of trust on the affected property could, but would not be required to, advance the amount of tie delinquent Special Tax installment to protect its security interest.

In the event such superior court foreclosure or foreclosures are necessary, there could be a delay in principal and interest payments to the owners of the 2022 Bonds pending prosecution of the foreclosure proceedings and receipt by the District of the proceeds of the foreclosure sale, if any. Judicial foreclosure actions are subject to the normal delays associated with court cases and may be further slowed by bankruptcy actions and other factors beyond the control of the City, including delay due to crowded local court calendars or legal tactics and, in any event could take several years to complete. In particular, bankruptcy proceedings involving the Landowner or any other owner of a taxable parcel in the District could cause a delay, reduction or elimination in the flow of Special Tax Revenues to the Fiscal Agent. See "SPECIAL RISK FACTORS—Bankruptcy Delays."

Natural Disasters

The value of the Taxable Property in the future can be adversely affected by a variety of natural occurrences, particularly those that may affect infrastructure and other public improvements and private improvements on the Taxable Property and the continued habitability and enjoyment of such private improvements. Such occurrences include, without limitation, wildfire, earthquakes and floods.

As reported in the Appraisal, according to information from the California Geological Survey (formerly known as the Division of Mines and Geology), the District is not located within an Alquist-Priolo Special Studies Zone. The District is located in a liquefaction zone, an area "where historical occurrence of liquefaction, or local geological, geotechnical and ground water conditions indicate a potential for permanent ground displacements such that mitigation in Public Resources Code Section 2693(c) would be required." The Master Developer has advised that it partnered with design experts that specialize in the analysis and design of solutions to mitigate the subsurface conditions at the Development site. Rockridge Geotechnical Engineers and SGH Maritime Engineers performed thorough on-site sampling and detailed design parameters to respond to the subsurface conditions of the Development. The design solutions, which are based upon the current Seismic Code, were thoroughly reviewed by all public agencies, including but not limited to BCDC and the City. The construction of the design solutions were completed by construction experts and all facets of the work were thoroughly inspected by the corresponding public agencies. The Builder has advised that it is following the advice of its design engineers in connection with the construction of the townhomes in the District.

In addition to possible earthquakes and flooding, other natural disasters could occur and could result in damage to improvements of varying seriousness. The damage may entail significant repair or replacement costs and that repair or replacement may never occur either because of the cost, or because repair or replacement will not facilitate habitability or other use, or because other considerations preclude such repair or replacement. Under any of these circumstances, the value of the Taxable Property may well depreciate or disappear.

Risk of Sea Level Changes

General. Numerous scientific studies on global climate change suggest that sea levels are expected to continue to rise in the future due to the increasing temperature of the oceans causing thermal expansion and growing ocean volume from glaciers and ice caps melting into the ocean. Between 1854 and 2016, sea level in San Francisco Bay rose about nine inches according to the tidal gauge at Fort Point, a location underneath the Golden Gate Bridge. Weather and tidal patterns, including 100-year or more storms and king tides, may exacerbate the effects of climate related sea level rise. Coastal areas like the City are at risk of substantial flood damage over time.

In April 2017, the Working Group of the California Ocean Protection Council Science Advisory Team (in collaboration with several state agencies, including the California Natural Resource Agency, the Governor's Office of Planning and Research, and the California Energy Commission) published a report, that was formally adopted in March 2018, entitled "Rising Seas in California: An Update on Sea Level Rise Science" (the "Sea Level Rise Report") to provide a new synthesis of the state of science regarding sea level rise. The Sea Level Rise Report provides the basis for State guidance to state and local agencies for incorporating sea level rise into design, planning, permitting, construction, investment and other decisions. Among many findings, the Sea Level Rise Report indicates that the effects of sea level rise are already being felt in coastal California with more extensive coastal flooding during storms, exacerbated tidal flooding, and increased coastal erosion. In addition, the report notes that the rate of ice sheet loss from Greenland and Antarctic ice sheets poses a particular risk of sea level rise for the California coastline. The City has incorporated the projections from the 2018 report into its Guidance for Incorporating Sea Level Rise Guidance into ongoing Capital Planning.

In March 2020, a consortium of State and local agencies, led by the Bay Area Conservation and Development Commission (the "**BCDC**"), released a detailed study entitled, "Adapting to Rising Tides Bay Area: Regional Sea Level Rise Vulnerability and Adaptation Study," on how sea level rise could alter the Bay Area. The study states that a 48-inch increase in the bay's water level in coming decades could cause more than 100,000 Bay Area jobs to be relocated, nearly 30,000 lower-income residents to be displaced, and 68,000 acres of ecologically valuable shoreline habitat to be lost. The study further argues that without a far-sighted, nine county response, the region's economic and transportation systems could be undermined along with the environment. Runways at SFO could largely be under water.

The Development. The property in the District is subject to the San Francisco Bay Plan and Bay Policies Guidelines set and administered by the BCDC. The City and Alameda Marina, LLC were co-applicants under the BCDC and related agencies for permits for development of the property in the District. BCDC guidelines require compliance under the McAteer-Petris Act, Policies for a Rising Bay. The issuance of the BCDC permit is subject to the State of California Sea-Level Rise Guidance (2018 Update) which reviews project specific criteria, risk assessment and provides policy recommendations for near term and long-term adaptation for sea-level-rise protections.

Development plans for the District were designed for resilience in the event of sea level rise projected through the end of the century and adaptive to potential sea level rise as projected through 2100, consistent with the regulatory requirements on the BCDC. On September 30, 2020, the BCDC issued Permit No. 2018.003.00 providing permission for Alameda Marina, LLC to conduct activities related to the planned construction and rehabilitation to occur in the Development.

The BCDC Permit recognized that the measures implemented with the construction activities described in the Permit would satisfy the permit special conditions for flooding and adaptation for medium term and long-term scenarios. The permit details specific notifications and additional planning efforts that would precede any requirement for future adaptive measures under the 2100 scenario.

Approximately 17 acres of the property in the Development, consisting primarily of the marina and shoreline areas, are the subject of a Tidelands Lease, dated as of May 16, 2012, between the City and the Master Developer. The term of the Tidelands Lease, as currently amended, extends to May 11, 2078. The Master Developer has various obligations under the Tidelands Lease, including the payment of annual rent to the City, and ongoing reporting related to and the ongoing rehabilitation of the shoreline improvements. Those obligations include the funding of a Capital Replacement Fund in an annual amount, beginning in the tenth year of the Tidelands Lease, of at least $50,000, and updated marina engineering reports each 15th year of the Tidelands Lease, with any capital replacement and rehabilitation work to be completed by the Master Developer. Under the provisions of a Master Declaration of Covenants, Conditions and Restrictions of Alameda Marina recorded against the property in the Development, the Master Developer is obligated, among the other owners of property in the Development, to satisfy all requirements of the Tidelands Lease.

CFD 22-2. At the time the City formed the District, it also formed a Community Facilities District No. 22-2 (Alameda Marina – Shoreline Improvements Maintenance and Adaptive Measures) ("**CFD 22-2**") that includes all of the property in the Development, other than the property subject to the Tidelands Lease.

CFD 22-2 is authorized to levy special taxes on property in the District, as well as on property in the Development that is not within the District, only when a "Trigger Event" occurs, as such term is defined in the Rate and Method of Apportionment of Special Taxes for CFD 22-2, generally including (1) a Tenant Default under (as such capitalized term is defined in) the Tidelands Lease to perform its obligations under certain provisions of the Tidelands Lease; or (2) the approval of certain forms of an adaptation plan by the San Francisco Bay Conservation and Development Commission; or (3) upon the expiration of the Tidelands Lease, or of any subsequent lease of the Property (as defined in the Tidelands Lease), without the coterminous execution of a new lease pursuant to which the tenant thereunder is obligated to provide adaptive measures and maintenance and repair services substantially similar, in the judgment of the City's Director of Public Works, to the CFD 22-2 authorized adaptive measures and maintenance services. The Rate and Method of Apportionment of Special Taxes explicitly provides, however, that the Trigger Event shall not occur earlier than the date on which any debt obligations of the District, including the Bonds, have been paid in full or otherwise have been fully discharged and the special tax lien with respect to the District has terminated. **In other words no special taxes will be levied for CFD 22-2 on property in the District so long as any Bonds are outstanding.**

Proceeds of special taxes levied for CFD 22-2 will be used to pay administrative expenses and certain adaptive measures and maintenance services authorized to be funded by CFD 22-2, including:

(a) The following adaptive measures: capital improvements determined by the City to be implemented to provide protection to the property in the District from flooding due to sea level rise, including inland public access and recreation areas from the periodic inundation that may occur in extreme tide events as the sea levels rise beyond elevation 13.5 (NAVD 88). The adaptive measure improvements are to also provide protection for the interior areas of the site, including buildings and streets.

- The improvements may include implementation of floodwalls, earth berms, elevated and/or replaced Bay Trail, elevated wharf, elevated footbridge and other storm drain system enhancements and that are deemed necessary by the City to manage elevated groundwater.

- The District may also fund costs of commissioning periodic condition assessments of the shoreline adjacent to the District by a licensed engineer to document the physical effects of sea level rise and life expectancy of the shoreline protection measures funded by the City's Community Facilities District No. 20-1 (Alameda Marina).

(b) The following maintenance services to the extent that the services are not otherwise being provided by or on behalf of one or more owners of property within, adjacent to or in the vicinity of the District:

- The maintenance, repair and replacement of any of the improvements authorized to be funded by the City of Alameda Community Facilities District No. 22-1 (Alameda Marina) ("CFD 22-1"), other than Clement Avenue roadway improvements.

CFD 22-1 is expected to provide, when and if a Trigger Event occurs, to provide sufficient special tax revenues to be able to pay the debt service on as much as $90,600,000 in bonded indebtedness that would not be needed, if at all, until 50-70 years from now.

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 Taxable Property 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 Development site was a working waterfront for many years. During the preparation of the Development site for vertical construction, certain toxic substances were discovered. The Master Developer and the Builder report that they have worked directly with Alameda County Department of Environmental Health ("ACDEH"), who is the lead agency for all environmental soil remediation, in the conduct of needed site remedial actions. The Master Developer reports that the property in the Development has been fully characterized and remediated so that the site is developable per strict residential standards as set forth by ACDEH. This includes the off-haul of contaminated soils and mitigation measures consistent with the County's residential standards. ACDEH has issued a No Further Action for the property in the Development.

Increasing Mortgage Interest Rates

Since approximately November, 2021 mortgage interest rates have increased significantly. Mortgage interest rates may continue to increase in the near term. Increases in mortgage interest rates could have a negative impact on the acquisition of additional land by the Builder under the Option Agreement, the construction of the townhomes, and the sale of the townhomes being built and to be built in the District. Increased mortgage interest rates adversely impact the affordability of the townhomes as they increase mortgage payment levels, and may impact the desire of current homeowners to purchase townhomes due to the fact that their present home likely has a relatively low mortgage interest rate. In addition, the new townhome would likely have a higher interest rate on a new mortgage loan as well as higher property taxes. Such considerations may decrease the desire for households to purchase a townhome. The foregoing factors could reduce demand for the townhomes that are the Taxable Property in the District.

Cybersecurity

The City has cybersecurity policies that include matters related to perimeter security, e-mail security, internal security, annual mandatory training, availability and remote access. The City, however, is reliant on other entities and service providers in connection with the administration of the District and the 2022 Bonds, including without limitation the Special Tax Consultant, the County tax collector for the levy and collection of Special Taxes and the Fiscal Agent. No assurance can be given that the City and these other entities will not be affected by cyber threats and attacks in a manner that may affect the 2022 Bond owners.

Disclosure to Future Purchasers

The willingness or ability of an owner of a parcel to pay the Special Tax, even if the value of the property is sufficient to justify payment, 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, at the time of such a levy, has the ability to pay it as well as pay other expenses and obligations. The City has caused a notice of the Special Tax to be recorded in the Office of the Recorder for the County against the Taxable Property in the District. Although 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 when purchasing a Taxable Property within the District or lending money thereon, as applicable.

California Civil Code Section 1102.6b requires that, in the case of transfers, 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.

FDIC/Federal Government Interests in Properties

General. The ability of the City to foreclose the lien of delinquent unpaid Special Tax installments may be limited with regard to properties in which the Federal Deposit Insurance Corporation (the "**FDIC**"), the Drug Enforcement Agency, the Internal Revenue Service, or other federal agency has or obtains an interest.

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. The supremacy clause of the United States Constitution reads as follows: "This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the contrary notwithstanding." This means that, unless Congress has otherwise provided, if a federal governmental entity owns a parcel that is subject to Special Taxes within the District but does not pay taxes and assessments levied on the parcel (including Special Taxes), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

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

The City has not undertaken to determine whether any federal governmental entity currently has, or is likely to acquire, any interest (including a mortgage interest) in any of the parcels subject to the Special Taxes within the District, and therefore expresses no view concerning the likelihood that the risks described above will materialize while the 2022 Bonds are outstanding.

FDIC. In the event that any financial institution making any loan which is secured by real property within the District is taken over by the FDIC, and prior thereto or thereafter the loan or loans go into default, resulting in ownership of the property by the FDIC, then the ability of the City to collect interest and penalties specified by State law and to foreclose the lien of delinquent unpaid Special Taxes may be limited.

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

The Policy Statement states that the FDIC generally will not pay non-ad valorem taxes, including special assessments, on property in which it has a fee interest unless the amount of tax is fixed at the time that the FDIC acquires its fee interest in the property, nor will it recognize the validity of any lien to the extent it purports to secure the payment of any such amounts. Special taxes imposed under the Mello-Roos Act and a special tax formula which determines the special tax due each year are specifically identified in the Policy Statement as being imposed each year and therefore covered by the FDIC's federal immunity. The Ninth Circuit has issued a ruling on August 28, 2001 in which it determined that the FDIC, as a federal agency, is exempt from Mello-Roos special taxes.

The City is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency in the payment of Special Taxes on a parcel within the District in which the FDIC has or obtains an interest, although prohibiting the lien of the Special Taxes to be extinguished at a judicial foreclosure sale could reduce or eliminate the number of persons willing to purchase a parcel at a foreclosure sale. Such an outcome could cause a draw on the Reserve Fund and perhaps, ultimately, if enough property were to become owned by the FDIC, a default in payment on the 2022 Bonds.

No Acceleration Provision

The 2022 Bonds and the Fiscal Agent Agreement do not contain a provision allowing for the acceleration of the 2022 Bonds in the event of a payment default or other default under the terms of the 2022 Bonds or the Fiscal Agent Agreement or in the event interest on the 2022 Bonds becomes included in gross income for federal income tax purposes.

Taxability Risk

As discussed herein under the caption "TAX MATTERS," interest on the 2022 Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the 2022 Bonds were issued, as a result of future acts or omissions of the City in violation of its covenants in the Fiscal Agent Agreement. There is no provision in the 2022 Bonds or the Fiscal Agent Agreement for special redemption or acceleration or for the payment of additional interest should such an event of taxability occur, and the 2022 Bonds will remain outstanding until maturity or until redeemed under one of the redemption provisions contained in the Fiscal Agent Agreement.

In addition, as discussed under the caption "TAX MATTERS," Congress is or may be considering in the future legislative proposals, including some that carry retroactive effective dates, that, if enacted, would alter or eliminate the exclusion from gross income for federal income tax purposes of interest on municipal bonds, such as the 2022 Bonds. Prospective purchasers of the 2022 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. The City can provide no assurance that federal tax law will not change while the 2022 Bonds are outstanding or that any such changes will not adversely affect the exclusion of interest on the 2022 Bonds from gross income for federal income tax purposes.

If the exclusion of interest on the 2022 Bonds from gross income for federal income tax purposes were amended or eliminated, it is likely that the market price for the 2022 Bonds would be adversely impacted.

Enforceability of Remedies

The remedies available to the Fiscal Agent and the registered owners of the 2022 Bonds upon a default under the Fiscal Agent Agreement or any other document described in this Official Statement are in many respects dependent upon regulatory and judicial actions that are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided for under such documents may not be readily available or may be limited. Any legal opinions to be delivered concurrently with the issuance of the 2022 Bonds will be qualified to the extent that the enforceability of the legal documents with respect to the 2022 Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

Judicial remedies, such as foreclosure and enforcement of covenants, are subject to exercise of judicial discretion. A California court may not strictly apply certain remedies or enforce certain covenants if it concludes that application or enforcement would be unreasonable under the circumstances and it may delay the application of such remedies and enforcement.

No Secondary Market

No representation is made concerning any secondary market for the 2022 Bonds. There can be no assurance that any secondary market will develop for the 2022 Bonds. Investors should understand the long-term and economic aspects of an investment in the 2022 Bonds and should assume that they will have to bear the economic risks of their investment to maturity. An investment in the 2022 Bonds may be unsuitable for any investor not able to hold the 2022 Bonds to maturity.

Proposition 218

An initiative measure entitled the "Right to Vote on Taxes Act" (the "**Initiative**") was approved by the voters of the State at the November 5, 1996 general election. The Initiative added Article 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." Provisions of the Initiative have been and will continue to be interpreted by the courts. The Initiative could potentially impact the Special Taxes otherwise available to the District to pay the principal of and interest on the 2022 Bonds as described below.

Among other things, Section 3 of Article XIIIC states, "…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, the Governor of the State signed a bill into law 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 Article XIIIC 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 2022 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 that does not interfere with the timely repayment of the 2022 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 2022 Bonds. Therefore, no assurance can be given with respect to the levy of Special Taxes for Administrative Expenses (as defined in the Fiscal Agent Agreement). Nevertheless, the City has covenanted that it will not consent to, or conduct proceedings with respect to, a reduction in the maximum Special Taxes that may be levied in the District below an amount, for any fiscal year, equal to 110% of the aggregate of the debt service due on the 2022 Bonds in such fiscal year, plus a reasonable estimate of Administrative Expenses for such fiscal year. However, no assurance can be given as to the enforceability of the foregoing covenant.

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

Ballot Initiatives

Articles XIIIC and XIIID of the California Constitution were adopted pursuant to measures qualified for the ballot pursuant to California's constitutional initiative process, and the State Legislature has in the past enacted legislation which has altered the spending limitations or established minimum funding provisions for particular activities. 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 or legislation enacted by the legislature. The adoption of any such initiative or legislation might place limitations on the ability of the State, the City, or local districts to increase revenues or to increase appropriations.

IRS Audit of Tax-Exempt Bond Issues

The Internal Revenue Service has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the 2022 Bonds will be selected for audit by the Internal Revenue Service. It is also possible that the market value of the 2022 Bonds might be affected as a result of such an audit of the 2022 Bonds (or by an audit of similar bonds).

Court Action Involving Landowner – Voted Special Tax District

On August 1, 2014, in a decision in City of San Diego. v. Melvin Shapiro, an Appellate Court invalidated an election held by the City of San Diego (the term "City" as used in this paragraph and the next paragraph means the City of San Diego) to authorize the levying of special taxes on hotels City-wide pursuant to a City charter ordinance creating a convention center facilities district (the "CCFD") much like a community facilities district established under the provisions of the Act. While the CCFD is comprised of all of the real property in the entire City, the special tax was to be levied only on hotel properties located within the CCFD. At the election to authorize such special tax, the electorate was defined to consist solely of (a) the owners of real property in the City on which a hotel is located, and (b) the lessees of real property owned by a governmental entity on which a hotel is located. Such approach to determining who would constitute the qualified electors of the CCFD was based on Section 53326(c) of the California Government Code, 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 such landowners and lessees are neither "qualified electors" of the City for purposes of Articles XIII A, Section 4 of the California Constitution, nor a proper "electorate" under Article XIIIC, Section 2(d) of the California Constitution.

The Court specifically noted that the decision did not require the Court to consider the distinct question of whether landowner voting to impose special taxes under Section 53326(b) of the California Government Code (which was the nature of the voter approval pursuant to the Law through which the District was formed, as the Landbank was the sole owner of the land in the District at the time of the District formation) violates the California Constitution in districts that lack sufficient registered voters to conduct an election among registered voters. In the case of the CCFD, at the time of the election all of the registered voters in the City were within the CCFD. With respect to the District, there were no registered voters within the District at the time of the election to authorize the Special Tax and issuance of bonds by the District. Thus, by its terms, the Court's holding does not apply to the formation and Special Tax election in the District.

Moreover, Section 3-70.72 of the Law provides that any "action or proceeding to attack, review, set aside, void, or annul the levy of a special tax…, or bonded indebtedness authorized to be incurred pursuant to this Code shall be commenced within 30 days after the special tax or the bonded indebtedness, as applicable, is approved by the voters." Section 3-70.98 of the Law contains a similar time limitation. The Landbank, as the sole qualified elector in the District at the time, approved the Special Tax and the bonded indebtedness for the District on April 19, 2022.The City is not aware of any action being filed challenging the formation of the District, or the authority to levy the Special Tax on property in the District or for the District to incur bonded indebtedness. See "NO LITIGATION." Given the foregoing, the City believes that no successful challenge to the levy of the Special Tax in the District or the issuance of the 2022 Bonds may now be brought.

TAX MATTERS

Federal tax law contains a number of requirements and restrictions which apply to the 2022 Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The City has covenanted in the Fiscal Agent Agreement to comply with all requirements that must be satisfied in order for the interest on the 2022 Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the 2022 Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the 2022 Bonds.

Subject to the City's compliance with the above-referenced covenants, under present law, in the opinion of Quint & Thimmig LLP, Bond Counsel, interest on the 2022 Bonds is excludable from gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended. For tax years beginning after December 31, 2022, interest on the Bonds may affect the corporate alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the City with respect to certain material facts within the City's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

The Internal Revenue Code of 1986, as amended (the "**Code**"), includes provisions for an alternative minimum tax ("**AMT**") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("**AMTI**"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "**Adjusted current earnings**" would include certain tax-exempt interest, including interest on the 2022 Bonds.

Ownership of the 2022 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax exempt obligations. Prospective purchasers of the 2022 Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "**Issue Price**") for each maturity of the 2022 Bonds is the price at which a substantial amount of such maturity of the 2022 Bonds is first sold to the public. The Issue Price of a maturity of the 2022 Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page of this Official Statement.

If the Issue Price of a maturity of the 2022 Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the 2022 Bonds (the "**OID 2022 Bonds**") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID 2022 Bond in the initial public offering at the Issue Price for such maturity and who holds such OID 2022 Bond to its stated maturity, subject to the condition that the City comply with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID 2022 Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID 2022 Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Owners of OID 2022 Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID 2022 Bonds.

Owners of 2022 Bonds who dispose of 2022 Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase 2022 Bonds in the initial public offering, but at a price different from the Issue Price or purchase 2022 Bonds subsequent to the initial public offering should consult their own tax advisors.

If a 2022 Bond is purchased at any time for a price that is less than the 2022 Bond's stated redemption price at maturity or, in the case of an OID 2022 Bond, its Issue Price plus accreted original issue discount reduced by payments of interest included in the computation of original issue discount and previously paid (the "**Revised Issue Price**"), the purchaser will be treated as having purchased a 2022 Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a 2022 Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID 2022 Bond for a price that is less than its Revised Issue Price even if the purchase price exceeds par. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such 2022 Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the 2022 Bonds.

An investor may purchase a 2022 Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "**bond premium**" and must be amortized by an investor on a constant yield basis over the remaining term of the 2022 Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the 2022 Bond. Investors who purchase a 2022 Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the 2022 Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the 2022 Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the 2022 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the 2022 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "**Service**") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the 2022 Bonds. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the 2022 Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the 2022 Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax exempt obligations, including the 2022 Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any 2022 Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any 2022 Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

In the further opinion of Bond Counsel, interest on the 2022 Bonds is exempt from California personal income taxes.

Ownership of the 2022 Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the 2022 Bonds. Prospective purchasers of the 2022 Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

The complete text of the final opinion that Bond Counsel expects to deliver upon issuance of the 2022 Bonds is set forth in Appendix D.

LEGAL MATTERS

Concurrent with the issuance of the 2022 Bonds, Quint & Thimmig LLP, Larkspur, California, Bond Counsel, will render its opinion substantially in the form set forth in Appendix D to this Official Statement. Quint & Thimmig LLP also is acting as Disclosure Counsel to the City with respect to the 2022 Bonds. Certain legal matters will be passed upon for the City by the City Attorney. Certain legal matters related to the 2022 Bonds will be passed upon for the Underwriter by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California. Payment of the fees and expenses of Bond and Disclosure Counsel, and of Underwriter's Counsel, is contingent on the issuance of the 2022 Bonds.

MUNICIPAL ADVISOR

The City has retained Urban Futures Incorporated, Tustin, California, as municipal advisor (the "Municipal Advisor") in connection with the offering of the 2022 Bonds. All financial and other information presented in this Official Statement has been provided by the City and others from their records. Unless otherwise footnoted, the Municipal Advisor takes no responsibility for the accuracy or completeness of the data provided by the City or others and has not undertaken to make an independent verification or does not assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. The Municipal Advisor has assisted the City with the structure, timing and terms for the sale of the 2022 Bonds. The Municipal Advisor provides municipal advisory services only and does not engage in the underwriting, marketing, or trading of municipal securities or other negotiable instruments. The fee of the Municipal Advisor is contingent upon the successful closing of the 2022 Bonds.

NO RATING

The City has not made, and does not intend to make, any application to any rating agency for the assignment of a rating to the 2022 Bonds.

LITIGATION

The City is not aware of any pending or threatened litigation challenging the validity of the 2022 Bonds, the Special Taxes securing the 2022 Bonds, or any action taken by the City in connection with the formation of the District, the levying of the Special Taxes or the issuance of the 2022 Bonds.

UNDERWRITING

The 2022 Bonds are being purchased through negotiation by Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**"). The Bond Purchase Agreement for the 2022 Bonds provides that the Underwriter will purchase all of the 2022 Bonds, if any are purchased. The Underwriter agreed to purchase the 2022 Bonds at a price of $____________ (which is equal to the par amount of the 2022 Bonds, plus (minus) an original issue premium (discount) of $____________, and less an underwriter's discount of $____________). The initial public offering prices of the 2022 Bonds set forth on the inside cover page may be changed by the Underwriter. The Underwriter may offer and sell the 2022 Bonds to certain dealers and others at prices lower than the public offering prices set forth on the inside cover page hereof.

CONTINUING DISCLOSURE

The City

The City has covenanted in a Continuing Disclosure Agreement for the benefit of the Owners of the 2022 Bonds to provide certain annual financial information and operating data, and to provide notices of the occurrence of certain enumerated events. The City agreed in its certificate to file, or cause to be filed, with the MSRB such report and notices. See Appendix E—"Form of Continuing Disclosure Agreement of the City" for the complete text of the City's Continuing Disclosure Agreement. The covenants of the City have been made in order to assist the Underwriter in complying with the Rule.

During the past five years the City has complied in all material respects with its previous continuing disclosure undertakings pursuant to Rule 15c2-12(b)(5) promulgated under the Securities and Exchange Act of 1934, as amended. However, the Alameda Public Financing Authority (the "Authority"), a joint exercise of powers entity formed by the City and the former Community Improvement Commission of the City of Alameda, failed to provide all of the operating information required by a Continuing Disclosure Agreement to which the Authority was a party commencing with fiscal year 2016-17. The bonds to which that Continuing Disclosure Agreement pertained matured on September 2, 2019 and are no longer outstanding.

The Builder

The Builder has agreed for the benefit of the owners of the 2022 Bonds in a Continuing Disclosure Agreement—Builder to provide certain information on an annual and a semiannual basis, and notice of the occurrence of certain events with respect to it and the property in the

District it owns, or the Landbank owns and the Builder has not yet acquired from the Landbank. Nevertheless, the Underwriter does not consider the Builder to be an "obligated person" for purposes of the Rule. The complete text of the Continuing Disclosure Agreement—Builder is set forth in Appendix F. The Builder's obligation to provide continuing annual, semiannual and event disclosure will terminate if and when at least 146 townhomes being constructed in the District have been sold to townhome buyers unrelated to the Builder.

Remedies for Failures to Comply

A failure by the City or the Builder to comply with its respective continuing disclosure obligations will not constitute a default under the Fiscal Agent Agreement. However, the Continuing Disclosure Agreements provide that, in the event of a failure of the City or the Builder, as applicable, to comply with any provision of their respective Continuing Disclosure Agreement, any 2022 Bond owner, any Beneficial Owner of the 2022 Bonds or the Underwriter may seek specific performance by court order to cause it to comply with its obligations under its respective Continuing Disclosure Agreement.

MISCELLANEOUS

Included herein are brief summaries of certain documents and reports, which summaries do not purport to be complete or definitive, and reference is made to such documents and reports for full and complete statements of the contents thereof. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the City or the District and the purchasers or Owners of any of the 2022 Bonds.

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

CITY OF ALAMEDA, CALIFORNIA for and on behalf of the CITY OF ALAMEDA COMMUNITY FACILITIES DISTRICT NO. 22-1 (ALAMEDA MARINA)

By: ______________________________

Finance Director

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APPENDIX A

GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY

The information in this Appendix A is presented as general background data. The 2022 Bonds are payable solely from the Special Tax Revenues and amounts held in certain funds under the Fiscal Agent Agreement, as described in the Official Statement.

Although reasonable efforts have been made to include up-to-date information in this Appendix A, some of the information is not current due to delays in reporting of information by various sources. It should not be assumed that the trends indicated by the following data would continue beyond the specific periods reflected herein.

Introduction

The City. The City of Alameda (the "City") is a charter city, incorporated in 1854. The City is located in Alameda County (the "County") just west of the City of Oakland and approximately 12 miles east of San Francisco. The City is an island in the eastern portion of the San Francisco Bay approximately six miles long by one and half miles wide and is part of a peninsula adjacent to Oakland Airport. The island portion is connected to the East Bay Area by three bridges and a vehicular underwater double barrel tube.

The City is a major marine recreational area for Northern California with seven marinas and a private seaport. The City is part of the highly urbanized East Bay, which consists of Alameda and Contra Costa counties.

The County. Located on the east side of the San Francisco Bay, Alameda County encompasses 813 square miles and extends from Albany in the North to Fremont in the South and Livermore in the East. The population of Alameda County exceeds 1.5 million making it the seventh most populous county in California according to U.S. Census Bureau data. Population growth in Alameda County has been fairly consistent during the last forty years making it a desirable place to live and work.

The County was established in 1853 and is governed by a five-member Board of Supervisors elected by popular vote. Other elected officials include the Auditor-Controller/Clerk-Recorder, Assessor, Treasurer-Tax Collector, District Attorney, and Sheriff/Coroner. The Board of Supervisors is responsible for providing policy direction, approving the County budget, and representing the County in a number of areas including special districts. The County Administrator reports to the Board and is responsible for delivering County services.

The County possesses a large and diverse economic base, consisting of research and high technology, professional services, manufacturing, farming, finance, transportation, wholesale and retail trade, higher education, medical and health services, and government services. The County also has a diversified industrial base that provides well-paying jobs to its residents.

In international trade, Alameda County has a long history of strong cultural and business ties with Pacific Rim trading partners. Because of its central location and state-of-the-art port facilities, it is a major port for the Pacific Rim trade. The County's extensive network of air, sea, highway and rail facilities have made the County a major transportation hub for regional, national, and international trade.

Population

The table below summarizes population of the City, the County, and the State for the last five years.

CITY OF ALAMEDA, ALAMEDA COUNTY, and CALIFORNIA
Population

Year	City of Alameda	Alameda County	State of California
2018	81,195	1,651,760	39,519,535
2019	81,457	1,659,608	39,605,361
2020	81,135	1,663,114	39,648,938
2021	78,262	1,662,370	39,303,157
2022	77,784	1,651,979	39,185,605

Source: California Department of Finance, E-4 Population Estimate for Cities, Counties, and the State, 2010-22, with 2010 Census Benchmark.

Employment

The following table summarizes historical employment and unemployment for the County, the State, and the United States:

ALAMEDA COUNTY, CALIFORNIA, and UNITED STATES
Civilian Labor Force, Employment, and Unemployment
(Annual Averages)

Year	Area	Labor Force	Employment	Unemployment	Unemployment Rate (1)
2017	Alameda County	848,500	817,600	30,900	3.6%
	California	19,312,000	18,393,100	918,900	4.8
	United States	160,320,000	153,337,000	6,982,000	4.4
2018	Alameda County	848,200	822,800	25,400	3.0
	California	19,398,200	18,582,800	815,400	4.2
	United States	162,075,000	155,761,000	6,314,000	3.9
2019	Alameda County	844,400	819,700	24,700	2.9
	California	19,411,600	18,627,400	784,200	4.0
	United States	163,539,000	157,538,000	6,001,000	3.7
2020	Alameda County	813,800	742,400	71,400	8.8
	California	18,821,200	16,913,100	1,908,100	10.1
	United States	160,742,000	147,795,000	12,947,000	8.1
2021 (2)	Alameda County	810,000	760,900	49,100	6.1
	California	18,923,200	17,541,900	1,381,200	7.3
	United States	161,204,000	152,581,000	8,623,000	5.3

Source: California Employment Development Department, Monthly Labor Force Data for Counties, Annual Average 2010-21, and US Department of Labor.

(1) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures available in this table.

(2) Latest available full-year data.

Major Employers in the City and Industries in the County

The following table lists the top 10 employers within the City for the 2021 calendar year.

CITY OF ALAMEDA
Top 10 Employers
For the 2021 Calendar Year(1)

Employer	Employees	% of Total
Penumbra, Inc.	2,244	2.76%
Alameda Unified School District	1,018	1.25
The North Face	859	1.06
Alameda County Medical Center	746	.92
Telecare Corp	695	.85
Abbott Diabetes Care	600	.74
City of Alameda	538	.66
Exelixis	484	.60
Kaiser Foundation Health Plan	448	.55
U.S. Department of Transportation	368	.45
Total Top 10	8,000	9.84

Source: City of Alameda 2020-21 Annual Comprehensive Financial Report.
(1) Latest available full-year data.

The following table lists the top 10 employers within the County for the 2021 calendar year.

COUNTY OF ALAMEDA
Top 10 Employers
For the 2021 Calendar Year(1)

Employer	Employees	% of Total
Kaiser Permanent Medical Group Inc.	34,666	4.62%
Tesla	13,000	1.73
Safeway Inc.	9,731	1.30
County of Alameda	9,424	1.26
Sutter Health	9,377	1.25
John Muir Health	6,300	.84
PG&E	5,100	.68
Workday	5,098	.68
Chevron Corp.	4,700	.63
Wells Fargo & Co.	4,354	.58
Total Top 10	101,750	13.55

Source: County of Alameda 2020-21 Annual Comprehensive Financial Report.
(2) Latest available full-year data.

Construction Activity

The following table reflects the five-year history of building permit valuation for the City and the County:

CITY OF ALAMEDA
Building Permits and Valuation
(Dollars in Thousands)

	2017	2018	2019	2020	2021[2]
Permit Valuation:					
New Single-family	$ 17,176	$ 1,629	$ 10,863	$ 16,099	$ 41,345
New Multi-family	11,587	2,426	138,636	74,836	33,038
Res. Alterations/Additions	20,997	36,408	30,007	23,848	8,873
Total Residential	49,761	40,464	179,507	114,785	83,258
Total Nonresidential	78,184	70,299	65,110	137,306	56,221
Total All Building	127,945	110,764	244,618	252,092	139,479
New Dwelling Units:					
Single Family	59	18	50	80	199
Multiple Family	63	11	622	249	445
Total	122	29	672	329	644

ALAMEDA COUNTY
Building Permits and Valuation
(Dollars in Thousands)

	2017	2018	2019	2020	2021[2]
Permit Valuation:					
New Single-family	$ 763,677	$ 689,529	$ 675,129	$ 394,500	$ 407,584
New Multi-family	1,307,093	1,431,985	782,536	722,038	829,822
Res. Alterations/Additions	501,276	469,158	512,409	293,866	222,971
Total Residential	2,572,048	2,590,673	1,970,076	1,410,405	1,460,378
Total Nonresidential	1,587,834	1,762,395	1,794,925	998,193	1,316,988
Total All Building	4,159,882	4,353,068	3,765,001	2,408,599	2,777,366
New Dwelling Units:					
Single Family	2,175	1,867	1,871	1,152	1,589
Multiple Family	6,889	6,540	4,145	2,610	4,494
Total	9,064	8,407	6,016	3,762	6,083

Source: Construction Industry Research Board: "Building Permit Summary."
Note: Columns may not sum to totals due to independent rounding.
(1) Latest available full year data.

Household Effective Buying Income

"Effective Buying Income" is defined as personal income less personal tax and nontax payments, a number often referred to as "disposable" or "after-tax" income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, State and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as "disposable personal income."

The following table summarizes the median household effective buying income for the City, the County, the State and the nation for the past five years.

CITY OF ALAMEDA, ALAMEDA COUNTY,
STATE OF CALIFORNIA AND UNITED STATES
Median Household Effective Buying Income

	2018	2019	2020	2021	2022
City of Alameda	$ 82,542	$ 86,699	$ 91,487	$ 104,380	$ 99,969
Alameda County	79,446	84,435	88,389	99,940	98,721
California	62,637	65,870	67,956	77,058	77,175
United States	52,841	55,303	56,790	64,448	65,326

Source: Nielsen, Inc.

APPENDIX B

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES FOR CITY OF ALAMEDA COMMUNITY FACILITIES DISTRICT NO. 22-1 (ALAMEDA MARINA)

A Special Tax, as hereinafter defined, shall be levied on all Assessor's Parcels in the City of Alameda (the "City") Community Facilities District No. 22-1 (Alameda Marina) ("CFD No. 22-1") and collected each Fiscal Year commencing in Fiscal Year 2022/23, in an amount determined by the CFD Administrator, through the application of the Rate and Method of Apportionment of Special Taxes as set forth below. All of the real property in CFD No. 22-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. <u>DEFINITIONS</u>

The terms hereinafter set forth have the following meanings:

"Accessory Dwelling Unit" or "ADU" means a secondary residential unit of limited size, as defined in California Government Code Section 65852.2, as may be amended from time to time, that is accessory to a single-unit dwelling. The ADU may be on the same Assessor's Parcel as the single-unit dwelling or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Dwelling Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is not considered a separate Dwelling Unit from the primary Dwelling Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will not be subject to the levy of the Special Tax.

"Acre" or "Acreage" means that acreage shown on the Assessor's Parcel Map or in the Assessor's Data for each Assessor's Parcel. In the event that the Assessor's Parcel Map or Assessor's Data shows no acreage, the Acreage for any Assessor's Parcel may be determined by the CFD Administrator based upon the applicable Final Subdivision Map or parcel map, or by using available spatial data and GIS.

"Act" means the City of Alameda Special Tax Financing Improvement Code, Section 3-70.1 et seq. of the City's Municipal Code, as in effect at the time of formation of CFD No. 22-1.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 22-1: the costs of any paying agents/fiscal agents/trustees related to CFD No. 22-1 Bond payments (including the fees and expenses of related counsel); the costs of computing the Special Tax Requirement, the Special Taxes and of preparing the collection schedules for the Special Taxes; the costs of collecting the Special Taxes, including any charges levied by the County Auditor's Office, County Tax Collector's Office or County Treasurer's Office; the costs of the City or designee in complying with the disclosure requirements of the California Government Code and federal securities laws, or otherwise related to CFD No. 22-1 or CFD No. 22-1 Bonds; costs of responding to public inquiries regarding the Special Taxes; the costs of the City or designee related to an appeal of the Special Taxes or interpretation of this Rate and Method of Apportionment of Special Taxes; amounts needed to pay rebate to the federal government related to CFD No. 22-1 Bonds; and the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Special Taxes in CFD No. 22-1. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 22-1 for any other administrative purposes of CFD No. 22-1.

"Apartment Property" means an Assessor's Parcel of Developed Property on which all or any portion of a structure or structures with multiple for-rent Dwelling Units are located. If Apartment Property is subsequently reclassified as Residential Property, Special Taxes levied on such reclassified Assessor's Parcels shall be modified to match those of Residential Property.

"Assessor's Data" means the property characteristic data compiled and maintained by the County Assessor for each Assessor's Parcel, including, but not limited to, Assessor's Parcel Number, Acreage, and Dwelling Units.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

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

"Assessor's Parcel Number" or "APN" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"Assigned Special Tax" means the Assigned Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Authorized Facilities" means the public facilities authorized to be financed, in whole or in part, by CFD No. 22-1.

"Backup Special Tax" means the Backup Special Tax applicable to each Assessor's Parcel of Developed Property, as determined in accordance with the applicable subsection of Section C below.

"Below Market Rate Units" or "BMR Units" means Dwelling Units located on one or more Assessor's Parcels of Residential Property or Townhome Property that are subject to affordable housing restrictions pursuant to City Municipal Code Section 30-16. Units constructed within CFD No. 22-1 shall be designated as BMR Units by the CFD Administrator in the chronological order in which the Building Permits for such BMR Units are issued.

"Building Permit" means a permit issued by the City for new construction of a residential or non-residential building on an Assessor's Parcel.

"Buildout" means the state of maximum development of CFD No. 22-1 and any property annexed thereto, based on plans and anticipated development.

"CFD Administrator" means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement, and otherwise providing for the levy and collection of the Special Taxes.

"CFD No. 22-1" means City of Alameda Community Facilities District No. 22-1 (Alameda Marina), established by the City Council pursuant to the Act.

"CFD No. 22-1 Bonds" means bonds or other Debt (as defined in section 3.70.14 of the Act), whether in one or more series, issued or assumed by or on behalf of the City for CFD No. 22-1 under the Act, and secured by pledge of the Special Taxes.

"City" means the City of Alameda, California.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 22-1.

"County" means the County of Alameda.

"Debt Service" means for each Debt Year, the total amount of principal and interest due on any outstanding CFD No. 22-1 Bonds.

“Debt Year” means the twelve (12) month period ending on the second debt service payment date of each calendar year.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a Building Permit was issued after January 1, 2021 and on or before May 1st of the prior Fiscal Year.

“Dwelling Unit” means one residential unit of any configuration, including, but not limited to, a single family attached or detached dwelling, townhome, condominium, or otherwise. The number of Dwelling Units assigned to each Assessor’s Parcel may be determined by the CFD Administrator (i) referencing Assessor’s Data, (ii) site surveys and physical unit counts, and/or (iii) reviewing City building permit data. An Accessory Dwelling Unit shall not be considered a Dwelling Unit for the purposes of the Special Tax.

“Exempt Property” means all property located within the boundaries of CFD No. 22-1 which is exempt from the Special Tax pursuant to Section E below.

“Expected Dwelling Units” means the number of Dwelling Units anticipated to be developed in each Land Use class as shown in Table 2.

“Expected Revenue” means the Special Tax revenue expected to be generated by each Land Use Class as shown in Table 2.

“Final Map Property” means, in any Fiscal Year, all Taxable Property, exclusive of Developed Property, Taxable Property Owner Association Property, and Taxable Public Property, for which a Final Subdivision Map has recorded prior to May 1st of the preceding Fiscal Year, but no earlier than January 1, 2021.

“Final Subdivision Map” means a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.)* or recordation of a condominium plan pursuant to California Civil Code 4285, that creates individual lots for which Building Permits may be issued without further subdivision of such property.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“GIS”, or geographic information system, means a system designed to capture, store, manipulate, analyze, manage, and present spatial or geographic data.

“Indenture” means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which CFD No. 22-1 Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Land Use Class” means any of the classes listed in Table 1 and Table 2.

“Maximum Special Tax” means the Maximum Special Tax, determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Non-Residential Floor Area” means the total building square footage of the non-residential building(s) or the non-residential portion of a building with both residential and non-residential areas located on an Assessor’s Parcel of Developed Property, measured from outside wall to outside wall, not including space devoted to stairwells, public restrooms, lighted courts, vehicle parking and areas incident thereto, and mechanical equipment incidental to the operation of such building. The determination of Non-Residential Floor Area shall be made by the CFD Administrator by reference to the Building Permit(s) issued for such Assessor’s Parcel and/or the records of the City’s building division.

“Non-Residential Property” means all Assessor’s Parcels of Developed Property for which a Building Permit permitting the construction of one or more non-residential buildings or facilities has been issued.

“Outstanding CFD No. 22-1 Bonds” means all CFD No. 22-1 Bonds which are outstanding under and in accordance with the provisions of the Indenture.

“Property Owner Association Property” means, for each Fiscal Year, any property within the boundaries of CFD No. 22-1 that is owned by a property owner association, including any master or sub-association, but not including any such property that is located directly under a residential structure.

“Proportionately” means, for Developed Property and Final Map Property, that the ratio of the Special Tax levy to the Assigned Special Tax or the Backup Special Tax is equal within each respective Tax Zone. For Undeveloped Property, “Proportionately” means that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre is equal within each respective Tax Zone.

“Public Property” means property within the boundaries of CFD No. 22-1 owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public right-of-way has been granted to the federal government, the State, the County, the City, or any local government or other public agency, provided that any property leased by a public agency to a private entity shall be taxed and classified according to its use.

“Residential Property” means all Assessor’s Parcels of Developed Property that is not Townhome Property or Apartment Property for which a Building Permit has been issued for purposes of constructing one or more Dwelling Units.

“Special Tax(es)” means the special tax or special taxes to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property within CFD No. 22-1 to fund the Special Tax Requirement.

“Special Tax Requirement” means that amount required in any Fiscal Year for CFD No. 22-1 to (1) pay Debt Service on all Outstanding CFD No. 22-1 Bonds which is due in the Debt Year that commences in such Fiscal Year; (2) pay Administrative Expenses; (3) provide any amount required to establish or replenish a reserve fund in connection with any CFD No. 22-1 Bonds; (4) provide any amount required to establish or replenish any operating reserve held by the City for Administrative Expenses; (5) provide an amount equal to reasonably anticipated Special Tax delinquencies based on the delinquency rate for Special Taxes levied in the previous Fiscal Year as determined by the CFD Administrator, as limited by the Act, and without duplicating any amounts described in clauses (3) or (4). The amounts referred to in clauses (1) through (5) of the preceding sentence may be reduced in any Fiscal Year (in the City’s sole discretion) by (i) interest earnings on or surplus balances in funds and accounts for CFD No. 22-1 Bonds to the extent that such earnings or balances are available to apply against Debt Service pursuant to the Indenture, (ii) proceeds from the collection of penalties associated with delinquent Special Tax, and (iii) any other revenues available to pay Debt Service on the Outstanding CFD No. 22-1 Bonds or other indebtedness as determined by the CFD Administrator.

“State” means the State of California.

“Tax Zone” means a mutually exclusive geographic area within which the Special Tax may be levied pursuant to this Rate and Method of Apportionment. All the Taxable Property within CFD No. 22-1 at the time of its formation is within Tax Zone No. 1. Additional Tax Zones may be created when property is annexed to CFD No. 22-1, and a separate Maximum Special Tax shall be identified for property within each new Tax Zone at the time of such annexation. The Assessor’s Parcels included within a new Tax Zone when such Parcels are annexed to CFD No. 22-1 shall be identified by Assessor’s Parcel number in the annexation documents at the time of annexation.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 22-1 which are not exempt from the Special Tax pursuant to law or Section E below.

“Taxable Property Owner Association Property” means all Assessors Parcels of Property Owner Association Property that are not exempt pursuant to Section E herein.

“Taxable Public Property” means all Assessors Parcels of Public Property that are not exempt pursuant to Section E herein.

“Taxable Welfare Exempt Property” means all Assessors Parcels of Welfare Exempt Property that are not exempt pursuant to Section E herein.

“Townhome Property” means Residential Property generally characterized as having a direct ground floor private entry where living space occurs on multiple levels of roughly the same proportion and having at least one vertical wall extending from ground to roof dividing it from the adjoining Dwelling Unit.

“Trustee” means the trustee or fiscal agent acting as such under the Indenture.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Map Property, Taxable Property Owner Association Property, Welfare Exempt Property, or Taxable Public Property.

“Welfare Exempt Property” means all Assessor’s Parcels within the boundaries of CFD No. 22-1 that have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, the CFD Administrator shall determine the valid Assessor’s Parcel Numbers for all Taxable Property within CFD No. 22-1. If any Assessor’s Parcel Numbers are no longer valid from the previous Fiscal Year, the CFD Administrator shall determine the new Assessor’s Parcel Number or Numbers that are in effect for the current Fiscal Year. To the extent an Assessor’s Parcel(s) of Taxable Property are subdivided, consolidated or otherwise reconfigured, the Special Tax rates shall be assigned to the new Assessor’s Parcel(s) pursuant to Section C.

Each Fiscal Year, all Assessor’s Parcels within CFD No. 22-1 shall be classified as follows:

1. Each Assessor’s Parcel shall be determined to be Taxable Property or Exempt Property.
2. Each Assessor’s Parcel of Taxable Property shall further be classified as Developed Property, Final Map Property, Taxable Public Property, Taxable Property Owner Association Property, Taxable Welfare Exempt Property, or Undeveloped Property. Taxable Property shall be subject to Special Taxes in accordance with this Rate and Method of Apportionment of Special Taxes determined pursuant to Sections C and D below.
3. Each Assessor’s Parcel of Developed Property, Taxable Public Property and Taxable Welfare Exempt Property shall further be classified as Townhome Property, or Non-Residential Property.

C. MAXIMUM SPECIAL TAX RATES – TAX ZONE NO. 1

1. Developed Property and Final Map Property

The Maximum Special Tax for each Assessor’s Parcel of Developed Property and Final Map Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax.

a. **<u>Assigned Special Tax</u>**

The Assigned Special Tax for each Assessor's Parcel of Developed Property and Final Map Property is shown in Table 1.

TABLE 1
ASSIGNED SPECIAL TAX FOR DEVELOPED PROPERTY AND FINAL MAP PROPERTY
FISCAL YEAR 2022/23

Land Use Class	Description	Assigned Special Tax
1	Townhome Property – Greater Than or Equal to 2,680 Square Feet	$7,942 per Dwelling Unit
2	Townhome Property – 2,430 – 2,679 Square Feet	7,757 per Dwelling Unit
3	Townhome Property – 2,180 – 2,429 Square Feet	7,017 per Dwelling Unit
4	Townhome Property – 1,930 – 2,179 Square Feet	6,992 per Dwelling Unit
5	Townhome Property – 1,680 – 1,929 Square Feet	6,091 per Dwelling Unit
6	Townhome Property – Less Than 1,680 Square Feet	5,498 per Dwelling Unit
7	Non-Residential Property	0.75 per Square Foot of Non-Residential Floor Area

Taxable Public Property and Taxable Welfare Exempt Property shall continue to be assigned to the same land use class as the property was assigned to before becoming Taxable Public Property or Taxable Welfare Exempt Property. Taxable Property Owner Association Property shall be assigned to land use class 7.

b. **<u>Backup Special Tax</u>**

The Backup Special Tax per Land Use Class for each Assessor's Parcel of Developed Property and Final Map Property, is calculated as follows:

Backup Special Tax = Expected Revenue / Dwelling Units or
Non-Residential Floor Area on Developed Property <u>and/or</u> Dwelling Units
or Non-Residential Floor Area expected on Final Map Property

For each Land Use Class, by reference to Table 2, should the number of Dwelling Units or Non-Residential Floor Are be less than the Expected Dwelling Units or Non-Residential Floor Area when all Assessor's Parcels are classified as Developed Property and Final Map Property, the Backup Special Tax per Dwelling Unit or Square Foot of Non-Residential Floor Area shall be adjusted so that the Backup Special Tax per Dwelling Unit or Non-Residential Floor Area is sufficient to generate the Expected Revenue from the levy of Special Taxes on Assessor's Parcels in each Land Use Class in any Fiscal Year. The CFD Administrator shall update Table 2 with the revised Dwelling Units or Non-Residential Floor Area and Expected Revenue to be derived from each Land Use Class.

TABLE 2
EXPECTED DWELLING UNITS AND EXPECTED REVENUE
FISCAL YEAR 2022/23

Land Use Class	Expected Dwelling Units/Square Feet of Non-Residential Floor Area	Expected Revenue
1	13	$103,246
2	13	100,841
3	21	147,357
4	58	405,536
5	14	85,274
6	38	208,924
7	3,000	2,250

Prior to a sale of CFD No. 22-1 Bonds, if a Land Use Class change for an Assessor's Parcel or Assessor's Parcels is proposed or identified that will result in a change in the Expected Revenues, no action will be needed pursuant to this Section. Each Fiscal Year, the CFD Administrator shall update Table 2 to show the revised Units and Expected Revenues if a Land Use Class change has been approved.

After a sale of CFD No. 22-1 Bonds, if a Land Use Class change for an Assessor's Parcel or Assessor's Parcels is proposed or identified, the following must be applied:

If the Special Tax revenue from the levy of Special Taxes on Assessor's Parcels in each respective Land Use Class calculated based on the Land Use Class change is greater than the respective revenue reflected in Table 2 or less than the respective revenue calculated in Table 2, but the reduction in Expected Revenues does not reduce debt service coverage below any minimum debt service coverage assumed in connection with the sale of CFD No. 22-1 Bonds, no further action is needed, and the CFD Administrator shall update Table 2 to show the revised Expected Revenues.

If the Special Tax revenue from the levy of Special Taxes on Assessor's Parcels in each respective Land Use Class calculated based on the Land Use Class change are less than the respective revenue reflected in Table 2, and the CFD Administrator determines that the reduction in Expected Revenues would reduce debt service coverage below any minimum debt service coverage assumed in connection with the sale of CFD No. 22-1 Bonds, the Special Tax that can be levied on the Assessor's Parcel subject to a Land Use Class change will be subject to one of the following: (i) the landowner requesting the Land Use Class change may make a partial prepayment of Special Taxes for the Assessor's Parcel or Assessor's Parcels subject to the Land Use Class change in an amount that will ensure that the reduced Expected Revenues are sufficient to meet any minimum debt service coverage assumed in connection with the sale of CFD No. 22-1 Bonds or (ii) if a prepayment is not selected, the Assigned Special Tax on the Assessor's Parcel or Assessor's Parcels subject to the Land Use Class change shall be increased proportionately until the Expected Revenues are sufficient to maintain any minimum debt service coverage assumed in connection with the sale of CFD No. 22-1 Bonds.

c. <u>Increase in the Assigned Special Tax and Backup Special Tax</u>

On each July 1, commencing on July 1, 2023, the Assigned Special Tax and the Backup Special Tax for Developed Property and Final Map Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

d. **Multiple Land Use Classes**

In some instances, an Assessor's Parcel of Developed Property and Final Map Property may contain more than one Land Use Class. The Special Tax levied on an Assessor's Parcel shall be the sum of the Special Tax for all Land Use Classes located on that Assessor's Parcel.

2. **Undeveloped Property**

a. **Maximum Special Tax**

The Maximum Special Tax for each Assessor's Parcel of Undeveloped Property shall be $166,589.23 per Acre in Fiscal Year 2022/23.

b. **Increase in the Maximum Special Tax**

On each July 1, commencing on July 1, 2023, the Maximum Special Tax for Undeveloped Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAXES

Commencing with Fiscal Year 2022/23 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement, and shall levy the Special Tax until the amount of the Special Tax levied equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property and Taxable Welfare Exempt Property at a rate up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Final Map Property at a rate up to 100% of the Maximum Special Tax for Final Map Property to satisfy the Special Tax Requirement.

Third: If additional monies are needed to satisfy the Special Tax Requirement after the second step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property at a rate up to 100% of the Maximum Special Tax for Undeveloped Property to satisfy the Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied on each Assessor's Parcel of Taxable Property Owner Association Property at a rate up to 100% of the Maximum Special Tax for Taxable Property Owner Association Property to satisfy the Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on all Taxable Public Property at a rate up to 100% of the Maximum Special Tax for Taxable Public Property to satisfy the Special Tax Requirement.

E. EXEMPTIONS

1. No Special Tax shall be levied on up to 4.4 Acres of Property Owner Association Property, and up to 0.25 Acres of Public Property. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Property Owner Association Property, or Public Property.
2. No Special Tax shall be levied on up to 25 BMR Units. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes BMR Units.

3. Any property that is granted a welfare exemption pursuant to Section 53340(c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code prior to the issuance of the first series of CFD No. 22-1 Bonds shall thereafter be exempt from the levy of the Special Tax. Any property that is granted a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code after the first series of CFD No. 22-1 Bonds have been issued shall not be considered Welfare Exempt Property and shall not be exempt from the levy of the Special Tax.

4. Property Owner Association Property, that is not exempt from the Special Tax under this section, or pursuant to the Act, shall be classified as Taxable Property Owner Association Property. Taxable Property Owner Association Property shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the fifth step in Section D above, at up to 100% of the applicable Maximum Special Tax for Taxable Property Owner Association Property.

5. Public Property, that is not exempt from the Special Tax under this section, or pursuant to the Act, shall be classified as Taxable Public Property. Taxable Public Property shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the sixth step in Section D above, at up to 100% of the applicable Maximum Special Tax for Taxable Public Property.

6. Dwelling Units that are ADUs shall not be subject to the levy of the Special Tax.

F. APPEALS

Any property owner may file a written appeal of the Special Taxes with the CFD Administrator claiming that the amount or application of the Special Taxes is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes, including the disputed Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Taxes to be modified or changed in favor of the property owner, the CFD Administrator shall determine if sufficient Special Tax revenue is available to make a cash refund. If a cash refund cannot be made, then an adjustment shall be made to credit future Special Taxes.

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. INTERPRETATIONS

The City may, by resolution or ordinance, interpret, clarify and/or revise this Rate and Method of Apportionment of Special Taxes to correct any inconsistency, vagueness, or ambiguity as it relates to the Special Taxes, method of apportionment, classification of Assessor's Parcels, or any definition used herein, as long as once CFD No. 22-1 Bonds have been issued such correction does not materially adversely affect the levy and collection of Special Taxes needed to repay the CFD No. 22-1 Bonds. In addition, the interpretation and application of any section of this document shall be at the City's discretion.

H. MANNER OF COLLECTION

The Special Taxes shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the CFD Administrator may, directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner as necessary to meet the financial obligations of CFD No. 22-1, and may covenant to foreclose and may actually foreclose or cause an action for foreclosure to be prosecuted in respect of Assessor's Parcels of Taxable Property that are delinquent in the payment of the Special Tax.

I. PREPAYMENT OF SPECIAL TAX

The following definition applies to this Section I:

"Future Facilities Costs" means, as of the date of prepayment, the costs, as estimated by the CFD Administrator of all Authorized Facilities financed or anticipated by the City to be financed by CFD No. 22-1, minus (i) the proceeds of any Previously Issued CFD No. 22-1 Bonds which were, at the time of issuance, available to the City for Authorized Facilities.

"Maximum Special Tax Percentage to be Prepaid" means the percentage of the Maximum Special Tax prepaid as determined by the CFD Administrator after application of the prepayment calculation set forth below.

"Previously Issued CFD No. 22-1 Bonds" means all Outstanding CFD No. 22-1 Bonds that have been issued by CFD No. 22-1 prior to the date of prepayment.

1. Prepayment in Full

The Special Tax obligation of an Assessor's Parcel of Developed Property, Taxable Public Property, Taxable Welfare Exempt Property, Final Map Property, or Undeveloped Property, may be prepaid and permanently satisfied as described herein; provided that there are no delinquent installments of the Special Tax with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 45 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. Prepayment must be made not less than 75 days prior to the next occurring date that notice of redemption of Outstanding CFD No. 22-1 Bonds, if any, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. If a prepayment is made prior to the issuance of CFD No. 22-1 Bonds, the Redemption Premium, Defeasance Amount, and Reserve Fund Credit as calculated below, shall be zero. The CFD Administrator may charge the property owner requesting a prepayment calculation a fee for providing this service.

The Special Tax Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

	Bond Redemption Amount	
	plus	Redemption Premium
	plus	Defeasance Amount
	plus	Administrative Fees and Expenses
	less	Reserve Fund Credit
	less	Capitalized Interest Credit
Total:	equals	Special Tax Prepayment Amount

As of the proposed date of prepayment, the Special Tax Prepayment Amount (defined below) shall be calculated by the CFD Administrator as follows:

Step Number:

1. Confirm that no Special Tax delinquency apply to such Assessor's Parcel, and if delinquencies are applicable compute all amounts due, including interest and penalties.

2. For Assessor's Parcels of Developed Property, Taxable Public Property and Taxable Welfare Exempt Property compute the Assigned Special Tax and Backup Special Tax. For Assessor's Parcels of Final Map Property, and Undeveloped Property to be prepaid, compute the Assigned Special Tax and Backup Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permits expected to be issued for that Assessor's Parcel.

3. a. Divide the Assigned Special Tax computed pursuant to Step 2 by the total estimated Assigned Special Tax for CFD No. 22-1 based on the Developed Property Special Tax which could be charged in the current Fiscal Year on all expected development through Buildout of CFD No. 22-1.

   b. Divide the Backup Special Tax computed pursuant to Step 2 by the total estimated Backup Special Tax for CFD No. 22-1 based on the Developed Property Special Tax which could be charged in the current Fiscal Year on all expected development through Buildout of CFD No. 22-1.

   c. Determine which quotient computed pursuant to Step 3.a or 3.b is larger (the "Maximum Special Tax Percentage").

4. Multiply the Maximum Special Tax Percentage by the Outstanding CFD No. 22-1 Bonds to compute the principal amount of Outstanding CFD No. 22-1 Bonds to be redeemed (the *"Bond Redemption Amount"*).

5. Compute the Future Facilities Costs.

6. Multiply the Maximum Special Tax Percentage by the total Future Facilities Costs to compute the Future Facilities amount to be prepaid (the *"Future Facilities Amount"*).

7. Multiply the Bond Redemption Amount computed pursuant to Step 4 by the applicable redemption premium (e.g., the redemption price-100%, not including accrued interest), if any, on the Outstanding CFD No. 22-1 Bonds to be redeemed (the "*Redemption Premium*") determined by reference to the Indenture.

8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding CFD No. 22-1 Bonds (the "Defeasance Amount").

9. Verify the administrative fees and expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming the Outstanding CFD No. 22-1 Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "*Administrative Fees and Expenses*").

10. If reserve funds for the Outstanding CFD No. 22-1 Bonds held under the Indenture, if any, are at or above 100% of the then reserve requirement (as required by the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve requirement for the Outstanding CFD No. 22-1 Bonds to be redeemed pursuant to the prepayment (the "*Reserve Fund Credit"*). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the applicable reserve requirement on the prepayment date.

11. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 4, 6, 7, 8 and 9 less the amount computed pursuant to Step 10 (the " *Prepayment Amount*").

12. From the Prepayment Amount, the amounts computed pursuant to Step 6 shall be used by the City to pay for Future Facilities Costs. The amounts computed pursuant to Step 9, shall be deposited into the appropriate fund as established under the Indenture and be used to redeem Outstanding CFD No. 22-1 Bonds or make Debt Service payments. The amount computed pursuant to Step 8 shall be retained by the City for the payment of Administrative Fees and Expenses.

The Special Tax Prepayment Amount may be sufficient to redeem other than a $5,000 increment of Outstanding CFD No. 22-1 Bonds. In such cases, the increment above $5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of Outstanding CFD No. 22-1 Bonds or to make Debt Service payments.

Current year Special Taxes that are not yet paid will remain outstanding and will be collected in the manner billed. With respect to any Assessor's Parcel that is prepaid, the CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate the prepayment of the Special Tax and the obligation of such Assessor's Parcel satisfied.

Notwithstanding the foregoing, no prepayment will be allowed unless the Maximum Special Tax that may be levied on Taxable Property both prior to and after the proposed prepayment is at least 1.1 times the maximum annual Debt Service on all Outstanding CFD No. 22-1 Bonds plus annual Administrative Expenses, as reasonably estimated by the CFD Administrator.

2. Prepayment in Part

The Special Tax may be partially prepaid, provided that a partial prepayment may be made after all authorized CFD No. 22-1 Bonds have been issued and only for Assessor's Parcels of Developed Property, Taxable Public Property and Taxable Welfare Exempt Property and only if there are no delinquent Annual Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. The amount of the prepayment shall be calculated as in Section I.1; except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = P_E \text{ x } F.$$

These terms have the following meaning:

PP = the partial prepayment
P_E = the Special Tax Prepayment Amount calculated according to Section I.1
F = the Maximum Special Tax Percentage To Be Prepaid

The Special Tax partial prepayment amount must be sufficient to redeem at least a $5,000 increment of Bonds.

The owner of any Assessor's Parcel who desires such partial prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax - Facilities for an Assessor's Parcel within 45 days of the request and may charge a fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the prepayment funds remitted according to Section I.1, and (ii) indicate in the records of CFD No. 22-1 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage

(1.00 - F) of the remaining Maximum Special Tax, shall continue to be levied on such Assessor's Parcel pursuant to Section D.

J. TERM

The Special Tax shall be levied and collected as needed to fund the Special Tax Requirement for up to 40 years from the initial levy of the Special Tax. In any event no Special Tax shall be levied for CFD. No. 22-1 after the 2061/62 Fiscal Year.

APPENDIX C

SUMMARY OF THE FISCAL AGENT AGREEMENT

The following is a summary of certain provisions of the Fiscal Agent Agreement not otherwise described in the text of this Official Statement. This summary does not purport to be comprehensive or definitive and is subject to all of the complete terms and provisions of the Fiscal Agent Agreement, to which reference is hereby made.

Definitions

"Acquisition Agreement" means the Acquisition and Funding Agreement, dated as of March 15, 2022, between the City and Alameda Marina, LLC, as originally executed and as it may thereafter be amended or supplemented in accordance with its terms.

"Administrative Expenses" means any or all of the following: the fees and expenses of the Fiscal Agent (including any fees or expenses of its counsel), the expenses of the City in carrying out its duties under the Fiscal Agent Agreement (including, but not limited to, the levying and collection of the Special Taxes, and the foreclosure of the liens of delinquent Special Taxes) including the fees and expenses of its counsel, an allocable share of the salaries of City staff related thereto and a proportionate amount of City general administrative overhead related thereto, any amounts paid by the City from its general funds pursuant to the Fiscal Agent Agreement, any amounts paid or payable to any persons or entities employed by the City in connection with the discharge of any of the City's obligations under the Fiscal Agent Agreement (including, but not limited to, the calculation of the levy of the Special Taxes, foreclosures with respect to delinquent taxes, and the calculation of amounts subject to rebate to the United States), , and all other costs and expenses of the City or the Fiscal Agent incurred in connection with the discharge of their respective duties under the Fiscal Agent Agreement or in connection with the 2022 Bonds and, in the case of the City, in any way related to the administration of the Bonds or the District. Administrative Expenses will include any such expenses incurred in prior years but not yet paid.

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

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

"Annual Debt Service" means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled (including by reason of the provisions of the Fiscal Agent Agreement) providing for mandatory sinking payments), and (ii) the principal amount of the Outstanding Bonds due in such Bond Year (including any mandatory sinking payment due in such Bond Year pursuant to the Fiscal Agent Agreement).

"Auditor" means the auditor/controller of the County, as such other official at the County who is responsible for preparing property tax bills.

"Authorized Officer" means the City Manager (including any Interim City Manager), the Finance Director, the City Clerk, or any other officer or employee of the City authorized by the City Council of the City or by an Authorized Officer to undertake the action referenced in the Fiscal Agent Agreement as required to be undertaken by an Authorized Officer.

"Bond Counsel" means (i) Quint & Thimmig LLP, or (ii) any attorney or other firm of attorneys acceptable to the City and nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

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

"Bond Register" means the books for the registration and transfer of Bonds maintained by the Fiscal Agent under the Fiscal Agent Agreement.

"Bond Year" means the one-year period beginning on September 2 in each year and ending on September 1 in the following year except that the first Bond Year will begin on the Closing Date and end on September 1, 2023.

"Bonds" means, collectively, the 2022 Bonds, and, if the context requires, any Parity Bonds, at any time Outstanding under the Fiscal Agent Agreement or any Supplemental Agreement.

"Business Day" means any day other than (i) a Saturday or a Sunday, or (ii) a day on which banking institutions in the state in which the Principal Office is located are authorized or obligated by law or executive order to be closed.

"Capitalized Interest Account" means the account by that name established under the Fiscal Agent Agreement.

"CDIAC" means the California Debt and Investment Advisory Commission of the office of the State Treasurer of the State of California or any successor agency or bureau thereto.

"City" means the City of Alameda, California.

"Closing Date" means the date upon which there is a physical delivery of the 2022 Bonds in exchange for the amount representing the purchase price of the 2022 Bonds by the Original Purchaser.

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the 2022 Bonds or (except as otherwise referenced in the Fiscal Agent Agreement) as it may be amended to apply to obligations issued on the date of issuance of the 2022 Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement, executed by the City and NBS as the initial Dissemination Agent, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Costs of Issuance" means items of expense payable or reimbursable directly or indirectly by the City and related to the authorization, sale and issuance of the 2022 Bonds, which items of expense will include, but not be limited to, printing costs, costs of reproducing and binding documents, closing costs, filing and recording fees, initial fees and charges of the Fiscal Agent including its first annual administration fee, fees and expenses of Fiscal Agent's counsel, expenses incurred by the City in connection with the issuance of the 2022 Bonds, special tax consultant fees and expenses, municipal advisor fees and expenses, Bond (underwriter's) discount, appraisal fees, legal fees and charges, including bond counsel and disclosure counsel, charges for execution, transportation and safekeeping of the 2022 Bonds and other costs, charges and fees in connection with the foregoing.

"Cost of Issuance Fund" means the fund by that name established by the Fiscal Agent Agreement.

"County" means the County of Alameda, California.

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

"Debt Service" means the scheduled amount of interest and amortization of principal (including principal payable by reason of the mandatory sinking payment provisions of the Fiscal Agent Agreement) on the Bonds and the scheduled amount of interest and amortization of principal payable on any Parity Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

"Depository" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to the Fiscal Agent Agreement.

"District" means the City of Alameda Community Facilities District No. 22-1 (Alameda Marina), formed pursuant to the Law and the Resolution of Formation.

"District Value" means the market value as determined by reference to (i) an appraisal performed within six (6) months of the date of issuance of any proposed Parity Bonds by an MAI appraiser (the "Appraiser") selected by the City, of the parcels of real property in the District subject to the levy of the Special Taxes and not delinquent in the payment of any Special Taxes then due and owing, including with respect to such nondelinquent parcels the value of the then existing improvements and any facilities to be constructed or acquired with any amounts then on deposit in the Improvement Fund and with the proceeds of any proposed series of Parity Bonds, or (ii), in the alternative, as to some or all of the parcels, the assessed value of all such nondelinquent parcels and improvements thereon as shown on the then current County real property tax roll available to the Finance Director. Neither the City nor the Finance Director will be liable to the Owners, the Original Purchaser or any other person or entity in respect of any appraisal provided for purposes of this definition or by reason of any exercise of discretion made by any Appraiser pursuant to this definition.

"Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, or (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

"Federal Securities" means any of the following which are non-callable and which at the time of investment are legal investments under the laws of the State of California for funds held by the Fiscal Agent:

(i) direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the United States Department of the Treasury) and obligations, the payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America, including, without limitation, such of the foregoing which are commonly referred to as "stripped" obligations and coupons; or

(ii) any of the following obligations of the following agencies of the United States of America: (a) direct obligations of the Export-Import Bank, (b) certificates of beneficial ownership issued by the Farmers Home Administration, (c) participation certificates issued by the General Services Administration, (d) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association, (e) project notes issued by the United States Department of Housing and Urban Development, and (f) public housing notes and bonds guaranteed by the United States of America.

"Finance Director" means the Finance Director of the City or any person otherwise acting as the chief financial officer of the City, or such person's written designee.

"Fiscal Agent" means the Fiscal Agent appointed by the City and acting as an independent fiscal agent with the duties and powers provided in the Fiscal Agent Agreement, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in the Fiscal Agent Agreement.

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

"Improvement Fund" means the fund by that name established pursuant to the Fiscal Agent Agreement.

"Independent Financial Consultant" means any consultant or firm of such consultants appointed by the City or any Authorized Officer, and who, or each of whom: (i) is judged by the person or entity that approved them to have experience in matters relating to the issuance and/or administration of bonds under the Law; (ii) is in fact independent and not under the domination of the City; (iii) does not have any substantial interest, direct or indirect, with or in the City, or any owner of real property in the District, or any real property in the District; and (iv) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make reports to the City.

"Information Services" means the Electronic Municipal Market Access System (referred to as "EMMA"), a facility of the Municipal Securities Rulemaking Board, (at http://emma.msrb.org); and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such services providing information with respect to called bonds as the City may designate in an Officer's Certificate delivered to the Fiscal Agent.

"Interest Payment Dates" means March 1 and September 1 of each year, commencing March 1, 2023.

"Law" means the City of Alameda Special Tax Financing Improvement Code, constituting Section 3-70.1 et seq. of the Alameda Municipal Code.

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

"Minimum Administrative Expense Requirement" means (a) for Fiscal Year 2022-2023, $50,000; and (b) for each Fiscal Year after Fiscal Year 2022-2023, an amount equal to 102% of the Minimum Administrative Expense Requirement in effect for the immediately preceding Fiscal Year.

"Moodys" means Moody's Investors Service, New York, New York, or its successors.

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

"Ordinance" means Ordinance No. 3319, adopted by the City Council of the City on May 3, 2022, and any other ordinance of the City levying the Special Taxes.

"Original Purchaser" means the first purchaser of the 2022 Bonds from the City, being Stifel, Nicolaus & Company, Incorporated.

"Outstanding", when used as of any particular time with reference to Bonds, means (subject to the provisions of the Fiscal Agent Agreement) all Bonds except: (i) Bonds theretofore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation; (ii) Bonds paid or deemed to have been paid within the meaning of the Fiscal Agent Agreement; and (iii) Bonds in lieu of or in substitution for which other Bonds will have been authorized, executed, issued and delivered by the City pursuant to the Fiscal Agent Agreement or any Supplemental Agreement.

"Owner" or "Bondowner" means any person who will be the registered owner of any Outstanding Bond.

"Parity Bonds" means bonds issued by the City for the District payable and secured on a parity with any then Outstanding Bonds, pursuant to the Fiscal Agent Agreement.

"Participating Underwriter" will have the meaning ascribed thereto in the Continuing Disclosure Agreement.

"Permitted Investments" means the following, but only to the extent that the same are acquired at Fair Market Value and are otherwise legal investments for funds of the City:

(a) Federal Securities.

(b) Registered state warrants or treasury notes or bonds of the State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the State or by a department, board, agency, or authority of the State, which are rated in one of the two highest short-term or long-term rating categories by either Moody's or S&P, and which have a maximum term to maturity not to exceed three years.

(c) Time certificates of deposit or negotiable certificates of deposit issued by a state or nationally chartered bank or trust company, or a state or federal savings and loan association which may include the Fiscal Agent and its affiliates; provided, that the certificates of deposit will be one or more of the following: continuously and fully insured by the Federal Deposit Insurance Corporation and/or continuously and fully secured by securities described in subdivision (a) or (b) of the definition of Permitted Investments which will have a market value, as determined on a marked-to-market basis calculated at least weekly, and exclusive of accrued interest, or not less than 102 percent of the principal amount of the certificates on deposit.

(d) Commercial paper which at the time of purchase is of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided by either Moody's or S&P, which commercial paper is limited to issuing corporations that are organized and operating within the United States of America and that have total assets in excess of five hundred million dollars ($500,000,000) and that have an "A" or higher rating for the issuer's debentures, other than commercial paper, by either Moody's or S&P, provided that purchases of eligible commercial paper may not exceed 180 days' maturity nor represent more than 10 percent of the outstanding commercial paper of an issuing corporation. Purchases of commercial paper may not exceed 20 percent of the total amount invested pursuant to the definition of Permitted Investments.

(e) A repurchase agreement with a state or nationally charted bank or trust company or a national banking association or government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, provided that all of the following conditions are satisfied: (1) the agreement is secured by any one or more of the securities described in subdivision (a) of the definition of Permitted Investments, (2) the underlying securities are required by the repurchase agreement to be held by a bank, trust company, or primary dealer having a combined capital and surplus of at least one hundred million dollars ($100,000,000) and which is independent of the issuer of the repurchase agreement, and (3) the underlying securities are maintained at a market value, as determined on a marked-to-market basis calculated at least weekly, of not less than 103 percent of the amount so invested.

(f) An investment agreement or guaranteed investment contract with, or guaranteed by, a financial institution the long-term unsecured obligations of which are rated Aa2 and "AA" or better, respectively, by Moody's and S&P at the time of initial investment. The investment agreement will be subject to a downgrade provision with at least the following requirements: (1) the agreement will provide that within five business days after the financial institution's long-term unsecured credit rating has been withdrawn, suspended, other than because of general withdrawal or suspension by Moody's or S&P from the practice of rating that debt, or reduced below "AA-" by S&P or below "Aa3" by Moody's (these events are called "rating downgrades") the financial institution will give notice to the City and, within the five-day period, and for as long as the rating downgrade is in effect, will deliver in the name of the City or the Fiscal Agent to the City or the Fiscal Agent Federal Securities allowed as investments under subdivision (a) of the definition of Permitted Investments with aggregate current market value equal to at least 105 percent of the principal amount of the investment agreement invested with the financial institution at that time, and will deliver additional allowed federal securities as needed to maintain an aggregate current market value equal to at least 105 percent of the principal amount of the investment agreement within three days after each evaluation date, which will be at least weekly, and (2) the agreement will provide that, if the financial institution's long-term unsecured credit rating is reduced below "A3" by Moody's or below "A-" by S&P, the Fiscal Agent or the City may, upon not more than five business days' written notice to the financial institution, withdraw the investment agreement, with accrued but unpaid interest thereon to the date, and terminate the agreement

(g) The Local Agency Investment Fund of the State of California.

(h) Investments in a money market mutual fund (including any funds of the Fiscal Agent or its affiliates and including any funds for which the Fiscal Agent or its affiliates provides investment advisory or other management services) rated in the highest rating category (without regard to plus (+) or minus (-) designations) by Moody's or S&P.

(i) Money market deposit accounts, time deposits and certificates of deposits, issued by commercial banks (including those of the Fiscal Agent, its parent and its affiliates), savings and loan associations or mutual savings banks whose short-term obligations of which are rated on the date of purchase "A-1" or better by S&P and "P-1" by Moody's.

(j) Any other lawful investment for City funds.

"Principal Office" means the corporate trust office of the Fiscal Agent as identified pursuant to the Fiscal Agent Agreement; provided, however, for the purpose of maintenance of the Registration Books and surrender of Bonds for payment, transfer or exchange such term means the office at which the Fiscal Agent conducts its corporate agency business, or such other or additional offices as may be designated by the Fiscal Agent.

"Project" means the facilities eligible to be funded by the District, as specified by the Resolution of Formation.

"Rate and Method of Apportionment" means the Rate and Method of Apportionment of Special Tax for the District, as approved by the Resolution of Formation, and as it may be amended from time to time in accordance with the provisions of the Law.

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

"Refunding Bonds" means bonds issued by the City for the District the net proceeds of which are used to refund all or a portion of the then Outstanding Bonds; provided that the debt service on the Refunding Bonds in any Bond Year is not in excess of the debt service on the Bonds being refunded, and the final maturity of the Refunding Bonds is not later than the final maturity of the Bonds being refunded.

"Registration Books" means the records maintained by the Fiscal Agent pursuant to the Fiscal Agent Agreement for the registration and transfer of ownership of the Bonds.

"Regulations" means temporary and permanent regulations promulgated under the Code.

"Reserve Fund" means the fund by that name established pursuant to the Fiscal Agent Agreement.

"Reserve Requirement" means, (a) as of any date of calculation prior to the issuance of Parity Bonds that are not Refunding Bonds, an amount equal to the least of (i) the then Maximum Annual Debt Service, (ii) one hundred twenty-five percent (125%) of the average Annual Debt Service as of the Closing Date, or (iii) ten percent (10%) of the initial principal amount of the 2022 Bonds; and (b) as of any date of calculation from and after the issuance of Parity Bonds that are not Refunding Bonds, an amount equal to the least of (i) the then Maximum Annual Debt Service, (ii) one hundred twenty-five percent (125%) of the average annual debt service as of the date of issuance of the Parity Debt, and (iii) ten percent (10%) of the then outstanding principal amount of the Bonds and the principal amount of the Parity Bonds. Once determined under (a) or (b), the Reserve Requirement is not subject to increase.

"Resolution" means the Resolution adopted by the City Council of the City on December 6, 2022, authorizing the issuance of the 2022 Bonds.

"Resolution of Formation" means Resolution No. 15891, adopted by the City Council of the City on April 19, 2022.

"S&P" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, New York, New York, or its successors.

"Securities Depositories" means The Depository Trust Company, 55 Water Street, 1SL, New York, New York 10041-0099, Fax (212) 855-7232; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the City may designate in an Officer's Certificate delivered to the Fiscal Agent.

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

"Special Tax Prepayments" means the proceeds of any prepayments of Special Taxes received by the City, as calculated pursuant to the Rate and Method of Apportionment, less any administrative fees or penalties collected as part of any such prepayment.

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

"Special Tax Revenues" means the proceeds of the Special Taxes received by the City, including any scheduled payments and any prepayments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes to the amount of said lien, but will not include interest and penalties, if any, collected with the Special Taxes that are in excess of the rate of interest payable on the Bonds.

"Special Taxes" means the special tax levied within the District pursuant to the Law, the Ordinance and the Fiscal Agent Agreement.

"State" means the State of California.

"Supplemental Agreement" means an agreement the execution of which is authorized by a resolution which has been duly adopted by the City under the Law and which agreement is amendatory of or supplemental to the Fiscal Agent Agreement, but only if and to the extent that such agreement is specifically authorized under the Fiscal Agent Agreement.

"Tax Consultant" means NBS, or another independent financial or tax consultant retained by the City for the purpose of computing the Special Taxes.

"2022 Bonds" means the City of Alameda Community Facilities District No. 22-1 (Alameda Marina) 2022 Special Tax Bonds, issued and outstanding under the Fiscal Agent Agreement.

Pledge of Special Tax Revenues

The Bonds are secured by a first pledge of all of the Special Tax Revenues (other than the Special Tax Revenues to be retained by the City or deposited to the Administrative Expense Fund pursuant to the Fiscal Agent Agreement, and all moneys deposited in the Bond Fund, the Reserve Fund and, until disbursed as provided in the Fiscal Agent Agreement, in the Special Tax Fund. The Special Tax Revenues and all moneys deposited into said funds (except as otherwise provided in the Fiscal Agent Agreement) are dedicated in the Fiscal Agent Agreement to the payment of the principal of, and interest and any premium on, the Bonds as provided therein and in the Law until all of the Bonds have been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose in accordance with the Fiscal Agent Agreement.

Amounts in the Improvement Fund, the Administrative Expense Fund, the Costs of Issuance Fund and the Special Tax Revenues to be retained by the City or deposited to the Administrative Expense Fund pursuant to the Fiscal Agent Agreement or deposited to the Improvement Fund pursuant to the Fiscal Agent Agreement, are not pledged to the repayment of the Bonds. The facilities financed by the District are not in any way pledged to pay the debt service on the Bonds. Any proceeds of the sale, condemnation or destruction of any facilities financed by the District are not pledged to pay the debt service on the Bonds and are free and clear of any lien or obligation imposed under the Fiscal Agent Agreement.

Funds and Accounts

Special Tax Fund. There is established under the Fiscal Agent Agreement as a separate fund to be held by the Fiscal Agent, the Special Tax Fund. There will be deposited to the Special Tax Fund all Special Tax Revenues received by the City, which the City is obligated to transfer, as soon as practicable following receipt by the City, to the Fiscal Agent. In addition, the Fiscal Agent will deposit in the Special Tax Fund amounts to be transferred thereto pursuant to The Fiscal Agent Agreement.

Notwithstanding the foregoing,

(i) with respect to the first Special Tax Revenues collected by the City in any Fiscal Year in the amount of the Minimum Administrative Expense Requirement for such Fiscal

Year; first, the City may retain all or any portion thereof, and not remit the same to the Fiscal Agent, to the extent the City determines that it needs said amount to pay Administrative Expenses of the City (and the City will so use such amount to pay Administrative Expenses); and second, any remaining portion of such amount will be separately identified by the City and will be deposited by the Fiscal Agent in the Administrative Expense Fund;

(ii) any Special Tax Revenues constituting the collection of delinquencies in payment of Special Taxes will be separately identified by the City and will be deposited by the Fiscal Agent first, in the Bond Fund to the extent needed to pay any past due debt service on the Bonds; second, to the Reserve Fund to the extent needed to increase the amount then on deposit in the Reserve Fund up to the then Reserve Requirement; and third, to the Special Tax Fund for use as described in the Fiscal Agent Agreement; and

(iii) any proceeds of Special Tax Prepayments will be separately identified by the City and will be deposited by the Fiscal Agent as follows (as directed in writing by the Finance Director): (a) that portion of any Special Tax Prepayment constituting the Future Facilities Costs (as defined in the Rate and Method of Apportionment) will be deposited by the Fiscal Agent to the Improvement Fund so long as the Improvement Fund has not theretofore been closed pursuant to the Fiscal Agent Agreement, and if the Improvement Fund has been closed, then such amount will be retained by the City to be used to pay Project costs; and (b) any remaining portion of any Special Tax Prepayment will be deposited by the Fiscal Agent in the Special Tax Prepayments Account established pursuant to the Fiscal Agent Agreement.

Moneys in the Special Tax Fund will be held by the Fiscal Agent for the benefit of the City and the Owners of the Bonds, will be disbursed as provided below and, pending and disbursement, will be subject to a lien in favor of the Owners of the Bonds and the City.

From time to time as needed to pay the obligations of the District, but no later than the Business Day before each Interest Payment Date, the Fiscal Agent will withdraw from the Special Tax Fund and transfer the following amounts in the following order of priority (i) to the Bond Fund an amount, taking into account any amounts then on deposit in the Bond Fund and any expected transfers from the Improvement Fund, the Reserve Fund, the Special Tax Fund and the Capitalized Interest Account to the Bond Fund pursuant to the Fiscal Agent Agreement, such that the amount in the Bond Fund equals the principal (including any sinking payment, or principal due pursuant to optional or special tax prepayment redemptions), premium, if any, and interest due on the Bonds on the next Interest Payment Date, and (ii) to the Reserve Fund an amount, taking into account amounts then on deposit in the Reserve Fund, such that the amount in the Reserve Fund is equal to the Reserve Requirement; provided that no such transfers will exceed the amount then available to be transferred from the Special Tax Fund.

In addition to the foregoing, if in any Fiscal Year there are sufficient funds in the Special Tax Fund to make the foregoing transfers to the Bond Fund and the Reserve Fund in respect of the Interest Payment Dates occurring in the Bond Year that commences in such Fiscal Year, the Finance Director may direct the Fiscal Agent to transfer, from time to time, any amount in the Special Tax Fund in excess of the amount needed to make transfers to the Bond Fund and the Reserve Fund referred to in the prior paragraph, (i) to the Administrative Expense Fund, if the Finance Director determines that monies are needed to pay Administrative Expenses in excess of the amount then on deposit in the Administrative Expense Fund, or (ii) to the City, to be used for any lawful purpose under the Law.

Moneys in the Special Tax Fund will be invested in accordance with the Fiscal Agent Agreement. Interest earnings and profits resulting from investment of amounts in the Special Tax Fund will be retained in the Special Tax Fund to be used for the purposes thereof.

Administrative Expense Fund. There is established under the Fiscal Agent Agreement as a separate fund to be held by the Fiscal Agent, the Administrative Expense Fund, to the credit of which deposits will be made as required by the Fiscal Agent Agreement. Moneys in the Administrative Expense Fund are to be held by the Fiscal Agent for the benefit of the City, and will be disbursed as provided in the Fiscal Agent Agreement. Moneys in this fund are not pledged as security for the 2022 Bonds.

Amounts in the Administrative Expense Fund will be withdrawn by the Fiscal Agent and paid to the City or its order upon receipt by the Fiscal Agent of an Officer's Certificate stating the amount to be withdrawn, that such amount is to be used to pay an Administrative Expense, and the nature of such Administrative Expense.

Annually, on the last day of each Fiscal Year, the Fiscal Agent will withdraw any amounts then remaining in the Administrative Expense Fund in excess of $25,000.00 that have not otherwise been allocated to pay Administrative Expenses incurred but not yet paid, and which are not otherwise encumbered, and transfer such amounts to the Special Tax Fund.

Moneys in the Administrative Expense Fund will be invested in accordance with the Fiscal Agent Agreement. Interest earnings and profits resulting from said investment will be retained in the Administrative Expense Fund to be used for the purposes of such fund.

Costs of Issuance Fund. There is established under the Fiscal Agent Agreement as a separate fund to be held by the Fiscal Agent, the Costs of Issuance Fund, to the credit of which a deposit will be made as required by the Fiscal Agent Agreement. Moneys in the Costs of Issuance Fund will be held by the Fiscal Agent and will be disbursed as provided in the Fiscal Agent Agreement. Moneys in this fund are not pledged as security for the 2022 Bonds.

Amounts in the Costs of Issuance Fund will be disbursed from time to time to pay Costs of Issuance, as set forth in a requisition containing respective amounts to be paid to the designated payees, signed by an Authorized Officer and delivered to the Fiscal Agent concurrently with the delivery of the 2022 Bonds. The Fiscal Agent will pay all Costs of Issuance upon receipt of an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee in such requisition, or upon receipt of an Officer's Certificate requesting payment of a Cost of Issuance not listed on the initial requisition delivered to the Fiscal Agent on the Closing Date. Each such Officer's Certificate will be sufficient evidence to the Fiscal Agent of the facts stated therein and the Fiscal Agent will have no duty to confirm the accuracy of such facts. The Fiscal Agent will maintain the Cost of Issuance Fund for a period of 90 days from the Closing Date and then will transfer any moneys remaining therein, including any investment earnings thereon, to the Special Tax Fund, and following such transfer the Fiscal Agent will close the Cost of Issuance Fund.

Moneys in the Cost of Issuance Fund will be invested in accordance with the Fiscal Agent Agreement. Interest earnings and profits resulting from said investment will be retained by the Fiscal Agent in the Cost of Issuance Fund to be used for the purposes of such fund.

Bond Fund. There is established under the Fiscal Agent Agreement as a separate fund to be held by the Fiscal Agent, the Bond Fund to the credit of which deposits will be made as required by the Fiscal Agent Agreement, and any other amounts required to be deposited therein by the Fiscal Agent Agreement or the Law. There are also separate accounts created in the Bond Fund held by the Fiscal Agent, consisting of (i) the Capitalized Interest Account and (ii) the Special Tax Prepayments Account t. Moneys in the Bond Fund and the accounts therein will be held by the Fiscal Agent for the benefit of the Owners of the Bonds, will be disbursed for the payment of the principal of, and interest and any premium on, the Bonds as provided below, and, pending such disbursement, will be subject to a lien in favor of the Owners of the Bonds.

On each Interest Payment Date, and following any transfers required pursuant to the Fiscal Agent Agreement in connection with such Interest Payment Date, the Fiscal Agent will withdraw from the Bond Fund and pay to the Owners of the Bonds the principal of, and interest and any premium, then due and payable on the Bonds, including any amounts due on the Bonds by reason of the sinking payments set forth in the Fiscal Agent Agreement, or a redemption of the Bonds required by the Fiscal Agent Agreement, such payments to be made in the priority listed in the second succeeding paragraph. Notwithstanding the foregoing, amounts in the Bond Fund as a result of a transfer described in clause (ii) of the second paragraph under "Special Tax Fund" above will be immediately disbursed by the Fiscal Agent to pay past due amounts owing on the Bonds. In the event that amounts in the Bond Fund are insufficient for the purpose set forth in the preceding sentence, the Fiscal Agent will withdraw from the Reserve Fund to the extent of any funds therein amounts to cover the amount of such Bond Fund insufficiency. Amounts so withdrawn from the Reserve Fund will be deposited by the Fiscal Agent in the Bond Fund.

If, after the foregoing transfers, there are insufficient funds in the Bond Fund to make the payments provided for in the Fiscal Agent Agreement, the Fiscal Agent will apply the available funds first to the payment of interest on the Bonds, then to the payment of principal due on the Bonds other than by reason of sinking payments, and then to payment of principal due on the Bonds by reason of sinking payments. Each such payment will be made ratably to the Owners of the Bonds based on the then Outstanding principal amount of the Bonds, if there are insufficient funds to make the corresponding payment for all of the then Outstanding Bonds. Any sinking payment not made as scheduled will be added to the sinking payment to be made on the next sinking payment date.

Moneys in the Special Tax Prepayments Account will be transferred by the Fiscal Agent to the Bond Fund on the next date for which notice of redemption of Bonds can timely be given by the Fiscal Agent under the Fiscal Agent Agreement, and will be used (together with any amounts transferred pursuant to the Reserve Fund provisions of the Fiscal Agent Agreement) to redeem Bonds on the redemption date selected in accordance with the Fiscal Agent Agreement.

All moneys in the Capitalized Interest Account will be transferred to the Bond Fund (a) on the Business Day prior to March 1, 2023 in the amount due on the 2022 Bonds on such date to be used for the payment of Debt Service on the 2022 Bonds due on the immediately succeeding Interest Payment Date, and (b) on the Business Day prior to September 1, 2023 any then remaining amount in the Capitalized Interest Account. When no amounts remain on deposit in the Capitalized Interest Account, the Capitalized Interest Account will be closed.

Moneys in the Bond Fund and the Special Tax Prepayments Account and the Capitalized Interest Account will be invested in accordance with the Fiscal Agent Agreement. Interest earnings and profits resulting from investment of amounts in the Bond Fund and the Special Tax Prepayments Account and the Capitalized Interest Account will be retained in the Bond Fund and the Special Tax Prepayments Account and the Capitalized Interest Account, respectively, to be used for the purposes of such fund and accounts as applicable.

If at any time the Fiscal Agent fails to pay principal and interest due on any scheduled payment date for the Bonds, or if funds are withdrawn from the Reserve Fund to pay principal and/or interest on the Bonds, the Fiscal Agent will notify the Finance Director in writing of such failure or withdrawal, and (in addition to any notice required under the Continuing Disclosure Agreement) the Finance Director will notify CDIAC of such failure or withdrawal within 10 days of the failure to make such payment or the date of such withdrawal.

Reserve Fund. There is established under the Fiscal Agent Agreement as a separate fund to be held by the Fiscal Agent, the Reserve Fund to the credit of which a deposit will be made on the Closing Date as required by the Fiscal Agent Agreement, which deposits, in the aggregate, will be equal to the initial Reserve Requirement, and deposits will be made as provided in the Fiscal Agent Agreement. Moneys in the Reserve Fund will be held by the Fiscal Agent for the benefit of the

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

Except as otherwise provided in the Fiscal Agent Agreement, all amounts deposited in the Reserve Fund will be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Bond Fund in the event of any deficiency at any time in the Bond Fund of the amount then required for payment of the principal of, and interest and any premium on, the Bonds or, in accordance with the provisions of the Fiscal Agent Agreement, for the purpose of redeeming Bonds from the Bond Fund.

Whenever, on the Business Day before any Interest Payment Date, or on any other date at the request of an Authorized Officer, the amount in the Reserve Fund exceeds the Reserve Requirement, the Fiscal Agent will provide written notice to the City of the amount of the excess and will transfer an amount equal to the excess from the Reserve Fund to the Bond Fund to be used for the payment of interest on the Bonds on the next Interest Payment Date in accordance with the Fiscal Agent Agreement.

Amounts in the Reserve Fund will be withdrawn, at the written request of an Authorized Officer, for purposes of making payment to the federal government to comply with the Fiscal Agent Agreement.

Whenever the balance in the Reserve Fund exceeds the amount required to redeem or pay the Outstanding Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, the Fiscal Agent will transfer the amount in the Reserve Fund to the Bond Fund to be applied, on the next succeeding Interest Payment Date to the payment and redemption, in accordance with the Fiscal Agent Agreement, of all of the Outstanding Bonds. In the event that the amount so transferred from the Reserve Fund to the Bond Fund exceeds the amount required to pay and redeem the Outstanding Bonds, the balance in the Reserve Fund will be transferred to the City to be used for any lawful purpose under the Law. Notwithstanding the foregoing, no amounts will be transferred from the Reserve Fund pursuant to the Fiscal Agent Agreement until after (i) the calculation, of any amounts due to the federal government following payment of the Bonds and withdrawal of any such amount under the Fiscal Agent Agreement for purposes of making such payment to the federal government, and (ii) payment of any fees and expenses due to the Fiscal Agent.

Whenever Special Taxes are prepaid and Bonds are to be redeemed with the proceeds of such prepayment pursuant to the Fiscal Agent Agreement, a proportionate amount in the Reserve Fund (determined by the Finance Director on the basis of the principal of Bonds to be redeemed and the then original principal of the Bonds) will be transferred on the Business Day prior to the redemption date by the Fiscal Agent to the Bond Fund to be applied to the redemption of the Bonds pursuant to the Fiscal Agent Agreement.

Moneys in the Reserve Fund will be invested in accordance with the Fiscal Agent Agreement. One Business Day before each Interest Payment Date, interest earnings and profits resulting from said investment will be transferred by the Fiscal Agent to the Bond Fund to be used by the Fiscal Agent for the purposes of such fund, but any such transfer will be made only to the extent that following such transfer the amount on deposit in the Reserve Fund equals the then Reserve Requirement.

Certain Covenants of the City

The City will punctually pay or cause to be paid the principal of and interest and any premium on, the Bonds when and as due in strict conformity with the terms of the Fiscal Agent Agreement and any Supplemental Agreement, and it will faithfully observe and perform all of the conditions, covenants and requirements of the Fiscal Agent Agreement and all Supplemental Agreements and of the Bonds.

The Bonds are limited obligations of the City on behalf of the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in the Bond Fund (including the Capitalized Interest Account and the Special Tax Prepayments Account therein), the Reserve Fund and the Special Tax Fund created under the Fiscal Agent Agreement.

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

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

The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries will be made of all transactions relating to the Special Tax Revenues. Such books of record and accounts will at all times during City business hours and following reasonable prior written notice be subject to the inspection of the Owners of not less than ten percent (10%) of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

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

The City will comply with all applicable provisions of the Law in administering the District; provided that the City will have no obligation to advance any of its own funds for any purpose whatsoever under the Fiscal Agent Agreement.

The City will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of the Fiscal Agent Agreement, failure of the City to comply with the Continuing Disclosure Agreement will not be considered a default on the Bonds or a breach of any other provision of the Fiscal Agent Agreement; however the Participating Underwriter or any 2022 Bondholder may take such actions as may be necessary and appropriate to compel performance by the City of its obligations under the Continuing Disclosure Agreement, including seeking mandate or specific performance by court order.

The City will not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the 2022 Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

The City will comply with all requirements of the Law so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of delinquent Special Taxes.

On or about July 1 of each year, the Fiscal Agent will provide the Finance Director with a notice stating the amounts then on deposit in the Bond Fund and the accounts therein and the Reserve Fund. The receipt of such notice by the Finance Director will in no way affect the obligations of the City under the following three paragraphs. Upon receipt of such notice, the Finance Director will communicate with the Auditor or other appropriate official of the County to ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits during the preceding and then current year. In computing the amount of Special Taxes to be levied, the City will take into account funds available in the Bond Fund and the accounts therein and the Special Tax Fund to make the payment of debt service on the Bonds due on the Interest Payment Dates occurring in the next calendar year, along with any transfers of investment earnings on amounts in the Reserve Fund pursuant to the Fiscal Agent Agreement to the Bond Fund expected to occur on such Interest Payment Date.

The City will effect the levy of the Special Taxes from time to time during each Fiscal Year in accordance with the Ordinance and the Rate and Method of Apportionment. Specifically, the City will compute the amount of Special Taxes to be so levied each Fiscal Year before the final date on which the Auditor will accept the transmission of the Special Tax amounts for the parcels within the District for inclusion on the next secured or unsecured, as applicable, real property tax roll. Upon the completion of the computation of the amounts of the levy, the City will prepare or cause to be prepared, and will transmit to the Auditor, such data as the Auditor requires to include the levy of the Special Taxes on the next real property tax roll. The Special Taxes so levied will be payable and be collected in the same manner and at the same time and in the same installment as the taxes on property levied on the tax roll are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general ad valorem taxes levied on the County tax roll.

In the event that the City determines to levy all or a portion of the Special Taxes by means of direct billing of the property owners within the District, and to the extent permitted by the Ordinance, the City will, not less than forty-five (45) days prior to the first Interest Payment Date for which the levy is being made, send bills to the property owners in the District for Special Taxes necessary to meet the financial obligations of the District due on the Interest Payment Dates for which the levy is being made, said bills to specify that the amounts so levied will be due and payable in two equal installments with each installment due not less than thirty (30) days prior to the related Interest Payment Date and each installment will be delinquent if not paid when due.

In any event, the City will fix and levy the amount of Special Taxes within the District required for the timely payment of principal of and interest on any outstanding Bonds becoming due and payable, including any necessary replenishment of the Reserve Fund to the amount of the then Reserve Requirement and an amount estimated to be sufficient to pay the Administrative Expenses, and will take into account any prepayments of Special Taxes theretofore received by the City. The Special Taxes so levied will not exceed the maximum amounts as provided in the Rate and Method of Apportionment.

The Finance Director is authorized in the Fiscal Agent Agreement to employ consultants to assist in computing the levy of the Special Taxes under the Fiscal Agent Agreement and any reconciliation of amounts levied to amounts received. The fees and expenses of such consultants and the costs and expenses of the Finance Director (including a charge for City staff time) in conducting its duties under the Fiscal Agent Agreement will be an Administrative Expense under the Fiscal Agent Agreement.

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

The City will not take or permit or suffer to be taken by the Fiscal Agent or otherwise, any action with respect to the proceeds of the 2022 Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the 2022 Bonds would have caused the 2022 Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code.

The City will take all actions necessary to assure the exclusion of interest on the 2022 Bonds from the gross income of the owners of the 2022 Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the 2022 Bonds.

The City will order, and cause to be commenced and thereafter diligently prosecute to judgment (unless such delinquency is theretofore brought current), an action in the superior court to foreclose the lien of any Special Tax or installment thereof not paid when due as provided in the following paragraph. The Finance Director will notify legal counsel of any such delinquency of which it is aware, and such legal counsel will commence, or cause to be commenced, such proceedings.

On or about August 15 of each Fiscal Year, the Finance Director will compare the amount of Special Taxes theretofore levied in the District to the amount of Special Tax Revenues theretofore received by the City. Following such comparison, or if at any other time the Finance Director becomes aware of any delinquency in the payment of any Special Tax due and owing:

(A) Individual Delinquencies. If the Finance Director determines that any single parcel subject to the Special Tax in the District is delinquent in the payment of Special Taxes in the aggregate amount of $10,000 or more, or which otherwise is delinquent with respect to two (2) years of Special Tax levies, the Finance Director will send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to the property owner by the following October 1, and (if the delinquency remains uncured) foreclosure proceedings will be commenced by the City against the delinquent parcel within 90 days of the sending of such notice and will be diligently pursued by the City to completion. Notwithstanding the foregoing, the City need not take any such action so long as the amount then in the Reserve Fund is at least equal to the Reserve Requirement.

(B) Aggregate Delinquencies. If the Finance Director determines that the aggregate amount of Special Taxes levied in the District for the preceding Fiscal Year and theretofore collected is less than ninety-five percent (95%) of the total amount of Special Taxes levied for such Fiscal Year, the Finance Director will send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to each property owner with delinquent Special Taxes by the following October 1, and (if any such delinquency remains uncured) foreclosure proceedings will be commenced by the City within 90 days of the sending of such notices against all such delinquent parcels.

The Finance Director is authorized to employ counsel to conduct any such foreclosure proceedings. The fees and expenses of any such counsel (including a charge for City staff time) in conducting foreclosure proceedings will be an Administrative Expense under the Fiscal Agent Agreement.

Except as expressly permitted by the Fiscal Agent Agreement, the City will not issue any additional bonds secured by (A) a pledge of Special Taxes on a parity with or senior to the pledge thereof under the Fiscal Agent Agreement; or (B) any amounts in any funds or accounts established under the Fiscal Agent Agreement.

In determining the yield of the 2022 Bonds to comply with the Fiscal Agent Agreement, the City will take into account redemption (including premium, if any) in advance of maturity based on the reasonable expectations of the City, as of the Closing Date, regarding prepayments of Special Taxes and use of prepayments for redemption of the 2022 Bonds, without regard to whether or not prepayments are received or 2022 Bonds redeemed.

The City will assure that the proceeds of the 2022 Bonds are not so used as to cause the 2022 Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

The City covenants and agrees in the Fiscal Agent Agreement to not consent or conduct proceedings with respect to a reduction in the maximum Special Taxes that may be levied in the District below an amount, for any Fiscal Year, equal to 110% of the aggregate of the debt service due on the Bonds in such Fiscal Year, plus a reasonable estimate of Administrative Expenses for such Fiscal Year. The Fiscal Agent Agreement acknowledges that Bondowners are purchasing the Bonds in reliance on the foregoing covenant, and that said covenant is necessary to assure the full and timely payment of the Bonds.

The following requirements will apply to the 2022 Bonds, in addition to those requirements under the Fiscal Agent Agreement:

(A) Annual Reporting. Not later than October 30 of each calendar year, beginning with the October 30, 2023, and in each calendar year thereafter until the October 30 following the final maturity of the Bonds, the City will cause the information required by Government Code Section 53359.5(b) to be supplied to CDIAC. The annual reporting will be made using such form or forms as may be prescribed by CDIAC.

No later than January 31 of each calendar year, the City agrees to provide to CDIAC the annual report information required by Section 8855(k)(1) of the California Government Code. Such annual report will be made using such form or forms as may be prescribed by CDIAC.

Additionally, no later than January 31 of each calendar year, the City agrees to provide to the California State Controller, Division of Accounting and Reporting, the annual report information required by Section 12463.2 of the California Government Code.

(B) Other Reporting. If at any time the Fiscal Agent fails to pay principal and interest due on any scheduled payment date for the Bonds, or if funds are withdrawn from the Reserve Fund to pay principal and interest on the Bonds, the Fiscal Agent will notify the City of such failure or withdrawal in writing. The City will notify CDIAC and the Original Purchaser of such failure or withdrawal within 10 days of such failure or withdrawal, and the City will provide notice under the Continuing Disclosure Agreement of such event as required thereunder.

(C) Special Tax Reporting. The Finance Director will file, or cause to be filed, a report with the City no later than January 1, 2024, and at least once a year thereafter, which annual report will contain: (i) the amount of Special Taxes collected and expended with respect to the District, (ii) the amount of Bond proceeds collected and expended with respect to the District, and (iii) the status of the Project. It is acknowledged that the Special Tax Fund and the Special Tax Prepayments Account are the accounts into which Special Taxes collected on the District will be deposited for purposes of Section 50075.1(c) of the California Government Code, and the funds and accounts listed in the Fiscal Agent Agreement are the funds and accounts into which Bond proceeds will be deposited for purposes of Section 53410(c) of the California Government Code, and the annual report described in the preceding sentence is intended to satisfy the requirements of Sections 50075.1(d), 50075.3(d) and 53411 of the California Government Code.

(D) Amendment. The reporting requirements of the Fiscal Agent Agreement will be amended from time to time, without action by the City or the Fiscal Agent (i) with respect to subparagraphs (A) and (B) above, to reflect any amendments to Section 53359.5(b) or Section 53359.5(c) of the California Government Code, or Section 8855(k)(1) or Section 12463.2 of the California Government Code, and (ii) with respect to subparagraph (C) above, to reflect any amendments to Section 50075.1, 50075.3, 53410 or 53411 of the California Government Code. Notwithstanding the foregoing, any such amendment will not, in itself, affect the City's obligations under the Continuing Disclosure Agreement. The City will notify the Fiscal

Agent in writing of any such amendments which affect the reporting obligations of the Fiscal Agent under the Fiscal Agent Agreement.

(E) No Liability. None of the City and its officers, agents and employees (including but not limited to the Finance Director), or the Fiscal Agent, will be liable for any inadvertent error in reporting the information required by the Fiscal Agent Agreement.

The Finance Director will provide, or cause to be provided, copies of any reports prepared pursuant to the above described provisions to any Bondowner upon the written request of a Bondowner and payment by the person requesting the information of the cost of the City to produce such information and pay any postage or other delivery cost to provide the same, as determined by the Finance Director. The term "Bondowner" for purposes of the foregoing will include any beneficial owner of the Bonds.

The City covenants not to exercise any rights it may have under the Law to waive delinquency and redemption penalties related to the Special Taxes or to declare Special Tax penalties amnesty program if to do so would materially and adversely affect the interests of the owners of the Bonds. The City further covenants not to permit the tender of Bonds in payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the City having insufficient Special Tax Revenues to pay the principal of and interest on the Bonds that will remain Outstanding following such tender.

The City will not bid at a foreclosure sale of property in respect of delinquent Special Taxes unless it expressly agrees to take the property subject to the lien for Special Taxes imposed by the District and that the Special Taxes levied on the property are payable while the City owns the property.

Deposit and Investment of Moneys in Funds

Moneys in any fund or account created or established by the Fiscal Agent Agreement and held by the Fiscal Agent will be invested by the Fiscal Agent in Permitted Investments, as directed pursuant to an Officer's Certificate filed with the Fiscal Agent at least two (2) Business Days in advance of the making of such investments. The Officer's Certificate will contain a certification to the Fiscal Agent that the investments being directed are Permitted Investments as required under the Fiscal Agent Agreement. In the absence of any such Officer's Certificate, the Fiscal Agent will invest any such moneys in Permitted Investments described in clause (h) of the definition thereof; provided, however, that any such investment will be made by the Fiscal Agent only if, prior to the date on which such investment is to be made, the Fiscal Agent will have received an Officer's Certificate specifying a specific money market fund into which the funds will be invested and, if no such Officer's Certificate is so received, the Fiscal Agent will hold such moneys uninvested.

Moneys in any fund or account created or established by the Fiscal Agent Agreement and held by the City will be invested by the City in any lawful investments that the City may make or in any Permitted Investment, which in any event by their terms mature prior to the date on which such moneys are required to be paid out under the Fiscal Agent Agreement. Obligations purchased as an investment of moneys in any fund will be deemed to be part of such fund or account, subject, however, to the requirements of the Fiscal Agent Agreement for transfer of interest earnings and profits resulting from investment of amounts in funds and accounts. Whenever in the Fiscal Agent Agreement any moneys are required to be transferred by the City to the Fiscal Agent, such transfer may be accomplished by transferring a like amount of Permitted Investments.

The Fiscal Agent or the Finance Director may act as principal or agent in the acquisition or disposition of any investment, and all investments may be made through the Fiscal Agent's investment department or that of its affiliates. The Fiscal Agent or its affiliates may act as sponsor, agent manager or depository with regard to any Permitted Investment. Neither the Fiscal Agent nor the Finance Director will incur any liability for losses arising from any investments made pursuant to the applicable provisions of the Fiscal Agent Agreement.

Except as otherwise provided in the next sentence, the City will direct or make investments under the Fiscal Agent Agreement such that all investments of amounts deposited in any fund or account created by or pursuant to the Fiscal Agent Agreement, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) will be acquired, disposed of, and valued (as of the date that valuation is required by the Fiscal Agent Agreement or the Code) at Fair Market Value. The City will direct or make investments under the Fiscal Agent Agreement such that investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code and (unless valuation is undertaken at least annually) investments in the Reserve Fund will be valued at their present value (within the meaning of section 148 of the Code). The Fiscal Agent will have no duty in connection with the determination of the Fair Market Value of any investment other than to follow: (A) its normal practices in the purchase, sale and determining the value of Permitted Investments; and (B) the investment directions of the City.

Investments in any and all funds and accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions in the Fiscal Agent Agreement for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Fiscal Agent or the Finance Director under the Fiscal Agent Agreement, provided that the Fiscal Agent or the Finance Director, as applicable, will at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in the Fiscal Agent Agreement.

The Fiscal Agent will sell or present for redemption, any investment security whenever it will be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited and neither the Fiscal Agent nor the Finance Director will be liable or responsible for any loss resulting from the acquisition or disposition of such investment security in accordance with the Fiscal Agent Agreement.

The City acknowledges that regulations of the Comptroller of the Currency grant the City the right to receive brokerage confirmations of security transactions to be effected by the Fiscal Agent under the Fiscal Agent Agreement as they occur. The City specifically waives the right to receive such notification to the extent permitted by applicable law and agrees that it will instead receive monthly cash transactions statements which include detail for the investment transactions effected by the Fiscal Agent under the Fiscal Agent Agreement; provided, however, that the City retains its rights to, upon written request to the Fiscal Agent, receive brokerage confirmation on any investment transaction requested by the City and effected by the Fiscal Agent at no additional cost.

Rebate of Excess Investment Earnings to the United States

The City will take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the 2022 Bonds.

The City will direct the Fiscal Agent to withdraw such amounts from the Reserve Fund as necessary to make any required rebate payments, and pay such amounts to the federal government as required by the Code and the Regulations. In the event of any shortfall in amounts available to make such payments, the City will make such payment from any amounts available in the Administrative Expense Fund or from any other lawfully available funds of the District. Any fees or expenses incurred by the City under or pursuant to the foregoing provisions of the Fiscal Agent Agreement are Administrative Expenses.

In order to provide for the administration of the actions described in the preceding paragraph, the Finance Director may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Finance Director may deem appropriate and in addition, and without limitation of the provisions of the Fiscal Agent Agreement, the Finance Director may rely conclusively upon and be fully protected from all liability in relying upon the opinions, determinations, calculations and advice of such agents, attorneys and consultants employed under the Fiscal Agent Agreement. The Fiscal Agent may rely conclusively upon the City's determinations, calculations and certifications required by the Fiscal Agent Agreement. The Fiscal Agent will have no responsibility to independently make any calculation or determination or to review the City's calculations.

Liability of City

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

In the absence of bad faith, the City, including the Finance Director, may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the City and conforming to the requirements of the Fiscal Agent Agreement. The City, including the Finance Director, will not be liable for any error of judgment made in good faith unless it will be proved that it was negligent in ascertaining the pertinent facts.

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

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

The City will not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto satisfactory established, if disputed.

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

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

Fiscal Agent

U.S. Bank Trust Company, National Association, at its corporate trust office in San Francisco, California is appointed Fiscal Agent and paying agent for the Bonds. The Fiscal Agent undertakes to perform such duties, and only such duties, as are specifically set forth in the Fiscal Agent Agreement, and no implied covenants or obligations will be read into the Fiscal Agent Agreement against the Fiscal Agent.

Any company or association into which the Fiscal Agent may be merged or converted or with which it may be consolidated or any company or association resulting from any merger, conversion or consolidation to which it will be a party or any company or association to which the Fiscal Agent may sell or transfer all or substantially all of its corporate trust business, provided such company or association will be eligible under the following paragraph of this Section, will be the successor to such Fiscal Agent without the execution or filing of any paper or any further act, anything in the Fiscal Agent Agreement to the contrary notwithstanding. The Fiscal Agent will give the Finance Director written notice of any such succession under the Fiscal Agent Agreement.

The City may remove the Fiscal Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor will be a bank, association or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars ($50,000,000), and subject to supervision or examination by federal or state authority. If such bank, association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of the Fiscal Agent Agreement, combined capital and surplus of such bank, association or trust company will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Fiscal Agent may at any time resign by giving written notice to the City and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, the City will promptly appoint a successor Fiscal Agent by an instrument in writing. Any resignation or removal of the Fiscal Agent will become effective only upon acceptance of appointment by the successor Fiscal Agent. Upon such acceptance, the successor Fiscal Agent will be vested with all rights and powers of its predecessor under the Fiscal Agent Agreement without any further act.

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

If, by reason of the judgment of any court, or reasonable agency, the Fiscal Agent is rendered unable to perform its duties under the Fiscal Agent Agreement, all such duties and all of the rights and powers of the Fiscal Agent under the Fiscal Agent Agreement will be assumed by and vest in the Finance Director for the benefit of the Owners. The City covenants for the direct benefit of the Owners that its Finance Director in such case will be vested with all of the rights and powers of the Fiscal Agent under the Fiscal Agent Agreement, and will assume all of the responsibilities and perform all of the duties of the Fiscal Agent under the Fiscal Agent Agreement, in trust for the benefit of the Owners of the Bonds. In such event, the Finance Director may designate a successor Fiscal Agent qualified to act as Fiscal Agent under the Fiscal Agent Agreement.

The recitals of facts, covenants and agreements in the Fiscal Agent Agreement and in the Bonds contained will be taken as statements, covenants and agreements of the City, and the Fiscal Agent assumes no responsibility for the correctness of the same, or makes any representations as to the validity or sufficiency of the Fiscal Agent Agreement or of the Bonds, or will incur any responsibility in respect thereof, other than in connection with the duties or obligations in the Fiscal Agent Agreement or in the Bonds assigned to or imposed upon it. The Fiscal Agent will not be liable in connection with the performance of its duties under the Fiscal Agent Agreement, except for its own negligence or willful misconduct. The Fiscal Agent assumes no responsibility or liability for any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

In the absence of negligence or willful misconduct on its part, the Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Fiscal Agent and conforming to the requirements of the Fiscal Agent Agreement; but in the case of any such certificates or opinions by which any provisions of the Fiscal Agent Agreement are specifically required to be furnished to the Fiscal Agent, the Fiscal Agent will be under a duty to examine the same to determine whether or not they conform to the requirements of the Fiscal Agent Agreement. Except as provided above in this paragraph, Fiscal Agent will be protected and will incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of the Fiscal Agent Agreement, upon any resolution, order, notice, request, requisition, Officer's Certificate, consent or waiver, certificate, statement, affidavit, or other paper or document which it will in good faith reasonably believe to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of the Fiscal Agent Agreement, and the Fiscal Agent will not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

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

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

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

The Fiscal Agent will have no duty or obligation whatsoever to enforce the collection of Special Taxes or other funds to be deposited with it under the Fiscal Agent Agreement, or as to the correctness of any amounts received, and its liability will be limited to the proper accounting for such funds as it will actually receive.

The Fiscal Agent may consult with counsel, who may be counsel of or to the City, with regard to legal questions, and the opinion of such counsel will be full and complete authorization and protection in respect of any action taken or suffered by it under the Fiscal Agent Agreement in good faith and in accordance therewith.

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

The Fiscal Agent agrees to accept and act upon instructions or directions pursuant to the Fiscal Agent Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods; provided, however, that the Fiscal Agent will have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate will be amended and replaced whenever a person is to be added or deleted from the listing. If the City elects to give the Fiscal Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Fiscal Agent in its discretion elects to act upon such instructions, the Fiscal Agent's reasonable understanding of such instructions will be deemed controlling. The Fiscal Agent will not be liable for any losses, costs or expenses arising directly or indirectly from the Fiscal Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Fiscal Agent, including without limitation the risk of interception and misuse by third parties.

The Fiscal Agent will not be considered in breach of or in default in its obligations under the Fiscal Agent Agreement or progress in respect thereto in the event of delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its own fault or negligence, including, but not limited to, acts of God or of the public enemy or terrorists, acts of a government, fires, floods, pandemics, epidemics, recognized public emergencies, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, war, civil or military disturbances, nuclear or natural catastophes, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes, interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services, and hacking, cyber-attacks, or other use or infiltration of the Fiscal Agent's technological infrastructure exceeding authorized access or any similar event and/or occurrences beyond the control of the Fiscal Agent.

The Fiscal Agent will provide to the City such information relating to the Bonds and the funds and accounts maintained by the Fiscal Agent under the Fiscal Agent Agreement as the City will reasonably request, including but not limited to periodic cash transaction statements which include detail for all investment transactions effected by the Fiscal Agent or brokers selected by the City. Upon the City's election, such statements will be delivered via the Fiscal Agent's online service and upon electing such service, paper statements will be provided only upon request.

The Fiscal Agent will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries will be made of all transactions relating to the expenditure of amounts disbursed from the Improvement Fund, the Special Tax Fund, the Bond Fund, the Special Tax Prepayments Account, the Capitalized Interest Account, the Reserve Fund, the Administrative Expense Fund and the Costs of Issuance Fund. Such books of record and accounts will upon reasonable prior notice at all times during business hours be subject to the inspection of the City and the Owners of not less than ten percent (10%) of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

The Fiscal Agent may rely and will be protected in acting or refraining from acting upon any notice, resolution, request, requisition, Officer's Certificate, consent, order, certificate, report, warrant, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties.

The Fiscal Agent will not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto satisfactorily established, if disputed.

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

The City will pay to the Fiscal Agent from time to time, promptly upon written request, reasonable compensation for all services rendered as Fiscal Agent under the Fiscal Agent Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under the Fiscal Agent Agreement, but the Fiscal Agent will not have a lien therefor on any funds at any time held by it under the Fiscal Agent Agreement. The City further agrees, to the extent permitted by applicable law, to indemnify and save the Fiscal Agent, its officers, employees, directors and agents harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder (including legal fees and expenses) which are not due to its negligence or willful misconduct. The obligation of the City under this Section will survive resignation or removal of the Fiscal Agent under the Fiscal Agent Agreement and payment of the Bonds and discharge of the Fiscal Agent Agreement, but any monetary obligation of the City arising under this Section will be limited solely to amounts on deposit in the Administrative Expense Fund.

Amendment of the Fiscal Agent Agreement

The Fiscal Agent Agreement and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Agreement pursuant to the affirmative vote at a meeting of Owners, or with the written consent without a meeting, of the Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in the Fiscal Agent Agreement. No such modification or amendment will (i) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation by the City of any pledge or lien upon the Special Taxes superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by the Law, the laws of the State of California or the Fiscal Agent Agreement), or reduce the percentage of Bonds required for the amendment of the Fiscal Agent Agreement. Any such amendment may not modify any of the rights or obligations of the Fiscal Agent without its written consent.

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

(A) to add to the covenants and agreements of the City in the Fiscal Agent Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power reserved to or conferred upon the City in the Fiscal Agent Agreement;

(B) to make modifications not adversely affecting any outstanding series of Bonds of the City in any material respect;

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

(D) to make such additions, deletions or modifications as may be necessary or desirable to assure the exclusion from gross income, for purposes of federal income taxation, of interest on the 2022 Bonds; and

(E) in connection with the issuance of Parity Bonds under and pursuant to the Fiscal Agent Agreement.

The Fiscal Agent may in its discretion, but will not be obligated to, enter into any such Supplemental Agreement authorized by the Fiscal Agent Agreement which materially adversely affects the Fiscal Agent's own rights, duties or immunities under the Fiscal Agent Agreement or otherwise with respect to the Bonds or any agreements related thereto. The Fiscal Agent may request and will be fully protected in relying upon, an opinion of Bond Counsel that any proposed Supplemental Agreement complies with the applicable requirements of the Fiscal Agent Agreement.

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

The City and the Fiscal Agent may at any time adopt a Supplemental Agreement amending the provisions of the Bonds or of the Fiscal Agent Agreement or any Supplemental Agreement, to the extent that such amendment is permitted by the Fiscal Agent Agreement, to take effect when and as provided below. The City or the Fiscal Agent may obtain an opinion of Bond Counsel that such Supplemental Agreement complies with the provisions of the Fiscal Agent Agreement, and the City and Fiscal Agent may rely conclusively upon such opinion. A copy of such Supplemental Agreement, together with a request to Owners for their consent thereto, will be mailed by first class mail, by the Fiscal Agent to each Owner of Bonds Outstanding, but failure to mail copies of such Supplemental Agreement and request will not affect the validity of the Supplemental Agreement when assented to as provided in the Fiscal Agent Agreement.

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

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

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

Discharge of Agreement

The City will have the option to pay and discharge the entire indebtedness on all or any portion of the Bonds Outstanding in any one or more of the following ways:

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

(B) by depositing with the Fiscal Agent, in trust, at or before maturity, money which, together with the amounts then on deposit in the funds and accounts provided for in the Fiscal Agent Agreement is fully sufficient to pay such Bonds Outstanding, including all principal, interest and redemption premiums; or

(C) by irrevocably depositing with the Fiscal Agent, in trust, cash and Federal Securities in such amount as the City will determine as confirmed by Bond Counsel, an Independent Financial Consultant or an independent certified public accountant will, together with the interest to accrue thereon and moneys then on deposit in the fund and accounts provided for in the Fiscal Agent Agreement, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

If the City will have taken any of the actions specified in (A), (B) or (C) above, and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption will have been given as in the Fiscal Agent Agreement provided or provision satisfactory to the Fiscal Agent will have been made for the giving of such notice, then, at the election of the City, and notwithstanding that any Bonds will not have been surrendered for payment, the pledge of the Special Taxes and other funds provided for in the Fiscal Agent Agreement and all other obligations of the City under the Fiscal Agent Agreement with respect to such Bonds Outstanding will cease and terminate. Notice of such election will be filed with the Fiscal Agent. Notwithstanding the foregoing, the obligations of the City to pay or cause to be paid to the Owners of the Bonds not so surrendered and paid all sums due thereon, to pay all amounts owing to the Fiscal Agent pursuant to the Fiscal Agent Agreement, and otherwise to assure that no action is taken or failed to be taken if such action or failure adversely affects the exclusion of interest on the Bonds from gross income for federal income tax purposes, will continue in any event.

Upon compliance by the City with the foregoing with respect to all Bonds Outstanding, any funds held by the Fiscal Agent after payment of all fees and expenses of the Fiscal Agent, which are not required for the purposes of the preceding paragraph, will be paid over to the City and any Special Taxes thereafter received by the City will not be remitted to the Fiscal Agent but will be retained by the City to be used for any purpose permitted under the Law.

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

December __, 2022

City Council
City of Alameda, California
2263 Santa Clara Avenue
Alameda, California 94501

OPINION: $____________ City of Alameda Community Facilities District No. 22-1 (Alameda Marina) 2022 Special Tax Bonds

Members of the City Council:

We have acted as bond counsel to the City of Alameda, California (the "City") in connection with the issuance by the City, for and on behalf of the City of Alameda Community Facilities District No. 22-1 (Alameda Marina) (the "District"), of its $____________ City of Alameda Community Facilities District No. 22-1 (Alameda Marina) 2022 Special Tax Bonds (the "Bonds"), pursuant to the City of Alameda Special Tax Financing Improvement Code, constituting Section 3-70.1 of the Alameda Municipal Code (the "Law"), a Fiscal Agent Agreement, dated as of December 1, 2022, by and between the City, for and on behalf of the District, and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent Agreement"), and Resolution No. _____ adopted by the City Council of the City on December 6, 2022 (the "Resolution").

In connection with this opinion, we have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon representations of the City contained in the Resolution and in the Fiscal Agent Agreement, and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

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

1. The City is a municipal corporation and chartered city organized and existing under its charter and the laws of the State of California, with the power to enter into the Fiscal Agent Agreement and perform the agreements on its part contained therein and issue the Bonds.

2. The Fiscal Agent Agreement has been duly entered into by the City and constitutes a valid and binding obligation of the City enforceable upon the City in accordance with its terms.

3. Pursuant to the Law, the Fiscal Agent Agreement creates a valid lien on the funds pledged by the Fiscal Agent Agreement for the security of the Bonds, on a parity with the pledge thereof with respect to any future Parity Bonds that may be issued under, and as such capitalized term is defined in, the Fiscal Agent Agreement.

4. The Bonds have been duly authorized, executed and delivered by the City and are valid and binding limited obligations of the City for the District, payable solely from the sources provided therefor in the Fiscal Agent Agreement.

5. Subject to the City's compliance with certain covenants, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended. For tax years beginning after December 31, 2022, interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Failure by the City to comply with certain of such covenants could cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

6. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

Ownership of the Bonds may result in other tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

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

In rendering this opinion, we have relied upon certifications of the City and others with respect to certain material facts. Our opinion represents our legal judgment based upon such review of the law and facts that we deem relevant to render our opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT OF THE CITY

THIS CONTINUING DISCLOSURE AGREEMENT (the "Disclosure Agreement"), dated as of December 1, 2022, is by and between NBS, as dissemination agent (the "Dissemination Agent"), and the City of Alameda, California (the "City").

R E C I T A L S:

WHEREAS, the City has issued, for and on behalf of the City of Alameda Community Facilities District No. 22-1 (Alameda Marina) (the "District"), its City of Alameda Community Facilities District No. 22-1 (Alameda Marina), 2022 Special Tax Bonds (the "Bonds") in the initial principal amount of $____________; and

WHEREAS, the Bonds have been issued pursuant to a Fiscal Agent Agreement, dated as of December 1, 2022, by and between U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"), and the City, for and on behalf of the District (the "Fiscal Agent Agreement"); and

WHEREAS, this Disclosure Agreement is being executed and delivered by the City and the Dissemination Agent for the benefit of the owners and beneficial owners of the Bonds and in order to assist the underwriter of the Bonds in complying with S.E.C. Rule 15c2-12(b)(5).

A G R E E M E N T:

NOW, THEREFORE, for and in consideration of the premises and mutual covenants herein contained, and for other consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. <u>Definitions</u>. In addition to the definitions of capitalized terms set forth in Sections 1.03 of the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section or in the Recitals above, the following terms shall have the following meanings when used in this Disclosure Agreement:

"*Annual Report*" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

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

"*Disclosure Representative*" means the Finance Director of the City, or the Finance Director's designee, or such other officer or employee as the City shall designate as the Disclosure Representative hereunder in writing to the Dissemination Agent from time to time.

"*Dissemination Agent*" means NBS, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

"*EMMA*" or "*Electronic Municipal Market Acces*s" means the centralized on-line repository for documents to be filed with the MSRB, such as official statements and disclosure information relating to municipal bonds, notes and other securities as issued by state and local governments.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information which may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the Official Statement, dated December __, 2022, relating to the Bonds.

"*Participating Underwriter*" means Stifel, Nicolaus & Company, Incorporated, the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

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

"*Significant Event*" means any of the events listed in Section 5(a) of this Disclosure Agreement.

Section 2. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the City and the Dissemination Agent for the benefit of the owners and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

Section 3. Provision of Annual Reports.

(a) *Delivery of Annual Report*. The City shall, or shall cause the Dissemination Agent to, not later than the March 31 occurring after the end of each fiscal year of the City, commencing with the report for the 2022-23 fiscal year, which is due not later than March 31, 2023, file with EMMA, in a readable PDF or other electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided that any audited financial statements of the City may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date.

(b) *Change of Fiscal Year*. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Significant Event under Section 5(b), and subsequent Annual Report filings shall be made no later than seven months after the end of such new fiscal year end.

(c) *Delivery of Annual Report to Dissemination Agent*. Not later than fifteen (15) Business Days prior to the date specified in subsection (a) (or, if applicable, subsection (b) of this Section 3 for providing the Annual Report to EMMA), the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall notify the City.

(d) *Report of Non-Complianc*e. If the City is the Dissemination Agent and is unable to file an Annual Report by the date required in subsection (a) (or, if applicable, subsection (b)) of this Section 3, the City in a timely manner shall send a notice to EMMA substantially in the form attached hereto as Exhibit A. If the City is not the Dissemination Agent and is unable to provide an Annual Report to the Dissemination Agent by the date required in subsection (c) of this Section 3, the Dissemination

Agent in a timely manner shall send a notice to EMMA in substantially the form attached hereto as Exhibit A.

(e) *Annual Compliance Certification*. The Dissemination Agent shall, if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been filed with EMMA pursuant to Section 3 of this Disclosure Agreement, stating the date it was so provided and filed.

Section 4. Content of Annual Reports. It is acknowledged that the Closing Date for the Bonds occurred after the end of the 2022-23 fiscal year of the City. In light of the foregoing, submission of the Official Statement shall satisfy the City's obligation to file an Annual Report for fiscal year 2022-23.

The Annual Report for each fiscal year commencing with the Annual Report for the 2023-2024 fiscal year, shall contain or incorporate by reference the following:

(a) *Financial Statements*. Audited financial statements of the City for the most recently completed fiscal year, prepared in accordance generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) *Other Annual Information*. The Annual Report for each fiscal year commencing with fiscal year 2023-24 shall also include the following information:

(i) The principal amount of Bonds and any Parity Bonds Outstanding as of the September 30 next preceding the date of the Annual Report.

(ii) The balance in the Reserve Fund, and a statement of the Reserve Requirement, as of the September 30 next preceding the date of the Annual Report.

(iii) The balance in the Improvement Fund, if any, as of the September 30 next preceding the date of the Annual Report.

(iv) The Special Tax aggregate delinquency rate for all parcels within the District on which the Special Taxes are levied, the aggregate number of parcels within the District on which the Special Taxes are levied and which are delinquent in payment or Special Taxes, and the percentage of the most recent annual Special Tax levy that is delinquent, for the most recent fiscal year.

(v) The status of foreclosure proceedings for any parcels within the District on which the Special Taxes are levied and a summary or the results of any foreclosure sales, or other collection efforts with respect to delinquent Special Taxes, as of the September 30 next preceding the date of the Annual Report.

(vi) The identity of any property owner representing more than five percent (5%) of the annual Special Tax levy who is delinquent in payment of such Special Taxes, as shown on the assessment roll of the City Assessor last equalized prior to the September 30 next preceding the date of the Annual Report, the number of parcels so delinquent, and the total dollar amount of all such delinquencies.

(vii) The principal amount of any Parity Bonds outstanding during the Fiscal Year to which the Annual Report pertains, and if Parity Bonds have been so issued, an update to the debt service table under the heading "THE 2022 BONDS – Scheduled Debt Service" in the Official Statement that includes the debt service on the outstanding 2022 Bonds and such Parity Bonds for the remaining years that the Bonds are scheduled to be outstanding.

(viii) A statement as to any property in the Future Annexation Area of the District annexed to the District, including the date that annexation occurred, the entity that owned the property annexed, the number of acres annexed and the tax zone into which the property was annexed.

(ix) The most recent annual information required to be provided to the California Debt and Investment Advisory Commission pursuant to Section 5.19 of the Fiscal Agent Agreement.

(c) *Cross References*. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on EMMA. The City shall clearly identify each such other document so included by reference.

If the document included by reference is a final official statement, it must be available from EMMA.

(d) *Further Information*. In addition to any of the information expressly required to be provided under paragraph (b) of this Section 4, the City shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Section 5. Reporting of Significant Events.

(a) The City shall, or shall cause the Dissemination Agent (if not the City) to, give notice of the occurrence of any of the following events with respect to the Bonds:

(i) Principal and interest payment delinquencies;

(ii) Non–payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

(vii) Modifications to rights of security holders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the securities, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the obligated person;

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

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) The incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; or

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

(b) Whenever the City obtains knowledge of the occurrence of a Significant Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Significant Event. Notwithstanding the foregoing, notice of Significant Events described in subsection (a)(viii) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to owners of affected Bonds under the Fiscal Agent Agreement.

(c) The City acknowledges that the events described in subparagraphs (a)(ii), (a)(vii), (a)(viii) (if the event is a bond call), (a)(x), (a)(xiii), (a)(xiv) and (a)(xv) of this Section 5 contain the qualifier "if material." The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the City determines the event's occurrence is material for purposes of U.S. federal securities law. The City intends that the words used in paragraphs (xv) and (xvi) and the definition of "financial obligation" to have the meanings ascribed thereto in SEC Release No. 34-83885 (August 20, 2018).

(d) For purposes of this Disclosure Agreement, any event described in paragraph (a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Identifying Information for Filings with EMMA. All documents provided to EMMA under this Disclosure Agreement shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Significant Event under Section 5(b).

Section 8. Dissemination Agent.

(a) *Appointment of Dissemination Agent*. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement and may discharge any such agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be NBS.

If the Dissemination Agent is not the City, the Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the City pursuant to this Disclosure Agreement. It is understood and agreed that any information that the Dissemination Agent may be instructed to file with EMMA shall be prepared and provided to it by the City. The Dissemination Agent has undertaken no responsibility with respect to the content of any reports, notices or disclosures provided to it under this Disclosure Agreement and has no liability to any person, including any Bond owner, with respect to any such reports, notices or disclosures. The fact that the Dissemination Agent or any affiliate thereof may have any fiduciary or banking relationship with the City shall not be construed to mean that the Dissemination Agent has actual knowledge of any event or condition, except as may be provided by written notice from the City.

(b) *Compensation of Dissemination Agent*. The Dissemination Agent shall be paid compensation by the City for its services provided hereunder as agreed to between the Dissemination Agent and the City from time to time and all expenses, legal fees and expenses and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder, with payment to be made from any lawful funds of the District. The Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the City, the owners of the Bonds, the Beneficial Owners, or any other party. The Dissemination Agent may rely, and shall be protected in acting or refraining from acting, upon any written direction from the City or a written opinion of nationally recognized bond counsel. The Dissemination Agent may at any time resign by giving written notice of such resignation to the City. The Dissemination Agent shall not be liable hereunder except for its negligence or willful misconduct.

(c) *Responsibilities of Dissemination Ag*ent. In addition of the filing obligations of the Dissemination Agent set forth in Sections 3(e) and 5, the Dissemination Agent shall be obligated, and hereby agrees, to provide a request to the City to compile the information required for its Annual Report at least 30 days prior to the date such information is to be provided to the Dissemination Agent pursuant to subsection (c) of Section 3. The failure to provide or receive any such request shall not affect the obligations of the City under Section 3.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the City may amend this Disclosure Agreement (and the Dissemination Agent shall agree to any amendment so requested by the City that does not impose any greater duties or risk of liability on the Dissemination Agent), and any provision of this Disclosure Agreement may be waived, provided that all of the following conditions are satisfied:

> (a) *Change in Circumstances*. If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a) or (b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or the type of business conducted.
>
> (b) *Compliance as of Issue Date*. The undertaking, as amended or taking into account such waiver, would, in the opinion of a nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances.

(c) *Consent of Holders; Non-impairment Opinion*. The amendment or waiver either (i) is approved by the Bond owners in the same manner as provided in the Fiscal Agent Agreement for amendments to the Fiscal Agent Agreement with the consent of Bond owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bond owners or Beneficial Owners.

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

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Disclosure Agreement. If the City chooses to include any information in any Annual Report or notice of occurrence of a Significant Event in addition to that which is specifically required by this Disclosure Agreement, the City shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or future notice of occurrence of a Significant Event.

Section 11. Default. In the event of a failure of the City to comply with any provision of this Disclosure Agreement, any Bond owner, any Beneficial Owner, the Fiscal Agent or the Participating Underwriter may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Agreement. The sole remedy under this Disclosure Agreement in the event of any failure of the City to comply with this Disclosure Agreement shall be an action to compel performance.

Section 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the City, the Fiscal Agent, the Dissemination Agent, the Participating Underwriter and the owners and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Disclosure Agreement as of the date first above written.

CITY OF ALAMEDA, CALIFORNIA

By: ______________________________________

Its: ______________________________________

NBS, as Dissemination Agent

By: ______________________________________

Its: ______________________________________

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Obligor:	City of Alameda, California
Name of Bond Issue:	City of Alameda Community Facilities District No. 22-1 (Alameda Marina), 2022 Special Tax Bonds
Date of Issuance:	December __, 2022

NOTICE IS HEREBY GIVEN that the Obligor has not provided an Annual Report with respect to the above-named Bonds as required by Section 5.08 of the Fiscal Agent Agreement, dated as of December 1, 2022, between the Obligor and U.S. Bank Trust Company, National Association, as fiscal agent. The Obligor anticipates that the Annual Report will be filed by ____________________.

Date: ______________________

By: NBS, as Dissemination Agent

APPENDIX F

FORM OF CONTINUING DISCLOSURE AGREEMENT – BUILDER

This Continuing Disclosure Agreement – Builder (the "Disclosure Agreement") dated as of December 1, 2022, is executed and delivered by LS-Alameda Marina LLC,, a Delaware limited liability company (the "Builder"), and NBS, as dissemination agent (the "Dissemination Agent"), in connection with the issuance by the City of Alameda, California (the "City"), for and on behalf of the City of Alameda Community Facilities District No. 22-1 (Alameda Marina) (the "District"), of its City of Alameda Community Facilities District No. 22-1 (Alameda Marina) 2022 Special Tax Bonds (the "Bonds"). The Bonds are being issued pursuant to a Fiscal Agent Agreement, dated as of December 1, 2022, by and between U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"), and the City, for and on behalf of the District (the "Fiscal Agent Agreement").

The Builder covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Builder for the benefit of the Participating Underwriter, the Bondowners and Beneficial Owners.

SECTION 2. Definitions. In addition to the definitions set forth in Section 1.03 of the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings when used herein:

"Affiliate" means, any person directly (or indirectly through one or more intermediaries) and currently under managerial control of the Builder, and about whom information could be material to potential investors in their investment decision regarding the Bonds, including without limitation information relevant to the development of the Property or the Builder's ability to pay Special Taxes levied and to be levied on the Property.

"Annual Report" means any Annual Report provided by the Builder pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Beneficial Owner" means any person who (a) has or shares the power, directly or indirectly, to make investment decisions concerning ownership of the Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bond for federal income tax purposes.

"Builder Improvements" means those improvements being constructed for the Builder in the District by Landsea Construction LLC or any other entity under contract with the Builder, including site improvements and all or any of the 31 buildings with townhomes under construction and to be constructed in the District by or on behalf of the Builder.

"Business Day" means any day other than (a) a Saturday or a Sunday or (b) a day which is a federal or State of California holiday.

"Disclosure Representative" means the ______________ of the Builder, or his or her designee, or such other officer or employee as the Builder shall designate in writing to the Dissemination Agent from time to time.

"Dissemination Agent" means NBS, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Builder and which has filed with the Builder, the Fiscal Agent and the City a written acceptance of such designation.

"District" means the City of Alameda Community Facilities District No. 22-1 (Alameda Marina).

"EMMA" means the Electronic Municipal Market Access system of the MSRB, currently located at http://emma.msrb.org.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board.

"Official Statement" means the Official Statement, dated December __, 2022, relating to the Bonds.

"Participating Underwriter" means Stifel, Nicolaus & Company, Incorporated, the original underwriter of the Bonds.

"Person" means any natural person, corporation, partnership, firm, association, Government Authority or any other Person whether acting in an individual fiduciary, or other capacity.

"Property" means the real property within the boundaries of the District that is owned by (a) Arroyo CAP II-5, LLC, or (b)the Builder or any Affiliate, as of the date that an Annual Report, Semiannual Report or Listed Event disclosure is provided.

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

"Semiannual Report" means any report to be provided by the Builder on or prior to December 15 of each year pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

SECTION 3. Provision of Annual Reports and Semiannual Reports.

(a) The Builder shall, or shall cause the Dissemination Agent to, not later than June 15 of each year, commencing June 15, 2023, provide to EMMA an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. If, in any year, June 15 does not fall on a Business Day, then such deadline shall be extended to the following Business Day. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement.

In addition, the Builder shall, or shall cause the Dissemination Agent to, not later than December 15 of each year, commencing December 15, 2023, provide to EMMA a Semiannual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. If, in any year, December 15 does not fall on a Business Day, then such deadline shall be extended to the following Business Day.

(b) Not later than fifteen (15) calendar days prior to the date specified in subsection (a) for providing the Annual Report and Semiannual Report to EMMA, the Builder shall provide the Annual Report or the Semiannual Report, as applicable, to the Dissemination Agent or shall provide notification to the Dissemination Agent that the Builder is preparing, or causing to be prepared, the Annual Report or the Semiannual Report, as applicable, and the date which the Annual Report or the Semiannual Report, as applicable, is expected to be available. If by such date, the Dissemination Agent has not received a copy of the Annual Report or the Semiannual Report, as applicable, or notification as described in the preceding sentence, the Dissemination Agent shall notify the Builder of such failure to receive the report.

(c) If the Dissemination Agent is unable to provide an Annual Report or Semiannual Report to EMMA by the date required in subsection (a) or to verify that an Annual Report or Semiannual Report has been provided to EMMA by the date required in subsection (a), the Dissemination Agent shall send in a timely manner a notice to EMMA in a form that is accepted by EMMA.

(d) Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report and the Semiannual Report the name and address of EMMA; and

(ii) promptly file a report with the Builder and the City certifying that the Annual Report or the Semiannual Report, as applicable, has been provided pursuant to this Disclosure Agreement, stating the date it was provided to EMMA.

(e) Notwithstanding any other provision of this Disclosure Agreement, any of the required filings hereunder shall be made in accordance with the MSRB's EMMA system or in another manner approved under the Rule.

SECTION 4. Content of Annual Report and Semiannual Report.

(a) The Builder's Annual Report and Semiannual Report shall contain or include by reference the information which is available as of the date of the filing of the Annual Report or the Semiannual Report, as applicable, relating to the following:

1. To the extent different from what is disclosed in the Official Statement or in a prior Annual Report or Semiannual Report, a discussion of any change in the sources of funds to finance the acquisition of the Property by the Builder or an Affiliate from Arroyo CAP II-5, LLC and the development of the Property, and whether any material defaults exist under any contractual arrangement related to such financing.

2. A summary of development activity conducted by the Builder or any Affiliate with respect to the Property since the later of the date of issuance of the Bonds or the date of the last Annual Report or Semiannual Report, including any property taken down by the Builder or Affiliate, the number of completed townhomes under construction (and the expected completion date or dates of the townhomes under construction), and the number of units in the Project for which sales to town

homebuyers have closed, all since the date of the Official Statement or if later the most recent Annual Report or Semiannual Report.

3. Any major legislative, administrative and judicial challenges known to the Builder to or affecting the development of the Property or the time for construction of any townhomes to be constructed on the Property by the Builder or any Affiliate (the "Builder Improvements").

4. Information regarding any failure by the Builder or any of its Affiliates to pay any real property taxes (including Special Taxes) levied on any Property owned by the Builder or any Affiliates.

(b) In addition to any of the information expressly required to be provided under paragraph (a) above, the Builder shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(c) Any and all of the items listed above may be included by specific reference to other documents, including official statements of debt issues which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The Builder shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) So long as the Builder's obligations under this Disclosure Agreement have not terminated pursuant to Section 7 below, pursuant to the provisions of this Section 5, the Builder shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material under clauses (b) and (c) in a timely manner within 10 Business Days after the Builder obtains knowledge of the occurrence of any of the following events:

1. Failure by the Builder or any Affiliate to pay any real property taxes, special taxes or assessments levied on the Property prior to the delinquency date therefor.

2. Damage to or destruction of any of the Builder Improvements which has a material adverse effect on the value of the Property.

3. Material default by the Builder or any Affiliate of the Builder under the agreement with Arroyo CAP II-5, LLC with respect to the acquisition of Property from Arroyo CAP II-5, LLC, or on any loan or line of credit with respect to the acquisition of the Property or the construction financing of the Builder Improvements.

4. Material default by the Builder or any Affiliate of the Builder on any loan or line of credit secured by the Property.

5. The filing of any proceedings with respect to the Builder, in which the Builder may be adjudicated as bankrupt or discharged from any or all of their respective debts or obligations or granted an extension of time to pay debts or a reorganization or readjustment of debts.

6. The filing of any proceedings with respect to an Affiliate of the Builder, in which such Affiliate of the Builder may be adjudicated as bankrupt or discharged from any or all of its respective debts or obligations or granted an extension of time to pay

debts or a reorganization or readjustment of debts if such adjudication could materially adversely affect the completion of the Builder Improvements or the development of the Property (including the payment of special taxes of the District).

7. The filing of any lawsuit against the Builder or any of its Affiliates (with service of process on the Builder or its Affiliates having occurred) which, in the reasonable judgment of the Builder, if successful, will (i) materially adversely affect the completion of the Builder Improvements, or (ii) materially adversely affect the financial condition of the Builder or its Affiliates in a manner that would materially adversely affect the completion of the Builder Improvements.

8. A sale or transfer of all or substantially all of the Builder's assets or a sale of a majority of the partnership interests, membership interests or outstanding stock of the Builder.

(b) Whenever the Builder obtains knowledge of the occurrence of a Significant Event occurs under Section 5(a), subsection (2), (3), (4), (6) or (7), the Builder shall as soon as possible determine if such event would be material under applicable federal securities laws. The Dissemination Agent shall have no responsibility to determine the materiality of any of the Significant Events.

(c) If an event described in Section 5(a), subsection (1), (5) or (8) occurs, or if the Builder determines that knowledge of the occurrence of an event described in Section 5(a), subsection (2), (3), (4), (6) or (7) would be material under applicable federal securities laws, the Builder shall file in a timely manner within 10 Business Days after the Builder obtains knowledge of the occurrence of the respective event a notice of such occurrence with EMMA or with the Dissemination Agent which shall then distribute such notice to EMMA in a timely manner within the 10 Business Day period, with a copy to the City and to the Participating Underwriter.

SECTION 6. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Agreement must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Builder's obligations under this Disclosure Agreement shall terminate upon the earliest to occur of the following events:

(a) the legal defeasance, prior redemption or payment in full of all of the Bonds, or

(b) the date on which the at least 146 of the townhomes constructed or to be constructed on the Property were the subject of closed sales with townhome buyers (other than with any Affiliate), or

(c) with respect to Property transferred to another Person, the assumption of the Builder's obligations under this Disclosure Agreement in accordance with Section 13 below.

If such termination occurs prior to the final maturity of the Bonds, the Builder shall give notice of such termination in the same manner as for an Annual Report hereunder.

SECTION 8. Dissemination Agent. The initial Dissemination Agent under this Disclosure Agreement shall be NBS. The Dissemination Agent shall not be responsible in any manner for the form or content of any notice or report prepared by the Builder pursuant to this

Disclosure Agreement. The Dissemination Agent may resign by providing (i) thirty days written notice to the Builder and the City and (ii) upon appointment of a new Dissemination Agent hereunder.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Builder may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

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

(b) The amendment or waiver either (i) is approved by the Bondowners in the same manner as provided in the Fiscal Agent Agreement for amendments to the Fiscal Agent Agreement with the consent of Bondowners, or (ii) does not, in the opinion of nationally recognized bond counsel addressed to the City and the Fiscal Agent, materially impair the interests of the Bondowners or Beneficial Owners of the Bonds; and

(c) The Builder, or the Dissemination Agent, shall have delivered copies of the amendment and any opinions delivered under (b) and (c) above.

If the financial information or operating data to be provided in an Annual Report or Semiannual Report is amended pursuant to the provisions of this Disclosure Agreement, the Builder shall describe such amendment in the next Annual Report or Semiannual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type of financial information or operating data being presented by the Builder.

SECTION 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Builder from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report, Semiannual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Builder chooses to include any information in any Annual Report, Semiannual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Builder shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Semiannual Report or notice of occurrence of a Listed Event.

The Builder acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Builder, and that under some circumstances compliance with this Disclosure Agreement, without additional disclosures or other action, may not fully discharge all duties and obligations of the Builder under such laws.

SECTION 11. Default. In the event of a failure of the Builder to comply with any provision of this Disclosure Agreement, the Participating Underwriter or any Bondowner or Beneficial Owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Builder or the Dissemination Agent to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Fiscal Agent Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the Builder to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement and the Builder agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding losses, expenses and liabilities due to the Dissemination Agent's or its officers', directors', employees' or agents' negligence or willful misconduct, or its failure to perform its duties hereunder. The Dissemination Agent shall be paid by the City, from available funds of the District, for the performance of its duties hereunder in accordance with the Dissemination Agent's schedule of fees, as amended from time to time. The Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the Builder, the Participating Underwriter, Bondowners or Beneficial Owners or any other party. The Dissemination Agent may rely and shall be protected in acting or refraining from acting upon a direction from the Builder or an opinion of nationally recognized bond counsel. The obligations of the Builder under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. No person shall have any right to commence any action against the Dissemination Agent seeking any remedy other than to compel specific performance of this Disclosure Agreement. The Dissemination Agent may conclusively rely upon the Annual Reports and Semiannual Reports provided to it by the Builder as constituting an Annual Report or Semiannual Report, as applicable, required of the Builder in accordance with this Disclosure Agreement and shall have no duty or obligation to review any such Annual Report or Semiannual Report. The Dissemination Agent shall have no duty to prepare any Annual Report or Semiannual Report nor shall the Dissemination Agent be responsible for filing any Annual Report or Semiannual Report not provided to it by the Builder in a timely manner in a form suitable for filing with the Repository. Any company succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor to the Dissemination Agent hereunder without the execution or filing of any paper or any further act.

SECTION 13. Reporting Obligation of Builder's Transferees. If a portion of the Property owned by the Builder on which 36 or more of the townhomes not yet sold to townhome buyers (not including sales to any affiliate) is conveyed to a Person, the obligations of the Builder hereunder with respect to the property conveyed may be assumed by such Person and the Builder's obligations hereunder with respect to the property conveyed will be terminated. In order to effect such assumption, such Person shall enter into an assumption agreement in form and substance equivalent to this Disclosure Agreement or as otherwise satisfactory to the City and the Participating Underwriter. However, such Person shall not be required to enter into an assumption agreement if they are already a party to a continuing disclosure agreement in form and substance similar to this Disclosure Agreement with respect to the Bonds, and under which the property conveyed to such Person will become subject to future reporting.

SECTION 14. Builder as Independent Contractor. In performing under this Disclosure Agreement, it is understood that the Builder is an independent contractor and not an agent of the City or the District.

SECTION 15. Notices. Notices should be sent in writing by regular mail or overnight mail to the following addresses. The following information may be conclusively relied upon until changed in writing.

Builder and Disclosure Representative:	LS-Alameda Marina LLC c/o Landsea Homes 3130 Crow Canyon Place, Suite 325 San Ramon, CA 94503 Attention: ___________ Email: ___________
Dissemination Agent:	NBS Financial Services 32605 Temecula Parkway, Suite 100 Temecula, CA 92592 Attention: Sara Mares
Fiscal Agent:	U.S. Bank Trust Company, National Association One California Street, Suite 1000 San Francisco, CA 94111 Attention: Corporate Trust
Participating Underwriter:	Stifel, Nicolaus & Company, Incorporated One Montgomery Street, Suite 3700 San Francisco, CA 94104 Attention: Eileen Gallagher
City or District:	City of Alameda Alameda City Hall - Finance 2263 Santa Clara Avenue, Room 220 Alameda, CA 94501 Attention: Finance Director

SECTION 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Builder, the City, the Dissemination Agent, the Fiscal Agent, the Participating Underwriter and Bondowners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 17. Assignability. The Builder shall not assign this Disclosure Agreement or any right or obligation hereunder except to the extent permitted to do so under the provisions of Section 13 hereof. The Dissemination Agent may, with prior written notice to the Builder and the City, assign this Disclosure Agreement and the Dissemination Agent's rights and obligations hereunder to a successor Dissemination Agent.

SECTION 18. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

SECTION 19. Governing Law. The validity, interpretation and performance of this Disclosure Agreement shall be governed by the laws of the State of California applicable to contracts made and performed in California.

SECTION 20. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

LS- ALAMEDA MARINA LLC, a Delaware limited liability company

By: ______________________________

Name: ____________________________

Its: ______________________________

NBS, as Dissemination Agent

By: ______________________________

Its: ______________________________

APPENDIX G

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The information in this Appendix G has been provided by The Depository Trust Company ("DTC"), New York, NY, for use in securities offering documents, and the City does not take responsibility for the accuracy or completeness thereof. The City cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the 2022 Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the 2022 Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants mill act in the manner described in this Official Statement.

The following description of DTC, the procedures and record keeping with respect to beneficial ownership interests in the 2022 Bonds, payment of principal, interest and other payments on the 2022 Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the 2022 Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the issuer of the 2022 Bonds (the "Issuer") nor the trustee, fiscal agent or paying agent appointed with respect to the 2022 Bonds (the "Agent") take any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the 2022 Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the 2022 Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the 2022 Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2022 Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

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

Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

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

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

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

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

THE FISCAL AGENT, AS LONG AS A BOOK-ENTRY-ONLY SYSTEM IS USED FOR THE 2022 BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES ONLY TO CEDE & CO., OR ITS SUCCESSOR AS DTC'S PARTNERSHIP NOMINEE. ANY FAILURE OF CEDE & CO., OR ITS SUCCESSOR AS DTC'S PARTNERSHIP NOMINEE TO ADVISE ANY PARTICIPANT, OR OF ANY PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OR SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE 2022 BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

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

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's

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

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

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

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

12. THE DISTRICT, THE CITY AND THE UNDERWRITER CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC, THE PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL, INTEREST OR PREMIUM, IF ANY, WITH RESPECT TO THE 2022 BONDS PAID TO DTC OR ITS NOMINEE AS THE REGISTERED OWNER, OR WILL DISTRIBUTE ANY REDEMPTION 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. THE DISTRICT, THE CITY AND THE UNDERWRITER ARE NOT 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 2022 BONDS OR AN ERROR OR DELAY RELATING THERETO.

APPENDIX H

APPRAISAL REPORT

Integra Realty Resources
Sacramento

Appraisal of Real Property

City of Alameda CFD No. 22-1 (Alameda Marina)
157 Townhome Units
NWQ Clement Ave. & Willow St.
Alameda, Alameda County, California 94501

Prepared For:
City of Alameda

Date of the Report:
November 11, 2022

Report Format:
Appraisal Report

IRR - Sacramento
File Number: 193-2022-0407

Subject Photographs

City of Alameda CFD No. 22-1 (Alameda Marina)
NWQ Clement Ave. & Willow St.
Alameda, California

Aerial Photograph

BEFORE

AFTER

Integra Realty Resources
Sacramento

590 Menlo Drive
Suite 1
Rocklin, CA 95765

T 916.435.3883
F 916.435.4774
www.irr.com

November 11, 2022

Margaret L. O'Brien
Finance Director
City of Alameda
2263 Santa Clara Avenue
Alameda, CA 94501

SUBJECT: Market Value Appraisal
City of Alameda CFD No. 22-1 (Alameda Marina)
NWQ Clement Ave. & Willow St.
Alameda, Alameda County, California 94501
IRR - Sacramento File No. 193-2022-0407

Dear Ms. O'Brien:

Integra Realty Resources – Sacramento is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value, subject to a hypothetical condition, pertaining to the fee simple interest of certain taxable properties within the boundaries of the City of Alameda Community Facilities District (CFD) No. 22-1 (Alameda Marina) ("CFD No. 22-1"). The client for the assignment is City of Alameda and the intended use of the report is for bond underwriting purposes.

This subject represents an approximately 10.96-acre parcel within the City of Alameda Community Facilities District No. 22-1 (Alameda Marina). The subject property is proposed for a total of 182 single family residences (including 25 BMR units) across two product lines. Both product lines, Island View and Waterside, will be constructed by Landsea Homes. Island View will comprise a total of 98 townhomes with marina views, with seven floor plans ranging from 1,462 to 2,386 square feet, and select homes will include rooftop decks. Waterside is located on the waterfront; these 84 townhomes will include four floor plans ranging from 2,161 to 2,689 square feet with rooftop decks. The Special Tax will not be levied on the 25 BMR units, and tax-exempt status will be assigned by the CFD Administrator in the chronological order in which the building permits for such BMR units are issued. Therefore, the analysis herein considers only the 157 taxable (market rate) units. Site development and in-tract work is underway with anticipated completion in August 2023. Vertical home construction commenced in August 2022.

Upon completion of the Alameda Marina redevelopment project, it will include an additional 578 housing units, 150,000 square feet of commercial space, and 79 BMR units, as well as 3.45 acres of parks, 529 boat slips, a 60-boat dry storage area, public shoreline access and an extension of the Bay Trail and bike path network. The Launch Apartments on the western end of the project is under construction with completion by the end of 2023. These additional land uses are not part of the appraised property.

We have been requested to provide a market value of the appraised properties by ownership, as well as the cumulative, or aggregate, value of the appraised properties, as of the date of value. The estimate of market value accounts for the impact of the lien of the Special Taxes securing the Bonds.

The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and applicable state appraisal regulations. The Appraisal Report is also prepared in accordance with the Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (CDIAC) (2004).

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis that were used to develop the opinion of value.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded opinions of value are as follows:

Value Conclusion

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value, Subject to a Hypothetical Condition	Fee Simple	September 6, 2022	$58,750,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

None

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. We have been requested to provide an opinion of value of the subject property as of September 6, 2022. It is a hypothetical condition of the Appraisal that proceeds from the Bonds are available for reimbursements of public improvement costs.

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

Integra Realty Resources - Sacramento

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Table of Contents

Executive Summary

Property Name	City of Alameda CFD No. 22-1 (Alameda Marina)
Address	NWQ Clement Ave. & Willow St. Alameda, Alameda County, California 94501
Property Type	Land - Commercial
Owner of Record	Arroyo Cap II-5, LLC, a Delaware limited liability company / LS - Alameda Marina, LLC
Tax ID	071-0291-010
Land Area	10.96 acres; 477,488 SF
Zoning Designation	M-X & MF, Mixed-Use Planned Development District & Multi-family Residential Combining Zone
Highest and Best Use	Single-family residential
Exposure Time; Marketing Period	12 months; 12 months
Date of the Report	November 11, 2022
Property Interest Appraised	Fee Simple

Value Conclusion

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value, Subject to a Hypothetical Condition	Fee Simple	September 6, 2022	$58,750,000

The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than City of Alameda and its associated Finance Team may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

None

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. We have been requested to provide an opinion of value of the subject property as of September 6, 2022. It is a hypothetical condition of the Appraisal that proceeds from the Bonds are available for reimbursements of public improvement costs.

Identification of the Appraisal Problem

Subject Description

This subject represents an approximately 10.96-acre parcel within the City of Alameda Community Facilities District No. 22-1 (Alameda Marina). The subject property is proposed for a total of 182 single family residences (including 25 BMR units) across two product lines. Both product lines, Island View and Waterside, will be constructed by Landsea Homes. Island View will comprise a total of 98 townhomes with marina views, with seven floor plans ranging from 1,462 to 2,386 square feet, and select homes will include rooftop decks. Waterside is located on the waterfront; these 84 townhomes will include four floor plans ranging from 2,161 to 2,689 square feet with rooftop decks. The Special Tax will not be levied on the 25 BMR units, and tax-exempt status will be assigned by the CFD Administrator in the chronological order in which the building permits for such BMR units are issued. Therefore, the analysis herein considers only the 157 taxable (market rate) units. Site development and in-tract work is underway with anticipated completion in August 2023. Vertical home construction commenced in August 2022.

Upon completion of the Alameda Marina redevelopment project, it will include an additional 578 housing units, 150,000 square feet of commercial space, and 79 BMR units, as well as 3.45 acres of parks, 529 boat slips, a 60-boat dry storage area, public shoreline access and an extension of the Bay Trail and bike path network. The Launch Apartments on the western end of the project is under construction with completion by the end of 2023. These additional land uses are not part of the appraised property.

A legal description of the property is provided in the addenda.

Property Identification	
Property Name	City of Alameda CFD No. 22-1 (Alameda Marina)
Address	NWQ Clement Ave. & Willow St.
	Alameda, California 94501
Tax ID	071-0291-010
Owner of Record	Arroyo Cap II-5, LLC, a Delaware limited liability company / LS - Alameda Marina, LLC

Sale History

The most recent closed sale of the subject is summarized as follows:

Contract Date	December 4, 2020 (Close of Escrow May 5, 2021)
Seller	Alameda Marina, LLC, a Claifornia limited liability company
Buyer	Arroyo Cap II-5, LLC, a Delaware limited liability company / LS - Alameda Marina, LLC
Sale Price	$51,900,000
Recording Instrument Number	2021173713

The land in the District was acquired by Arroyo CAP II-5, LLC, a Delaware limited liability company (the "Landbank"), from the Master Developer on May 5, 2021 for $51,900,000, which included the transfer of land supporting 157 market rate units and 25 below market rate units, or $285,165 per unit. However, the 25 below market rate units are not subject to the lien of the special taxes securing the CFD No. 22-1 Bonds and are not part of the subject property herein. Concurrently with its acquisition of the property in the District, the Landbank and Landsea Construction LLC (the "Builder") entered into an Option Agreement dated May 5, 2021 ("Option Agreement"), and the Landbank and the Builder entered into a Construction Agreement ("Construction Agreement"), pursuant to which the Builder (Landsea Construction LLC), among other things, agreed to develop and install improvements and maintain the property. Arroyo CAP II-5, LLC is serving as the owner and landbank of the subject lots for which Landsea Construction LLC has an option to acquire the lots over time pursuant to a takedown schedule.

The Landbank was formed in 2016 by Oaktree Capital Management, LP, an affiliate of Oaktree Capital Management ("Oaktree"), and provides structured lot options to homebuilders throughout the United States. The scheduled transfer of lots between the Landbank and the Builder completed via the option agreement, which serves as a financing mechanism, is relatively commonplace for transactions involving national homebuilders, especially within master planned communities such as the subject. This transaction is not considered an arm's length transfer of the subject lots, as defined; thus, no further consideration is warranted. For purposes of analysis herein, there is no delineation between the Landbank and the Builder in the determination of market value, in bulk, of the subject property.

Based on our analysis herein, the initial acquisition ($51,900,000) of the subject property and additional land (182 units) that transferred on May 5, 2021, was consistent with market conditions and value at that time. The subject represents a 157 portion of the original 182 units (land area) acquired and the land is under development at this time. The net impact of the lower unit count, added value due to on-going site work, and changes in market conditions is a current value estimate slightly greater than the prior purchase of the subject. To the best of our knowledge there have been no other sales of the subject property within the last three years and the subject is not currently being marketed for sale.

Pending Transactions

Based on discussions with the appropriate contacts, the property is not subject to an agreement of sale or an option to buy, nor is it listed for sale, as of the effective appraisal date.

Appraisal Purpose

The purpose of the appraisal is to develop an opinion of the market value, subject to a hypothetical condition, pertaining to the fee simple interest of certain taxable properties within the boundaries of the City of Alameda Community Facilities District (CFD) No. 22-1 (Alameda Marina) ("CFD No. 22-1"). The date of the report is November 11, 2022. The appraisal is valid only as of the stated effective date or dates.

Value Type Definitions

The definitions of the value types applicable to this assignment are summarized below.

Market Value
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. [1]

Appraisal Premise Definitions

The definitions of the appraisal premises applicable to this assignment are specified as follows.

As Is Market Value
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.[2]

Property Rights Definitions

The property rights appraised which are applicable to this assignment are defined as follows.

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[3]

Client and Intended User(s)

The client is City of Alameda. The intended users are City of Alameda and its associated Finance Team. No party or parties beyond the clients associated finance team may use or rely on the information, opinions, and conclusions contained in this report; however, this appraisal report may be included in the offering document provided in connection with the issuance and sale of the Bonds.

[1] Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472
[2]Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)
[3] Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015)

Intended Use

The intended use of the appraisal is for bond underwriting purposes. The appraisal is not intended for any other use.

Applicable Requirements

This appraisal report conforms to the following requirements and regulations:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute;
- Applicable state appraisal regulations;
- Interagency Appraisal and Evaluation Guidelines issued December 10, 2010;
- Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (CDIAC) (2004).

Report Format

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis used to develop the opinion of value.

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Appraiser Competency

No steps were necessary to meet the competency provisions established under USPAP. The assignment participants have appraised several properties similar to the subject in physical, locational, and economic characteristics, and are familiar with market conditions and trends; therefore, appraiser competency provisions are satisfied for this assignment. Appraiser qualifications and state credentials are included in the addenda of this report.

Scope of Work

Introduction

The appraisal development and reporting processes require gathering and analyzing information about the assignment elements necessary to properly identify the appraisal problem. The scope of work decision includes the research and analyses necessary to develop credible assignment results, given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

To determine the appropriate scope of work for the assignment, we considered the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below.

Research and Analysis

The type and extent of the research and analysis conducted are detailed in individual sections of the report. Although effort has been made to confirm the arm's-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

Subject Property Data Sources

The legal and physical features of the subject property, including size of the site, flood plain data, seismic zone designation, property zoning, existing easements and encumbrances, access and exposure, and condition of the improvements (as applicable) were confirmed and analyzed.

Inspection

Kevin Ziegenmeyer, MAI, completed an on-site inspection of the subject property on September 6, 2022.

Valuation Methodology

Three approaches to value are typically considered when developing a market value opinion for real property. These are the cost approach, the sales comparison approach, and the income capitalization approach. Use of the approaches in this assignment is summarized as follows:

Approaches to Value

Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

We will employ the sales comparison approach and land residual analysis to estimate the value of the subject's residential land. In the land residual analysis (a variation of the cost approach and income capitalization approaches combined), all direct and indirect costs are deducted from an estimate of the anticipated gross sales price of the improved product; the resultant net sales proceeds are then discounted to present value at an anticipated rate over the development and absorption period to indicate the residual value of the lots. In the direct sales comparison approach, we adjust the prices of comparable transactions in the region based on differences between the comparable sales and the appraised properties. The values indicated by each approach will then be reconciled into an opinion of market value for the subject's various lot size categories.

Rising interest rates and slowing demand has put downward pressure on home and lot prices throughout California over the last few months. Market participants have noted they believe the top of the market occurred in the first quarter of 2022 and land values have since declined in many area due to the rising interest rates and other economic conditions. While most national builders have not lowered their base prices over the last few months, many have been offering concessions including buying down interest rates and discounts on options.

When ample sales are available, the direct sales comparison approach is generally concluded to be the most reliable indication of land value. However, the scarcity of sales that reflect current market conditions for the subject's location result in a required upward adjustment for expanding market conditions, which can be difficult to quantify. Given the information cited above, the direct sales comparison approach as an indicator of value is weaker than the land residential analysis that considers the current prices achieved for new home sales.

A typical cost approach is not included in the valuation; however, development costs are analyzed as part of the land residual analysis. In addition, the income approach is not utilized as the income potential, if any, of the subdivision would not yield a credible indicator of its value.

Economic Analysis

Area Analysis – Alameda County

Introduction

One of the nine Bay Area counties, Alameda County is located on the eastern shores of the San Francisco Bay, and is bordered on the north by Contra Costa County, on the south by Santa Clara County and on the east by San Joaquin County. It encompasses 821 square miles, featuring a variety of topography and geography. A coastal plain stretches some five miles from the Bay to the base of the Berkeley Hills. The county also reaches to the top of the Berkeley Hills on their southwest side. At the south end of the hills, a gap leads to Livermore Valley, which covers most of the eastern part of the county. The coastal plain is covered with urban areas, and the cities extend high into the Berkeley Hills. Livermore Valley is less densely populated and includes areas of farmland. Alameda County enjoys a mild coastal climate with little extremes of temperature and moderate amounts of rainfall. Forests cover large areas of the Berkeley Hills, separated by grassy areas. Oakland is the county seat and most populous city in the county.

Population

The population of Alameda County is over 1.65 million, which has grown at an average rate of 0.1% per year over the past five years. The city of Dublin has had the greatest growth, with an average annual growth rate of 4.6% over the last five years. With a population of nearly 425,000, Oakland represents the largest city in the county, followed by Fremont, Hayward and Berkeley. The following table illustrates population trends for Alameda County.

Population Trends

City	2017	2018	2019	2020	2021	2022	%/Yr
Alameda	80,947	81,195	81,457	81,135	78,262	77,784	-0.8%
Albany	18,570	18,818	18,932	18,871	20,542	21,648	3.3%
Berkeley	121,210	121,763	122,297	122,364	121,269	124,563	0.6%
Dublin	59,217	61,488	63,890	65,161	73,209	72,932	4.6%
Emeryville	12,087	12,142	12,177	12,448	12,617	12,497	0.7%
Fremont	231,713	232,107	232,601	233,132	228,872	229,476	-0.2%
Hayward	158,799	158,896	159,272	159,266	161,744	160,591	0.2%
Livermore	89,877	90,392	90,769	91,082	87,388	86,149	-0.8%
Newark	45,286	46,765	48,079	48,603	47,157	47,229	0.9%
Oakland	427,493	428,750	429,932	432,327	430,100	424,464	-0.1%
Piedmont	11,354	11,311	11,325	11,297	11,138	10,977	-0.7%
Pleasanton	76,421	78,244	78,840	78,654	78,924	77,609	0.3%
San Leandro	88,877	88,389	88,328	87,840	89,926	88,404	-0.1%
Union City	73,301	72,889	73,375	73,248	69,301	68,150	-1.4%
Unincorporated	149,151	148,611	148,334	147,686	151,921	149,506	0.0%
Total	**1,644,303**	**1,651,760**	**1,659,608**	**1,663,114**	**1,662,370**	**1,651,979**	**0.1%**

Source: California Department of Finance

Transportation

The availability of a broad transportation network has been one of the major factors in the region's growth. The county is served by a number of Interstate routes and freeways, including Interstates 80, 580 and 880. Interstate 80 connects the western portion of the area to San Francisco to the west and the Sacramento region to the east. Interstate 580 connects the eastern portion of the county to San Joaquin County in the Central Valley to the east. Three bridges connect Alameda County across the Bay, including the Bay, Dumbarton and San Mateo Bridges. Bay Area Rapid Transit (BART) serves a large part of the region. The city of Oakland is the terminus of vital interstates and railways and has long been a major West Coast transportation hub for travelers and cargo. The port of Oakland is one of the nation's major container ports, providing an important connection to global markets. The city of Emeryville is a passenger stop for Amtrak trains. Oakland International Airport is the main airport serving the region. San Francisco International Airport is also easily accessible.

Employment & Economy

The California Employment Development Department (EDD) has reported the following employment data for Alameda County over the past five years.

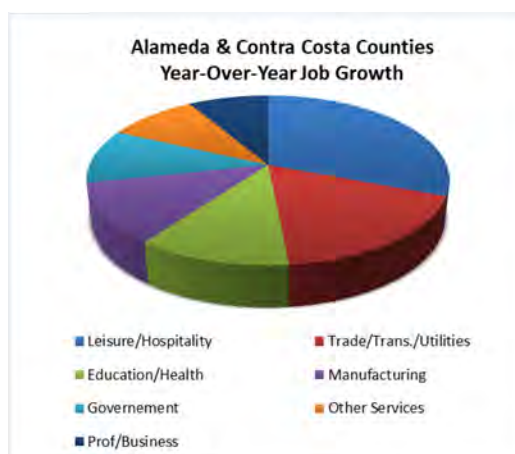
Employment Trends

	2016	2017	2018	2019	2020	2021
Labor Force	831,800	838,200	841,400	842,600	816,800	810,000
Employment	796,000	807,100	815,600	817,400	743,200	760,900
Annual Employment Change	16,100	11,100	19,600	10,300	(72,400)	(56,500)
Unemployment Rate	4.3%	3.7%	3.1%	3.0%	9.0%	6.1%

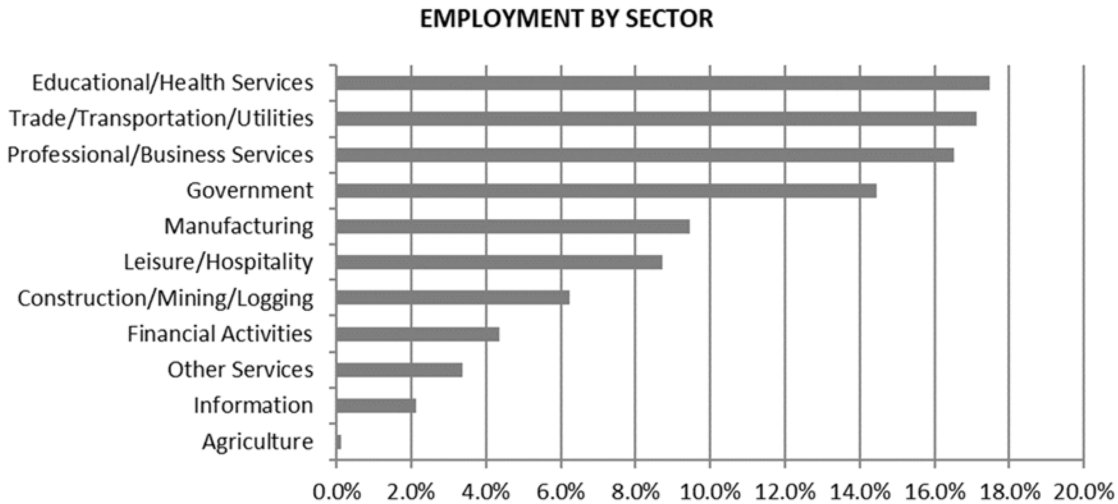
Source: California Employment Development Department

Like most areas within the state and nation, Alameda County saw declining unemployment rates in 2004 through 2006, increases from 2007 to 2010, and declines between 2011 and 2019. The average rate jumped to 14.4% in April 2020 after the onset of the pandemic and the average annual rate in 2020 was 9.0%. Improvement through 2021 brought the average annual unemployment rate down to 6.1% in 2021. The California EDD reported an unemployment rate of 2.8% for Alameda County in April 2022, below the rate of 6.9% a year prior and compared to 3.8% for California and 3.3% for the nation.

Between March and April 2020, 169,400 jobs were lost in the Oakland-Hayward-Berkeley Metropolitan Division (Alameda and Contra Costa Counties) as a result of the pandemic. A year later in March 2021, the decline had decreased to 97,800 jobs lost year-over-year, while as of April 2022, jobs have grown year-over-year by 45,700 with all but the Construction, Information and Financial Activities sectors showing job growth, as illustrated in the chart to the right. The greatest gain was in the Leisure/Hospitality sector with 14,900 jobs gained, followed by the Trade/Transportation/Utilities sector with a gain of 8,500 jobs.



The metro has a diverse economy, as illustrated in the following chart indicating the percentage of total employment for each sector within the county as of April 2022.



Source: California Employment Development Department

The area's largest employment sectors are Educational and Health Services, accounting for 17.5% of the total employment; Trade/Transportation/ Utilities, which includes retail and wholesale trade (17.1%); Professional and Business Services (16.5%) and Government (14.4%). The largest employers in the region are summarized as follows.

Largest Employers

	Employer	Industry	Employees [1]
1	Kaiser Permanente Medical Group, Inc.	Healthcare	34,666
2	Tesla	Electric Vehicle Mfr.	13,000
3	Safeway Inc.	Grocery Store	9,731
4	County of Alameda	Government	9,424
5	Sutter Health	Healthcare	9,377
6	John Muir Health	Healthcare	6,300
7	PG&E Corporation	Utilities / Energy Productior	5,100
8	Workday	Enterprise Cloud Applicatio	5,098
9	Chevron Corp	Utilities / Energy Productior	4,700
10	Wells Fargo Bank	Financial Services	4,354

Source: County of Alameda, Comprehensive Annual Financial Report, for year ended June 30, 2021

[1] *The number of employees, except for County of Alameda, include Alameda County and Contra Costa County employees. Total employment within County of Alameda is unavailable.*

Historically, Alameda County businesses, particularly in Oakland and its urban neighbors, were mostly manufacturing (including World War II shipbuilding), warehousing and distribution, food processing, and printing and publishing. Though many of these businesses survive today, manufacturing has become a much smaller portion of the economy. Oakland's relative affordability of land and less traffic congestion compared to other Bay Area locations, coupled with a state-of-the-art fiber-optic network, have attracted many high-tech employers to the area. The closure of the many military installations in the county has also led to new commercial and residential uses. The Alameda Naval Air Station, now Alameda Point, offers deep-water piers, an airport, laboratories and industrial buildings, housing and recreational facilities.

The Port of Oakland, the nation's seventh busiest containerized cargo port, remains a powerful economic engine for the county, providing jobs at the seaport and the Oakland International Airport. The port handles 99% of Northern California's containerized cargo, and the airport is among the top 20 airports in the nation with regard to air cargo volume.

Scientific research is another Alameda County hallmark. The Lawrence Berkeley National Laboratory and Lawrence Livermore National Laboratory are part of the U.S. Department of Energy and are managed by the University of California. Another facility, Sandia National Laboratories, is operated and managed by Sandia Corporation, a wholly owned subsidiary of Lockheed Martin Corporation, as a contractor for the U.S. Department of Energy. All of these facilities are world-class research leaders, creating thousands of jobs over the years. Many private technology firms have located nearby to partner with the labs on scientific projects.

The University of California at Berkeley, one of the nation's top-ranked research universities, is another major employer. The university provides an academic culture and educated workforce that enhance the entire region and attract new businesses to the area. Further south, California State University Hayward also provides higher education and thousands of jobs.

Household Income

Median household income represents a broad statistical measure of well-being or standard of living in a community. The median income level divides households into two equal segments with one half of households earning less than the median and the other half earning more. The median income is considered to be a better indicator than the average household income as it is not dramatically affected by unusually high or low values. According to Claritas Spotlight data reporting service, the median household income estimated for Alameda County in 2022 is $121,093, which is higher than the state of California's median income of $88,967.

Recreation & Culture

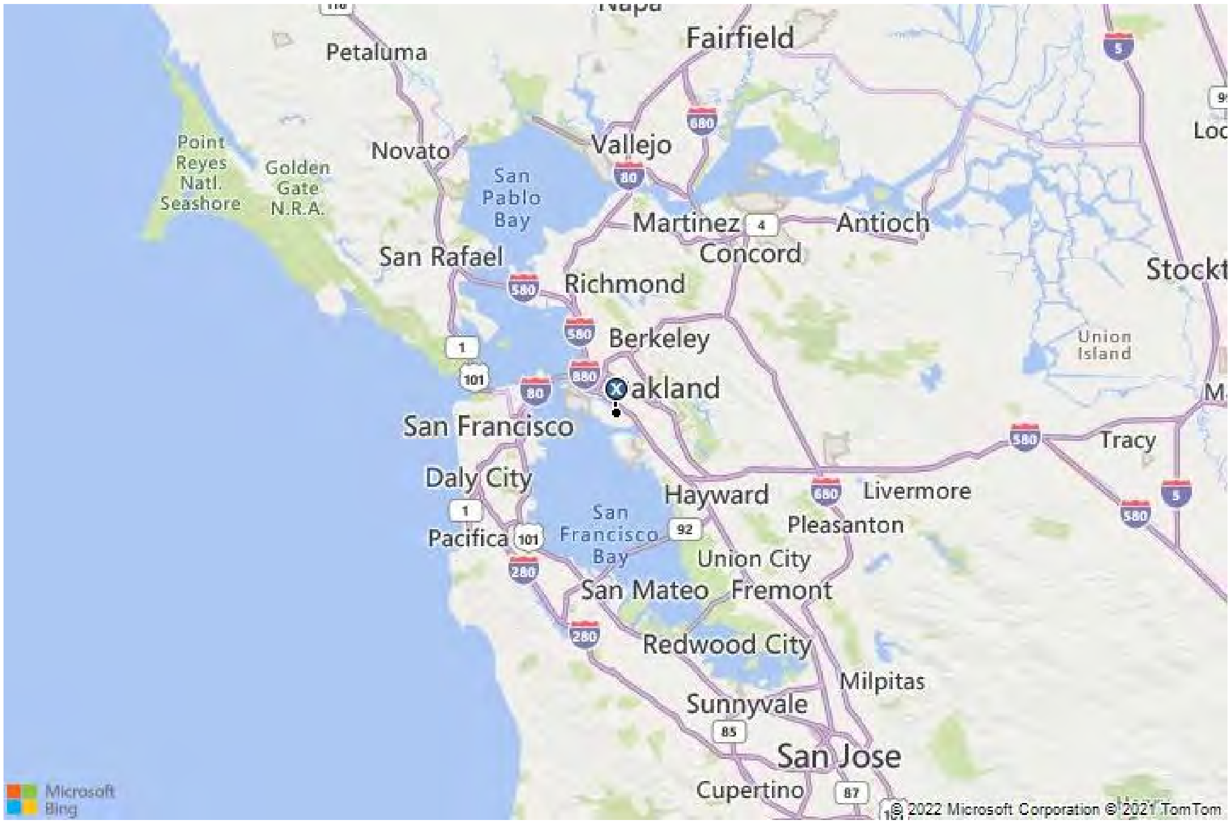
Alameda County offers a variety of recreational and cultural opportunities. A number of parks preserve large tracts of land in the Berkeley Hills, including the Redwood Regional Park, Joaquin Miller Park and the Anthony Chabot Regional Park. Excursions to San Francisco are within a short drive and include the Golden Gate Bridge, Alameda Mammal Center, Muir Woods, Alcatraz and Angel Islands, to name a few. Public golf courses, neighborhood parks, community and recreation centers, museums, galleries, restaurants and wineries are located throughout the county. The county is home to the Oakland Athletics (Major League Baseball) professional sports franchise.

Conclusion

Alameda County has experienced moderate population growth, averaging 0.3% per year over the past five years. Most of this growth has been due to in-migration of businesses and residents from more expensive Bay Area counties. Some of the county's locational advantages include its proximity to San Francisco, employment opportunities, University presence, good transportation linkages, temperate climate and relative affordability compared to other Bay Area locations.

In recent years, market and economic conditions have been strong, with unemployment rates falling to historic lows. However, employment conditions declined sharply in April 2020 following the onset of the pandemic. Market and economic conditions have since improved, with continued recovery anticipated in the near term.

Area Map


Petaluma
Fairfield
Point Reyes Natl. Seashore
Golden Gate N.R.A.
Novato
Vallejo
San Pablo Bay
Martinez
Antioch
Concord
San Rafael
Richmond
Stockt
Berkeley
Union Island
Oakland
San Francisco
Tracy
Daly City
Hayward
Livermore
Pleasanton
San Francisco Bay
Pacifica
Union City
San Mateo
Fremont
Redwood City
Milpitas
Sunnyvale
San Jose
Cupertino
Microsoft Bing
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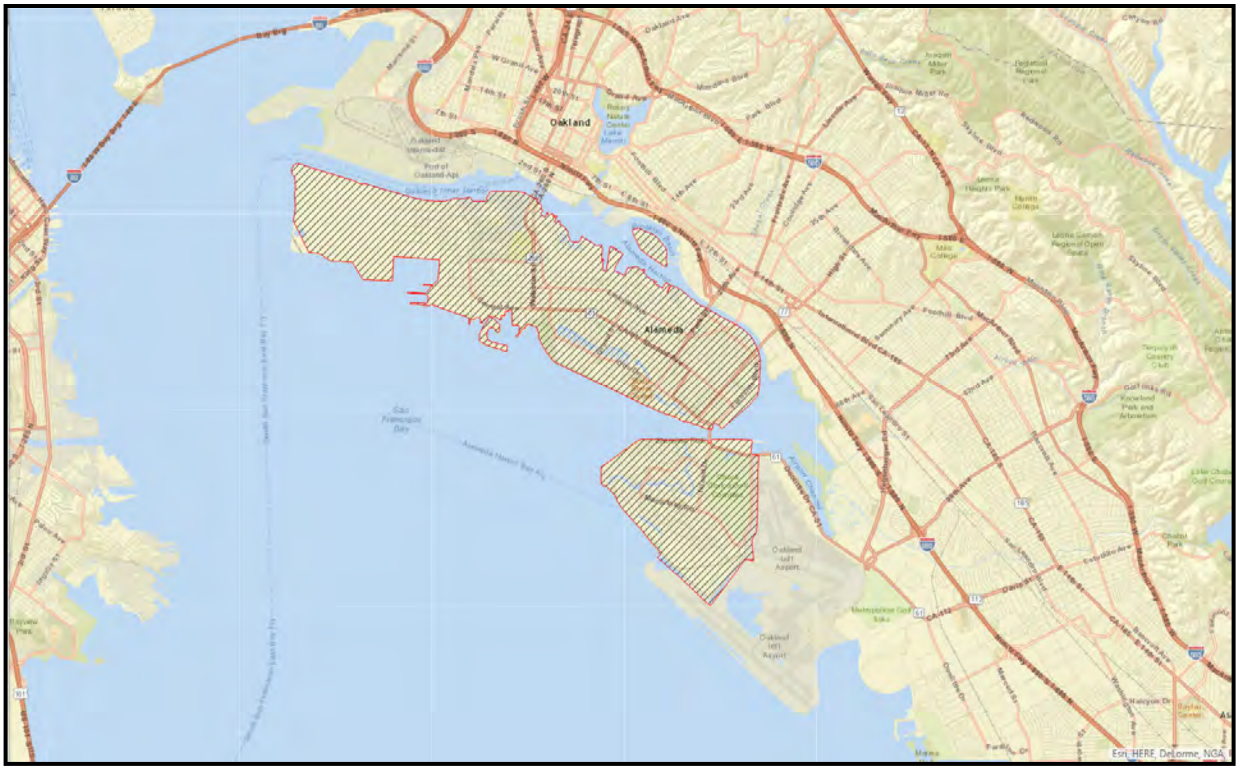
Surrounding Area Analysis

Boundaries

The subject is part of the Alameda Marina Community, which is located on the east side of the City of Alameda. The city limits include Alameda Island and the northern portion of Bay Farm Island. The City of Alameda is located south of Oakland and east of San Francisco, within the eastern portion of the San Francisco Bay and is shaded on the below map.



A map identifying the location of the property follows this section.

Access and Linkages

Local access to the subject is provided by Clement Avenue, less than a mile west of Park Street. Although Alameda geographically is an island, it benefits from easy access to and from Oakland, Emeryville, Berkeley, and San Francisco. Access to Oakland and Interstates 580 and 880 are provided via Webster Street/Posey Tube, located northeast of Alameda Marina. Interstate 580 originates north of the subject in San Rafael and travels south along the eastern edge of Oakland. After reaching Hayward, the 80-mile stretch of freeway turns east and continues through Dublin and Livermore before returning to a southern direction just outside of Tracy where it connects to Interstate 5. Interstate 880 runs north to south for its entire 45-mile length between Oakland and San Jose.

The San Francisco Bay Ferry provides year-round weekday and weekend service, as well as service on select holidays, between Alameda Main Street and Oakland Jack London Square terminals in the East Bay and San Francisco Ferry Building or Pier 41 terminals.

Additionally, Bay Area Rapid Transit (BART) also serves the region. The nearest BART stop to the subject property is located approximately 1.5 miles northeast at the Fruitvale Station.

The Oakland International Airport on the southern end of Bay Farm Island, outside the Alameda city limits. The airport is owned by the Port of Oakland and is the closest airport to the San Francisco financial district – both geographically and by public transit. It is one of three international airports in the San Francisco Bay Area (the others including San Francisco International Airport and the San Jose International Airport). The Oakland International Airport provides passenger service to cities in the United States, Mexico and Europe, while cargo flights fly to cities in the United States, Canada and Japan.

Demographic Factors

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

Surrounding Area Demographics

2022 Estimates	3-Mile Radius	5-Mile Radius	10-Mile Radius	Alameda County, CA	San Francisco-Oakland et al, CA Metro
Population 2010	249,515	439,455	1,161,128	1,510,271	4,335,391
Population 2022	270,819	479,408	1,285,063	1,679,030	4,745,967
Population 2027	277,561	492,185	1,321,497	1,729,404	4,870,983
Compound % Change 2010-2022	0.7%	0.7%	0.8%	0.9%	0.8%
Compound % Change 2022-2027	0.5%	0.5%	0.6%	0.6%	0.5%
Households 2010	101,052	173,366	476,869	545,138	1,627,360
Households 2022	111,090	191,586	535,316	608,402	1,782,633
Households 2027	114,222	197,345	552,221	627,447	1,830,119
Compound % Change 2010-2022	0.8%	0.8%	1.0%	0.9%	0.8%
Compound % Change 2022-2027	0.6%	0.6%	0.6%	0.6%	0.5%
Median Household Income 2022	$90,673	$95,426	$108,825	$121,093	$127,413
Average Household Size	2.4	2.5	2.3	2.7	2.6
College Graduate %	47%	48%	53%	50%	51%
Median Age	40	40	39	39	40
Owner Occupied %	35%	40%	40%	53%	54%
Renter Occupied %	65%	60%	60%	47%	46%
Median Owner Occupied Housing Value	$965,256	$981,208	$1,069,320	$1,004,032	$1,077,670
Median Year Structure Built	1959	1957	1958	1971	1969
Average Travel Time to Work in Minutes	38	38	37	39	38

Source: Claritas

As shown above, the current population within a 5-mile radius of the subject is 479,408, and the average household size is 2.5. Population in the area has grown since the 2010 census, and this trend is projected to continue over the next five years. Compared to Alameda County overall, the population within a 5-mile radius is projected to grow at a slower rate.

Median household income is $95,426, which is lower than the household income for Alameda County. Residents within a 5-mile radius have a lower level of educational attainment than those of Alameda County, while median owner occupied home values are lower.

Land Use

Alameda Landing, a recently constructed, mixed use development, is located approximately 2.5 miles northwest of the subject and includes a variety of retail, office, and residential uses. The retail component of Alameda Landing is anchored by Target and Safeway. Other tenants within the retail center include Michaels, Chipotle, Panda Express, Famous Dave's, and the Habit Burger Grill. Beyond the Alameda Landing shopping center is Jack London square in Oakland, approximately four miles northwest of the subject. This project includes Cost Plus, Bevmo, Jack London Cinema and Bed Bath & Beyond.

Other notable land uses in the area include Marina Village, a 200-acre Class A Office, Flex and Tech campus with 30 buildings and over one million rentable square feet. This project is located approximately one mile east of the subject property. The College of Alameda, which is part of the Peralta Community College District, is located just south of the subject across Willie Stargell Avenue. This 62-acre campus opened in 1968.

More details related to new and proposed residential projects in Alameda are discussed in the *Residential Market* section, presented next. Finally, notable community uses within Alameda are summarized as follows:

- ***Robert W. Crown Memorial State Beach*** is named in memory of State Assemblyman Robert W. Crown, who campaigned for the site's preservation as public parkland. Known as Alameda Beach from the 1880s until World War II, it was an amusement center and day-trip destination for San Francisco and Bay Area residents. The park's Crab Cove Visitor Center features exhibits about the marine life environment of the San Francisco Bay, the history of Alames, and the importance of the Bay. There is an 800-gallon aquarium system with interactive stations for viewing sea creatures up close. Naturalists offer programs for schools and other groups, and weekend nature programs and lectures.

- ***Harbor Bay Athletic Club*** is a 10-acre members-only health and fitness club with an outdoor 25-meter heated swimming pool and hot tub, 19 lighted tennis courts, a 25,000 square foot fitness center, full court basketball and volleyball, fitness classes (including yoga, pilates, t'ai chi, tae kwon do, group cycling, personal training, wellness/nutrition, etc.), a full-service day spa, children's center, clubhouse bar and grill.

- ***Chuck Corica Golf Complex*** includes two 18-hole courses, a 9-hole par-3 course, driving range, pro shop and restaurant.

Additionally, outside the subject's neighborhood, the greater San Francisco Bay Area offers many more community uses and attractions.

Surrounding Area Land Uses	
Character of Area	Suburban
Predominant Housing Age (Both Ownership and Rental)	New to 5 years
Predominant Quality and Condition	Above Average
Approximate Percent Developed	85%
Infrastructure/Planning	Average
Prevailing Direction of Growth	Infill

Subject's Immediate Surroundings	
North	Brooklyn Basin and Coast Guard Island Alameda
South	Alameda Marina redevelopment project
East	Navy Reserve Center Alameda
West	Single-family residential development

Development Activity and Trends

There is currently one other actively selling new residential community in Alameda, Alameda Landing. Alameda Landing is a 218-acre mixed use development, which was previously part of the Department of Navy's former Fleet and Industrial Supply Center Oakland, Alameda Facility/Alameda Annex which served as the main supply facility supporting the Department of Defense operations of military fleets and shore activities in the Pacific Basin during World War II, and remaining an active supply center until its closure in 1998. Upon build-out Alameda Landing will consist of up to 889 units of market rate and inclusionary housing (including low income housing to be developed by the Housing Authority), 300,000 square feet of retail space, up to 400,000 square feet of office space, and an eight-acre waterfront park or other allowable uses consistent with the approved master plan.

The active projects are located within the Catellus master-planned Bayport community, which includes 72-acres and will offer 632 homes, elementary school, and an 11-acre park.

The active projects are located proximate to the "13" on the above map. The four active product lines include one line of detached homes (Breeze), and three lines of attached homes; these include two- and three -story condominiums (Compass), flats (Landing), and townhomes (Lookout). These projects encompass a total of 357 single-family units, including 39 BMR units. These attached projects averaged an absorption rate of 1.56 sales per project per month in the Second Quarter 2022.

In addition, the 124-unit townhome project known as Leeward, which is part of Alameda Point, recently sold out. Alameda Point is part of a former naval air station which closed in 1997. The area includes historic buildings, wildlife habitats, a shoreline on the San Francisco Bay. In June of 2013, the United States Navy gave title of approximately 1,400 acres of land and water, which encompasses nearly a quarter of the 10-square-mile island's land mass, to the City of Alameda. Since this time, the city has overseen the redevelopment of the property.

Alameda Point consists of two sites, the 68-acre Site A and the 82-acre Site B. Development of Site A Phase 1 commenced in the first quarter of 2018. The following table summarizes plans for the development of Site A, Phase 1.

Alameda Point - Site A (68 acres) Phase 1 (30 acres)

Block	Use	Developer
6 & 7	124 townhomes	Trumark
8	70 units affordable housing for families, 60 units affordable housing for seniors	Eden Housing
9	200 apartments, 10,000 SF of commerical space	Cypress Equity Investment
11	220 apartments and 15,000 SF of retail/commercial space	Trammell Crow Residential and Cypress Equity Investments
Other	$10 million for new Seplane Lagoon Ferry Terminal	
Other	$1 million for planned sports complex	

Leeward, the market rate residential component of Alameda Pointe, is depicted at Blocks 6 and 7. Prior to selling out, the project averaged an absorption rate of 5.1 sales per month over a 12 month period.

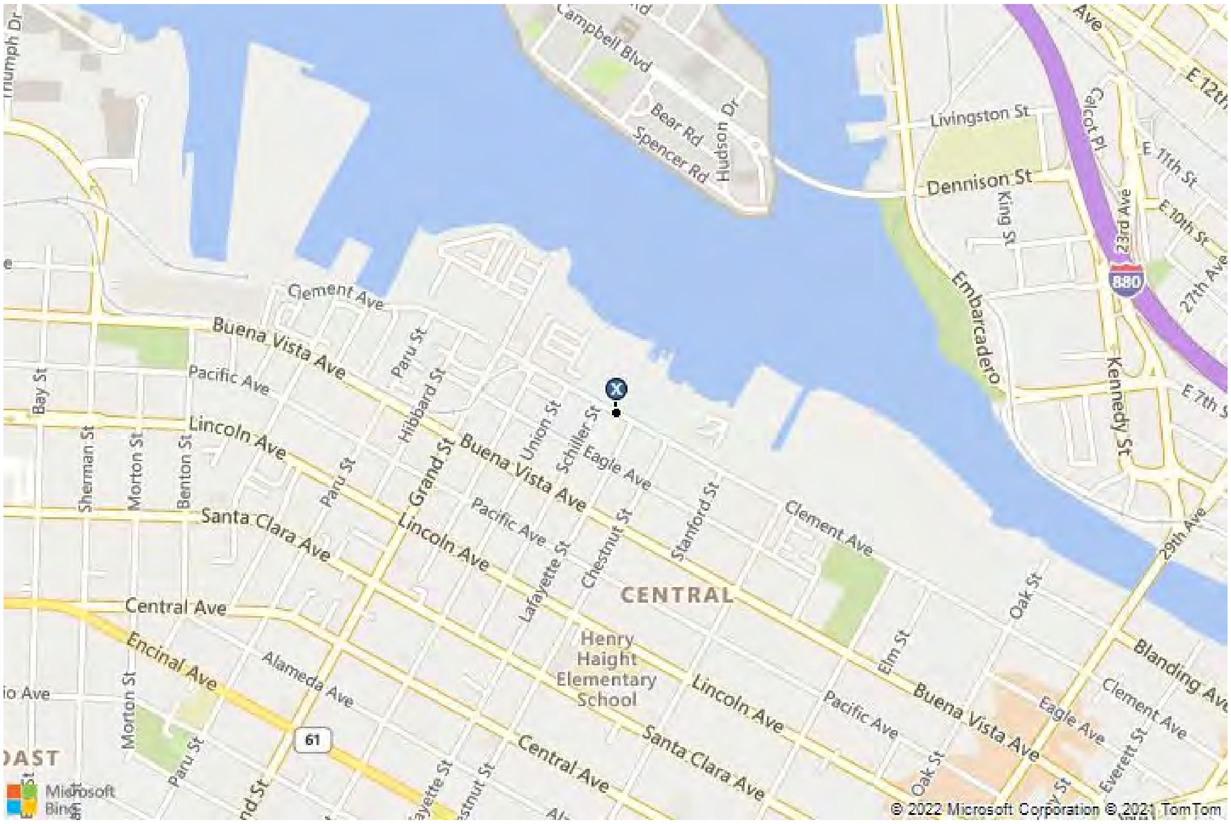
Outlook and Conclusions

The area is in the redevelopment stage of its life cycle and is located in a region characterized by little available land for development. Further, Alameda is a desirable location on the San Francisco Bay with good access to employment centers in the region. Given the history of the area, growth trends, and the plans for the Alameda marina, it is anticipated that property values will increase over the long term.

In comparison to other areas in the region, the area is rated as follows:

Surrounding Area Attribute Ratings	
Highway Access	Average
Demand Generators	Average
Convenience to Support Services	Average
Convenience to Public Transportation	Average
Employment Stability	Average
Police and Fire Protection	Average
Property Compatibility	Average
General Appearance of Properties	Average
Appeal to Market	Above Average
Barriers to Competitive Entry	Above Average

Surrounding Area Map



Residential Market Analysis

Given prevailing land use patterns and the subject's zoning, a likely use of the property is for residential development. In the following paragraphs, we examine supply and demand indicators for residential development in the subject's area.

Submarket Overview

The subject is located in the City of Alameda. The subject is adjacent to newer home construction and planned future development and is considered to have good transportation linkages. The neighborhood is characterized as a suburban area that appeals to both local workers and commuters. Based on existing surrounding homes and new projects under development, the subject characteristics best support a project designed for a combination of entry-level and/or first-time move-up home buyers.

Single-Family Building Permits

Single-family building permits for the City of Alameda, as well as Alameda County totals are shown in the following table.

Building Permits

Year	City of Alameda	Alameda County
2011	24	820
2012	0	1,373
2013	1	1,391
2014	5	1613
2015	118	1,905
2016	59	2,398
2017	46	2,595
2018	31	1,965
2019	61	1,972
2020	81	1,342
2021	198	1,368

Source: SOCDS Buidling Permits Database

Single family permits in the City of Alameda spiked in 2015 with the construction of the first section of Alameda Landing. Alameda County overall saw a steady increase in permits from 2012 through 2017, with a dip in 2018 and 2019. The COVID-19 pandemic resulted in a lower number of building permits in 2020. Residential growth is expected to continue to remain strong with healthy demand for new product within the City of Alameda due to the lack of available land.

New Home Pricing and Sales

The Gregory Group surveys active new home projects in California and Nevada. On the following page we present a table containing indicators for residential projects the subject's market area (Alameda County) for the last 12 quarters. The data include both attached and detached projects, but the majority of units are attached homes.

New Home Sales History								
Time Period	Average Price	% Change Average Price	Average Home Size (SF)	Average Price/Avg SF	% Change Price/SF	Quarter Sold	Number of Projects	Sold Per Proj. Per Month
3Q 2019	$1,075,224	--	2,167	$496.18	--	312	70	1.49
4Q 2019	$1,049,785	-2.4%	2,154	$487.37	-1.8%	432	65	2.22
1Q 2020	$1,067,635	1.7%	2,146	$497.50	2.1%	583	68	2.86
2Q 2020	$1,066,987	-0.1%	2,145	$497.43	0.0%	426	61	2.33
3Q 2020	$1,085,525	1.7%	2,145	$506.07	1.7%	452	61	2.47
4Q 2020	$1,071,927	-1.3%	2,078	$515.85	1.9%	470	52	3.01
1Q 2021	$1,080,131	0.8%	1,999	$540.34	4.7%	485	45	3.59
2Q 2021	$1,130,032	4.6%	1,991	$567.57	5.0%	398	40	3.32
3Q 2021	$1,116,209	-1.3%	1,900	$587.48	3.5%	244	36	2.26
4Q 2021	$1,156,151	3.6%	1,897	$609.46	3.7%	465	42	3.69
1Q 2022	$1,209,804	4.6%	1,860	$650.43	6.7%	334	34	3.27
2Q 2022	$1,222,442	1.0%	1,915	$638.35	-1.9%	231	35	2.20

In terms of the number of home sales in Alameda County, over the last 12 months, the average was 2.86 sales per month per project, which was down from the average for the prior 12-month period of 3.10 sales per month per project. Absorption in the second quarter of 2022 dipped due to the rising interest rates and other economic conditions. The first quarter of 2022 saw the largest increase on a price per square foot basis over the reported period. While most national builders have not lowered their base prices over the last few months, many have been offering concessions including buying down interest rates and discounts on options.

Active New Home Projects Pricing and Absorption

There are three active attached projects in Alameda, all of which are in the Alameda Landing community. Therefore, we have included active attached projects in Fremont, Hayward, Newark, and Oakland. These projects are considered to be most competitive with the subject property given their locations and project type. These projects are summarized in the tables on the following page, based on data from the Second Quarter 2022 (latest available).

Active Projects

Project	Master Plan	Community	Developer	Average Price	Avg. Home Size (SF)	Avgerage Price/SF	Units Planned	Units Offered	Units Sold	Units Unsold
Compass at Bay 37	Alameda Landing	Alameda	Pulte Homes	$1,144,990	1,605	$713	93	63	52	11
Landing at Bay 37	Alameda Landing	Alameda	Pulte Homes	$927,240	1,402	$661	96	87	70	17
Lookout at Bay 37	Alameda Landing	Alameda	Pulte Homes	$827,390	1,074	$770	133	58	39	19
Russell Square	Metro Crossing	Fremont	Toll Brothers	$1,503,745	2,143	$702	144	144	143	1
Kensington Station	Metro Crossing	Fremont	Toll Brothers	$1,483,995	1,928	$770	184	120	110	10
Matrix	Innovation	Fremont	Lennar Homes	$1,388,380	2,100	$661	53	36	31	5
Lumiere	Innovation	Fremont	Lennar Homes	$1,112,380	1,490	$747	156	31	22	9
Aspect	Innovation	Fremont	Lennar Homes	$1,307,880	1,682	$778	167	42	39	3
Victoria Station	Metro Crossing	Fremont	Toll Brothers	$1,095,995	1,398	$784	75	75	71	4
Aventura	--	Fremont	Nuvera Homes	$1,449,880	1,506	$963	16	16	16	0
Chroma	Innovation	Fremont	Lennar Homes	$794,480	1,003	$792	73	19	14	5
Line	SoHay	Hayward	William Lyon Homes	$809,879	1,420	$570	198	170	162	8
Prime	SoHay	Hayward	William Lyon Homes	$888,756	1,714	$519	122	120	91	29
Hideaway	--	Hayward	DR Horton	$1,377,333	1,958	$703	59	59	59	0
Atlas	--	Hayward	KB Home	$914,986	1,906	$480	72	25	25	0
Towns	Bridgeway	Newark	Lennar Homes	$1,163,880	1,808	$644	105	75	72	3
Terraces	Bridgeway	Newark	Lennar Homes	$1,092,880	1,760	$621	96	49	45	4
Skyview	--	Oakland	Discovery Homes	$1,787,302	3,125	$572	60	60	53	7
Ellis	Central Station	Oakland	Tri Ponte Homes	$722,900	1,525	$474	128	77	65	12
			Minimum	$722,900	1,003	$474				
			Maximum	$1,787,302	3,125	$963				
			Average	$1,147,067	1,713	$680				

Source: The Gregory Group

Absorption

Project	Master Plan	Community	Developer	Avg. Home Price (2Q 22 Only)	Avg. Home Size (2Q 22 Only)	2Q 2022	1Q 2022	4Q 2021	3Q 2021	12-Month Total	Average Per Quarter	Average Per Month
Compass at Bay 37	Alameda Landing	Alameda	Pulte Homes	$1,144,990	1,605	6	10	12	10	38	9.5	**3.2**
Landing at Bay 37	Alameda Landing	Alameda	Pulte Homes	$927,240	1,402	6	27	15	10	58	14.5	**4.8**
Lookout at Bay 37	Alameda Landing	Alameda	Pulte Homes	$827,390	1,074	2	9	4	6	21	5.3	**1.8**
Russell Square	Metro Crossing	Fremont	Toll Brothers	$1,503,745	2,143	0	0	4	-5	-1	-0.3	**-0.1**
Kensington Station	Metro Crossing	Fremont	Toll Brothers	$1,483,995	1,928	6	23	15	14	58	14.5	**4.8**
Matrix	Innovation	Fremont	Lennar Homes	$1,388,380	2,100	5	6	20	--	31	10.3	**3.4**
Lumiere	Innovation	Fremont	Lennar Homes	$1,112,380	1,490	2	13	7	--	22	7.3	**2.4**
Aspect	Innovation	Fremont	Lennar Homes	$1,307,880	1,682	4	15	20	--	39	13.0	**4.3**
Victoria Station	Metro Crossing	Fremont	Toll Brothers	$1,095,995	1,398	4	0	10	--	14	4.7	**1.6**
Aventura	--	Fremont	Nuvera Homes	$1,449,880	1,506	4	2	10	--	16	5.3	**1.8**
Chroma	Innovation	Fremont	Lennar Homes	$794,480	1,003	14	--	--	--	14	14.0	**4.7**
Line	SoHay	Hayward	William Lyon Homes	$809,879	1,420	14	25	4	9	52	13.0	**4.3**
Prime	SoHay	Hayward	William Lyon Homes	$888,756	1,714	0	0	0	2	2	0.5	**0.2**
Hideaway	--	Hayward	DR Horton	$1,377,333	1,958	2	19	11	12	44	11.0	**3.7**
Atlas	--	Hayward	KB Home	$914,986	1,906	25	--	--	--	25	25.0	**8.3**
Towns	Bridgeway	Newark	Lennar Homes	$1,163,880	1,808	7	9	16	9	41	10.3	**3.4**
Terraces	Bridgeway	Newark	Lennar Homes	$1,092,880	1,760	14	1	18	12	45	11.3	**3.8**
Skyview	--	Oakland	Discovery Homes	$1,787,302	3,125	0	1	4	-2	3	0.8	**0.3**
Ellis	Central Station	Oakland	Tri Ponte Homes	$722,900	1,525	20	6	11	3	40	10.0	**3.3**
					Total	129	156	169	48			
					No. of Active Projects	18	16	16	7			
					Quarterly Pro-Rata	7.2	9.8	10.6	6.9			
					Monthly Pro-Rata	**2.4**	**3.3**	**3.5**	**2.3**			
									2.9	**Average Monthly Pro-Rata**		

The projects in the above table support an average absorption rate of between approximately 2 to 4 units per month with an average monthly pro rata of 2.9 units per month. It should be noted, several of the projects are nearing sell-out, skewing the overall monthly data downward for those specific projects.

Compass, Landing, and Lookout at Bay 37 are most comparable to the subject, as they are the only other active attached projects located in Alameda. These projects have averaged 3.3 sales per month over the past 12 months. Further data from the Gregory Group on these projects are presented below.

PROJECT INFORMATION | **AT A GLANCE**

Project Name	Compass at Bay 37	**Average Price**	$1,144,990	**Qtr Sold**	6
Region	East Bay	**Average Sq Ft**	1,605	**Qtr WSR**	0.46
County	Alameda	**Total Inventory**	41	**Tot WSR**	0.73
Community	Alameda	**Standing Inventory**	0	**Avg Incentives**	$18,000
Master Plan	No	**Open Date**	02/15/21	**Survey Date**	7/1/22
Age Restricted	No	**Developer Name**	Pulte Homes	**Special Tax per Month**	$0.00
Project Phone	(510) 241-0303	**Developer Phone**	(925) 249-3200	**HOA per Month**	$327.00
Sales Office Hours	N/A	**Product Type**	Attached	**Broker Coop**	2.5%
		Type Description	Condominium	**Special Incentives**	$0
GPS Coordinates	N : 37.790927 W : 122.280359	**Lot Size**		**Project Density**	
Cross Street		**Lot Dimension**		**Model/Trailer**	Model
Finished Lots	N/A	**Blue Top Lots**	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	1,298	$1,025,990	$790.44	$18,000	$1,007,990	$776.57	2	2.5	3	2	None
	1,366	$1,035,990	$758.41	$18,000	$1,017,990	$745.23	2	2.5	3	2	None
	1,551	$1,104,990	$712.44	$18,000	$1,086,990	$700.83	2	2.5	3	2	None
	1,553	$1,075,990	$692.85	$18,000	$1,057,990	$681.26	2	2	2	2	None
	1,714	$1,200,990	$700.69	$18,000	$1,182,990	$690.19	2	3	2	2	Den
	1,756	$1,270,990	$723.80	$18,000	$1,252,990	$713.55	3	3	3	2	None
	1,997	$1,299,990	$650.97	$18,000	$1,281,990	$641.96	3	2.5	3	2	Den

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 2/22	93	63	52	6	41	30	11	5	0.73	0.46	$1,144,990	2.04
Qtr 1/22	93	51	46	10	47	42	5	5	0.79	0.77	$1,122,133	8.80
Qtr 4/21	93	41	36	12	57	52	5	20	0.80	0.92	$1,031,419	4.56
Qtr 3/21	93	26	24	10	69	67	2	20	0.75	0.77	$986,419	2.80
Qtr 2/21	93	14	14	9	79	79	0	20	0.74	0.69	$959,561	0.00
Qtr 1/21	93	9	5	5	88	84	4	20	0.83	0.38	$959,561	0.00

PROJECT INFORMATION | **AT A GLANCE**

Project Name	Landing at Bay 37	**Average Price**	$927,240	**Qtr Sold**	6
Region	East Bay	**Average Sq Ft**	1,402	**Qtr WSR**	0.46
County	Alameda	**Total Inventory**	26	**Tot WSR**	0.99
Community	Alameda	**Standing Inventory**	0	**Avg Incentives**	$18,000
Master Plan	No	**Open Date**	02/15/21	**Survey Date**	7/1/22
Age Restricted	No	**Developer Name**	Pulte Homes	**Special Tax per Month**	$0.00
Project Phone	(510) 241-0303	**Developer Phone**	(925) 249-3200	**HOA per Month**	$535.00
Sales Office Hours	N/A	**Product Type**	Attached	**Broker Coop**	2.5%
		Type Description	Condominium	**Special Incentives**	$0
GPS Coordinates	N : 37.790927 W : 122.200359	**Lot Size**		**Project Density**	
Cross Street		**Lot Dimension**		**Model/Trailer**	Model
Finished Lots	N/A	**Blue Top Lots**	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	1,305	$870,990	$667.43	$18,000	$852,990	$653.63	2	2	1	1	None
	1,344	$900,990	$670.38	$18,000	$882,990	$656.99	2	2	1	2	None
	1,454	$960,990	$660.93	$18,000	$942,990	$648.55	3	2	1	2	None
	1,506	$975,990	$648.07	$18,000	$957,990	$636.12	3	2	1	2	None

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 2/22	96	87	70	6	26	9	17	5	0.99	0.46	$927,240	0.00
Qtr 1/22	96	78	64	27	32	18	14	5	1.10	2.08	$927,240	2.20
Qtr 4/21	96	46	37	15	59	50	9	20	0.82	1.15	$907,240	0.00
Qtr 3/21	96	32	22	10	74	64	10	20	0.69	0.77	$907,240	0.00
Qtr 2/21	96	26	12	4	84	70	14	20	0.63	0.31	$907,240	0.00
Qtr 1/21	96	13	8	8	88	83	5	20	1.33	0.62	$907,240	0.00

PROJECT INFORMATION		AT A GLANCE			
Project Name	Lookout at Bay 37	Average Price	$827,390	Qtr Sold	2
Region	East Bay	Average Sq Ft	1,074	Qtr WSR	0.15
County	Alameda	Total Inventory	94	Tot WSR	0.55
Community	Alameda	Standing Inventory	0	Avg Incentives	$18,000
Master Plan	No	Open Date	02/15/21	Survey Date	7/1/22
Age Restricted	No	Developer Name	Pulte Homes	Special Tax per Month	$0.00
Project Phone	(510) 241-0303	Developer Phone	(925) 249-3200	HOA per Month	$327.00
Sales Office Hours	N/A	Product Type	Attached	Broker Coop	2.5%
		Type Description	Townhome	Special Incentives	$0
GPS Coordinates	N : 37.790927 W : 122.280359	Lot Size		Project Density	
Cross Street		Lot Dimension		Model/Trailer	Model
Finished Lots	N/A	Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	1,000	$792,990	$792.99	$18,000	$774,990	$774.99	1	1.5	3	1	Loft
	1,066	$855,990	$802.99	$18,000	$837,990	$786.11	2	1.5	3	1	None
	1,066	$815,990	$765.47	$18,000	$797,990	$748.58	2	1.5	3	1	None
	1,102	$840,990	$763.15	$18,000	$822,990	$746.81	2	1.5	3	1	None
	1,138	$830,990	$730.22	$18,000	$812,990	$714.40	2	1.5	3	2	None

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 2/22	133	58	39	2	94	75	19	5	0.55	0.15	$827,390	0.00
Qtr 1/22	133	42	37	9	96	91	5	5	0.64	0.69	$827,390	1.03
Qtr 4/21	133	32	28	4	105	101	4	20	0.62	0.31	$818,990	0.59
Qtr 3/21	133	27	24	6	109	106	3	20	0.75	0.46	$814,190	1.27
Qtr 2/21	133	20	18	5	115	113	2	20	0.95	0.38	$803,990	1.26
Qtr 1/21	133	13	13	12	120	120	0	20	2.17	0.92	$793,990	0.00

It is worth noting the subject property has a waitlist of 131 individual homeowners having no active marketing program in place as of the date of this appraisal report.

Resale Pricing

The following table considers resales within the City of Alameda since January 2022. Attached homes constructed after 2010 were considered.

Resales

Address	Sale Date	Living Area (SF)	Sale Price	Last List Price	Sale Price /SF	Sale/List	Year Built	Days on Market
2846 Fifth St, Alameda, CA 94501	3/28/2022	1,305	$878,792	$878,792	$200	100.0%	2021	6
2883 Fifth St, Alameda, CA 94501	6/27/2022	1,305	$952,402	$951,952	$201	100.0%	2021	108
2816 Fifth St, Alameda, CA 94501	3/23/2022	1,454	$983,757	$988,597	$202	99.5%	2021	16
2859 Tradewind Dr, Alameda, CA 94501	3/8/2022	1,000	$895,416	$885,296	$203	101.1%	2021	84
2665 5th, Alameda, CA 94501	2/4/2022	2,433	$1,280,000	$1,295,000	$204	98.8%	2017	22
2657 5th St, Alameda, CA 94501	3/4/2022	2,323	$1,311,500	$1,175,000	$205	111.6%	2017	8
498 Diller St, Alameda, CA 94501	3/23/2022	1,937	$1,300,000	$998,000	$206	130.3%	2016	0
412 Mitchell Ave, Alameda, CA 94501	6/24/2022	1,314	$520,592	$520,592	$207	100.0%	2015	59
471 Mitchell Ave, Alameda, CA 94501	5/26/2022	1,937	$1,300,000	$999,000	$208	130.1%	2016	7
2105 Eagle Ave, Alameda, CA 94501	6/7/2022	1,453	$1,075,000	$1,095,000	$209	98.2%	2019	17
488 Diller St, Alameda, CA 94501	6/7/2022	1,784	$1,250,000	$1,300,000	$210	96.2%	2017	8
491 Mitchell Ave, Alameda, CA 94501	6/27/2022	1,784	$1,220,000	$999,000	$211	122.1%	2016	12
492 Diller St, Alameda, CA 94501	8/12/2022	1,937	$1,150,000	$998,000	$212	115.2%	2016	39
483 Diller St, Alameda, CA 94501	8/8/2022	1,917	$1,100,000	$1,099,000	$213	100.1%	2016	24
442 Mitchell Ave, Alameda, CA 94501	8/11/2022	2,454	$1,305,000	$995,000	$214	131.2%	2015	27
2659 5th St, Alameda, CA 94501	8/8/2022	1,077	$888,000	$895,000	$215	99.2%	2017	5
Total Sales	**16**	**1,713 (avg.)**	**$1,088,154 (avg.)**	**$1,004,577 (avg.)**	**$208 (avg.)**	**108.4% (avg.)**	**2018 (avg.)**	**28 (avg.)**

The average home sold for 108% over listing price, with an average time on market of 29 days. Both indicators are positive signs for the Alameda residential market.

Ability to Pay

The Developer plans to construct two product lines, with individual floorplans ranging from 1,462 to 2,689 square feet. In this section, we will examine the ability to pay among prospective buyers for a representative price point of $1,275,000, based on the indicators from the competing projects. First, we will estimate the required annual household income based on typical mortgage parameters in the subject's market area. Specifically, we will employ a loan-to-value ratio of 80% (down payment of 20%), mortgage interest rate of 6.00%, 360 monthly payments, and a 40% ratio for the housing costs as a percent of monthly income (inclusive of principal, interest, all taxes and insurance).Property tax payments are accounted for in the analysis as well as homeowner's insurance. The following table shows the estimate of the annual household income that would be required to afford homes priced at the representative price point.

Income Required		
Home Price	$1,275,000	
Loan % of Price (Loan to Value)	80%	
Loan Amount	$1,020,000	
Interest Rate	6.00%	
Mortgage Payment	$6,115	
Ad Valorem Taxes	$1,600	Based on 1.162600% and direct charges of $4,374
CFD No. 22-1 (Alameda Marina)	$583	
Property Insurance	$266	
Total Monthly Obligation	$8,563	
Mortgage Payment % of Income	40%	
Monthly Income	$21,409	
Annual Income	$256,905	

We have obtained income data from Spotlight Analytics, for a 10-mile radius surrounding the subject property, which is considered representative of typical buyers for the subject property. In the following table we show the income brackets within the noted area, along with estimates of the percentage of households able to afford homes priced at the representative price point within each income bracket.

Household Ability					
Household Income	Households	Percent of Households	Percent Able to Pay	Households	Households Able to Pay
< $15,000	47,456	8.9%	0.0%	0	0.0%
$15,000 - $24,999	33,840	6.3%	0.0%	0	0.0%
$25,000 - $34,999	28,032	5.2%	0.0%	0	0.0%
$35,000 - $49,999	36,796	6.9%	0.0%	0	0.0%
$50,000 - $74,999	56,529	10.6%	0.0%	0	0.0%
$75,000 - $99,999	49,035	9.2%	0.0%	0	0.0%
$100,000 - $124,999	43,586	8.1%	0.0%	0	0.0%
$125,000 - $149,999	38,963	7.3%	0.0%	0	0.0%
$150,000 - $199,999	56,125	10.5%	0.0%	0	0.0%
$200,000 - $249,999	36,673	6.9%	0.0%	0	0.0%
$250,000 - $499,999	51,549	9.6%	97.2%	50,125	9.4%
$500,000+	56,731	10.6%	100.0%	56,731	10.6%
	535,315	100.0%		106,856	20.0%

Generally, interest rates have an inverse relationship on the affordability of a home. In short, all else being equal higher interest rates lower the price point for buyers based on income. Over the past several years, interest rates have remained historically low, often at or below 3.0%. Rates are still low, from a historical perspective, but have recently risen above 5.00%, and there is an expectation of further increases in interest rates over the near term. While some projects seem to be affected more than others, such as those projects targeting entry-level homebuyers, which tend to be more price and interest rate sensitive, there are some buyers who have been motivated by recent events to purchase now rather than wait for any potential future rises in interest rates. Given the continued high inflation numbers, interest rates are expected to climb higher in the near term to try and tamper inflation. Continued high inflation will force prospective homeowners to account for other costs like groceries, gas, etc. over buying a new home at a higher interest rate.

Information from homebuilders over the last few weeks have noted more turmoil from pending buyers dropping out of contract because of rising interest rates. Homebuilders have also noted pace of sales have slowed from the historic highs. Further, homebuilders have begun to offer concessions in the form of buying down interest rates and discounted options, instead of decreasing their base prices. In some markets, there has been enough downward pressure on the market for homebuilders to offer concessions as well as drop their base prices. In the past several quarters, homebuilders were able to sell homes faster than they were able to construct the homes, but with the rising interest rates this has since moderated. Based on current information and survey responses, recent increases in interest rates have begun to impact the pace of sales as well as pricing in some markets.

Conclusions

Demand for homes in the subject’s market area is considered to be strong, but moderating at the current time as indicated by the overall trend of new home sales prices and activity in recent quarters, as well as the absorption rate within new home projects in the subject’s area.

Property Analysis

Land Description and Analysis

Location

The property is located on the north side of Clement Avenue, less than one mile west of its intersection with Park Street, within the city of Alameda, Alameda County, California.

Land Area

The following table summarizes the subject's land area.

Land Area Summary

Tax ID	SF	Acres
071-0291-010	477,488	10.96
Total	477,488	10.96

Shape and Dimensions

The site is irregular in shape, yet functional for development under their respective land use and zoning designations.

Topography

The site is generally level and at street grade. The topography does not result in any particular development limitations.

Off-site Improvements

Off-site improvements currently consist of streets, concrete curbs and gutters, sidewalks and streetlights. No additional off-site improvements are requested for development of the subject property.

On-site Improvements

Development of on-site improvements and in-tract development has commenced and is anticipated to the complete in August 2023.

Drainage

No particular drainage problems were observed or disclosed at the time of field inspection. This appraisal assumes that surface water collection, both on-site and in public streets adjacent to the subject, is adequate.

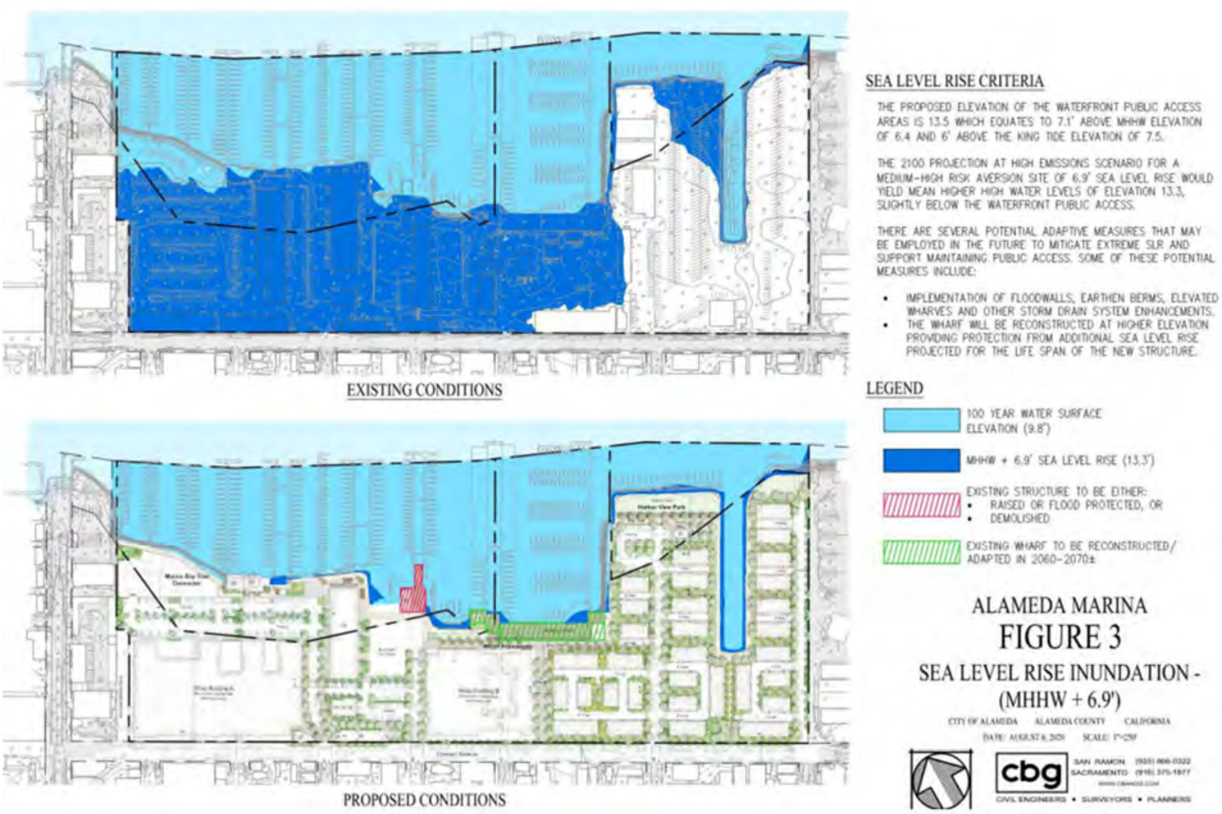
Flood Hazard Status

The following table provides flood hazard information.

Flood Hazard Status	
Community Panel Number	06001C0088H
Date	December 21, 2018
Zone	X
Description	Outside of 500-year floodplain
Insurance Required?	No

Mid-century sea level rise ("SLR", in the year 2050) is expected to be between 11 inches (most likely) to 24 inches (the upper end of the range). End of century sea level rise (year 2100) is expected to be between 36 inches (most likely) to 66 inches (upper range).

Approximately 4,009 linear feet of shoreline embankments, seawall, bulkheads and revetment slopes have been complete, subject to a hypothetical condition, to accommodate future sea level rise. The elevation range is above special flood hazard areas, typical tidal elevations, and the 100-year extreme water level in the San Francisco Bay, as defined by the Federal Emergency Management Agency (FEMA).



Environmental Hazards

An environmental assessment report was not provided for review, and during our inspection, we did not observe any obvious signs of contamination on or near the subject. However, environmental issues are beyond our scope of expertise. It is assumed that the property is not adversely affected by environmental hazards.

Ground Stability

A soils report was not provided for our review. Based on our inspection of the subject and observation of development on nearby sites, there are no apparent ground stability problems. However, we are not experts in soils analysis. We assume that the subject's soil bearing capacity is sufficient to support the existing improvements.

Seismic Hazards

All properties in California are subject to some degree of seismic risk. The Alquist-Priolo Earthquake Fault Zoning Act was enacted by the State of California in 1972 to regulate development near active earthquake faults. The Act required the State Geologist to delineate "Earthquake Fault Zones" (formerly known as "Special Studies Zones") along known active faults in California. Cities and counties affected by the identified zones must limit certain development projects within the zones unless geologic investigations demonstrate that the sites are not threatened by surface displacement from future faulting.

According to information from the California Geological Survey (formerly known as the Division of Mines and Geology), the subject is not located within an Alquist-Priolo Special Studies Zone. The subject is located in a liquefaction zone, an area "where historical occurrence of liquefaction, or local geological, geotechnical and ground water conditions indicate a potential for permanent ground displacements such that mitigation in Public Resources Code Section 2693(c) would be required." Seismic issues are beyond our scope of expertise, and the appraisers have assumed that the subject property meets all seismic requirements and that there are no seismic issues with the subject property.

Streets, Access and Frontage

Details pertaining to street access and frontage are provided in the following table.

Streets, Access and Frontage	
Street	Clement Ave.
Frontage Feet	841
Paving	Yes
Curbs	Yes
Sidewalks	Yes
Lanes	2 way, 1 lane each way
Direction of Traffic	East-West
Condition	Average
Traffic Levels	Moderate
Signals/Traffic Control	Stop sign
Access/Curb Cuts	Average
Visibility	Average

Utilities

The availability of utilities to the subject is summarized in the following table.

Utilities	
Service	Provider
Water	East Bay Municipal Utility District
Sewer	City of Alameda
Electricity	Alameda Municipal Power
Natural Gas	Pacific Gas & Electric
Local Phone	Various providers

Zoning

The subject is zoned M-X & MF, Mixed-Use Planned Development District & Multi-family Residential Combining Zone, by City of Alameda. The following table summarizes our understanding and interpretation of the zoning requirements that affect the subject.

Zoning Summary	
Zoning Jurisdiction	City of Alameda
Zoning Designation	M-X & MF
Description	Mixed-Use Planned Development District & Multi-family Residential Combining Zone
Legally Conforming?	Appears to be legally conforming
Zoning Change Likely?	No
Permitted Uses	Various residential and commerical uses

We are not experts in the interpretation of zoning ordinances. An appropriately qualified land use attorney should be engaged if a determination of compliance is required.

According to the City of Alameda Planning Department, the subject is zoned MX, Mixed Use Planned Development. According to the City of Alameda Municipal Code, the purpose of the MX district is as follows:

> “Encourage the development of a compatible mixture of land uses which may include residential, retail, offices, recreational, entertainment, research oriented light industrial, water oriented and other related uses. The compatibility and interaction between mixed uses is to be insured through adoption of Master Plan and development plan site plan, which indicate proper orientation, desirable design character and compatible land uses to provide for:
>
> 1. A more pedestrian-oriented nonautomotive environment and flexibility in the design of land uses and structures than are provided by single purpose zoning districts, including but not limited to shared parking;
>
> 2. The enhancement and preservation of property and structures with historical or architectural merit, unique topography, landscape or water areas, or other features requiring special treatment or protection;
>
> 3. Recreation areas that are more accessible to both the MX district’s inhabitants and other City residents;
>
> 4. Environments that are more conductive to mutual interdependence in terms of living, working, shopping, entertainment and recreation; and
>
> 5. Flexibility in the design, layout and timing of build-out of large-scale mixed use projects in order to respond to market demands while ensuring that development is in conformance with adopted standards, procedures and guidelines. In order to accomplish this purpose, the City may establish Development Standards, Procedures and Guidelines (which govern, among other items, processing procedures, project-wide design guidelines addressing architecture, site planning, parking, circulation, streetscape, open space, landscaping, lighting, project identification and signage, and specific use design guidelines) as part of the Master Plan to which the Development Plans must then conform.

The MX zoning designation is in conformance with the general plan designation of Mixed Use. Specifically, according to the City of Alameda General Plan, the areas at Alameda Point and along the Northern Waterfront are designated Priority Development Areas in the regional sustainable communities plan, Plan Bay Area. These diverse areas include a variety of buildings, with residential densities of 10 to 100 units per acre and FAR of 0.25 to 4.0. The Mixed-Use areas permit a wide variety of housing types, including multifamily housing, a wide variety of commercial and business uses and a maximum FAR of 0.25 to 5.0 depending on the sub district and historic district designations.

As previously mentioned, the Island View and Waterside projects (Alameda Marina Phase II) include 25 BMR units, which the Special Tax will not be levied and, thus, are not appraised herein. However, for the readers reference, the 25 BMR units are inclusive of seven very low-, seven low-, and 11 moderate-income units.

The subject's final map was approved and recorded on July 22, 2022 (Tract 8610 Alameda Marina Townhomes), which has been included in the addenda. According to the local planning department, there are no pending or prospective zoning changes. It appears that the proposed use of the site is a legally conforming use.

Other Land Use Regulations

We are not aware of any other land use regulations that would affect the property.

Easements, Encroachments and Restrictions

We have reviewed a preliminary title report prepared by First American Title Company dated June 8, 2022. The report identifies exceptions to title, which include various utility and access easements that are typical for a property of this type. Such exceptions would not appear to have an adverse effect on value. Our valuation assumes no adverse impacts from easements, encroachments or restrictions and further assumes that the subject has clear and marketable title.

Permits and Fees

Based on information provided by the Developer, permits and fees due at building permit are estimated at $25,278 per unit in Island View and $37,392 per unit in Waterside, which is typical for the area.

It should be noted, Landsea Homes has already paid permits and fees for Building 2 (seven units in Island View) and Building 11 (four units in Waterside, respectively) of $176,943.96 and $149,567.69, respectively. The value contribution of permits and fees paid will be included in our valuation.

Site Development Costs

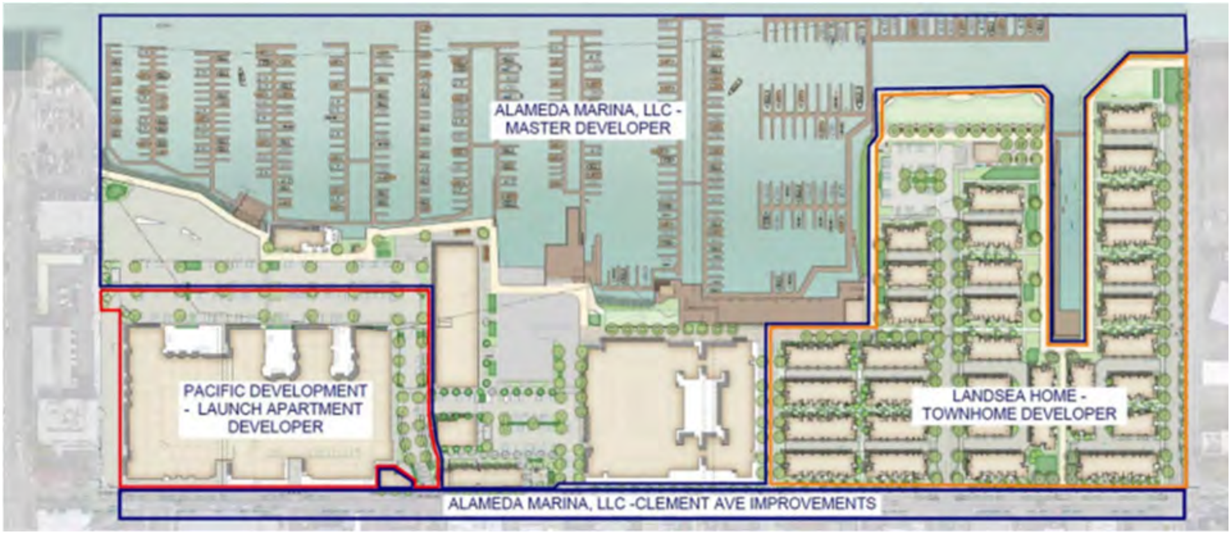
According to the horizontal cost budget provided by the merchant builder, total site development costs are estimated at $19,052,799, of which $7,400,000 remain to be incurred.

In addition, eligible CFD infrastructure improvements related to the seawall and Clement Avenue total $30,373,395. Based on information provided by the master developer, $1,723,168 in costs related to the seawall construction (promenade wharf structural retrofit and seawall handrails) remain, of which the subject's pro-rata share is approximately $455,325. Bond proceeds are less than the amount of eligible infrastructure costs spent to day; therefore, the remaining seawall costs will be accounted for in our valuation.

Conclusion of Site Analysis

Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses including those permitted by zoning. Uses permitted by zoning include various residential and commercial uses. We are not aware of any other particular restrictions on development.

Proposed Improvements Description



The following information was reproduced from the Landsea Homes marketing website:

This is the new Alameda Marina—a vibrant community in a storied locale. Breathing new life into the waterfront, this fresh new home destination will include homes infused with modern flair plus sprawling parks and boat slips—all among a contemporary maritime aesthetic. The townhomes at Island View and Waterside marry elevated living with comforting vibes to create an upgraded vision of home. You'll thrive in this curated community that's tailored to fit your lifestyle. The best and newest the Bay Area has to offer—the reimagined Alameda Marina neighborhoods by Landsea Homes.

Island View at Alameda Marina

With 98 upgraded townhomes and sweeping views of the marina, a new notion of home awaits at Island View at Alameda Marina. Seven unique floor plans ranging from approximately 1,462 to 2,386 square feet offer you the space to unwind, to work from home or to entertain with ease. Select homes include rooftop decks—ideal for those summer days of leisure or even a quick, scenic coffee break.

BEDROOMS	BATHROOMS	SQ. FT.
2 - 3	2.5 - 3.5	1,462 - 2,386

Waterside at Alameda Marina

Feel one with the bay at Waterside at Alameda Marina—set right on the waterfront. These townhomes line the channel connecting Alameda to Oakland, granting full access to all of the lively Bay Area. Four spacious plans with approximately 2,161 to 2,689 square feet include rooftop decks—where you can truly nestle into and personalize to match your family's needs.

BEDROOMS	BATHROOMS	SQ. FT.
3 - 4	3.5	2,161 - 2,689

A complete interior finish profile was not provided and is assumed to be of a typical quality for the area, which generally average to good overall quality.

It is noted that the subject property will have a Homeowner's Association (HOA) that will be responsible for the common areas. The Developer estimates that dues will be approximately $404 to $458 per unit per month, to be paid by the future homeowners.

Waterlife Park via Alameda Marina LLC, rendering by Robert Becker


Alameda Marina future public city park, rendering courtesy of Landsea Homes











Real Estate Taxes

The property tax system in California was amended in 1978 by Article XIII to the State Constitution, commonly referred to as Proposition 13. It provides for a limitation on property taxes and for a procedure to establish the current taxable value of real property by reference to a base year value, which is then modified annually to reflect inflation (if any). Annual increases cannot exceed 2% per year.

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

Real estate taxes and assessments for the current tax year are shown in the following table.

Taxes and Assessments - 2021-2022

	Assessed Value			Taxes and Assessments			
					Ad Valorem		
Tax ID	Land	Improvements	Total	Tax Rate	Taxes	Direct Assessments	Total
071-0291-010	$1,080,654	$0	$1,080,654	1.162600%	$12,564	$1,882	$14,445

The existing ad valorem taxes are of nominal consequence in this appraisal, primarily due to the fact these taxes will be adjusted as the infrastructure and property improvements are completed and the property is sold off to individual homeowners.

All of the appraised properties are encumbered by the City of Alameda Community Facilities District No. 22-1 (Alameda Marina). The annual special tax levy on the appraised properties, as of the 2022/23 tax year, are shown in the following table.

ASSIGNED SPECIAL TAX FOR DEVELOPED PROPERTY AND FINAL MAP PROPERTY FISCAL YEAR 2022/23

Land Use Class	Description	Assigned Special Tax
1	Townhome Property – Greater Than or Equal to 2,680 Square Feet	$7,942 per Dwelling Unit
2	Townhome Property – 2,430 – 2,679 Square Feet	7,757 per Dwelling Unit
3	Townhome Property – 2,180 – 2,429 Square Feet	7,017 per Dwelling Unit
4	Townhome Property – 1,930 – 2,179 Square Feet	6,992 per Dwelling Unit
5	Townhome Property – 1,680 – 1,929 Square Feet	6,091 per Dwelling Unit
6	Townhome Property – Less Than 1,680 Square Feet	5,498 per Dwelling Unit
7	Non-Residential Property	0.75 per Square Foot of Non-Residential Floor Area

In addition, though not listed above, the Special Tax for undeveloped property is $166,589.23 per acre of land area. It is noted there is an annual escalation of 2% for the District.

Highest and Best Use

Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as if vacant, and as improved or proposed. By definition, the highest and best use must be:

- Legally permissible under the zoning regulations and other restrictions that apply to the site.
- Physically possible.
- Financially feasible.
- Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

Highest and Best Use As If Vacant

Legally Permissible

The site is zoned M-X & MF, Mixed-Use Planned Development District & Multi-Family Residential Combining Zone. Permitted uses include various residential and commercial uses. To our knowledge, there are no legal restrictions such as easements or deed restrictions that would effectively limit the use of the property. The subject property has an approved final map for 182 single-family homes on individual lots and associated improvements. The subject's present entitlements are the result of significant planning and review, and any rezone or land use different than currently approved is unlikely. Given prevailing land use patterns in the area, only single-family residential is given further consideration in determining highest and best use of the site, as though vacant.

Physically Possible

The physical characteristics of the site do not appear to impose any unusual restrictions on development. Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses including single-family residential.

Financially Feasible

Based on our analysis of the market, there is currently adequate demand for a single-family residential in the subject's area. As shown later in this report by the land residual analysis where home construction costs are deducted from an estimated current home price, the subject's land value is positive, which demonstrates that single-family residential development is financially feasible. Further, buyers are actively buying homes and builders are buying land, reflecting ample demand. Therefore, single-family residential is considered to be financially feasible.

Maximally Productive

There does not appear to be any reasonably probable use of the site that would generate a higher residual land value than single-family residential. Accordingly, it is our opinion that single-family residential, developed to the normal market density level permitted by zoning, is the maximally productive use of the property.

Conclusion

Development of the site for single-family residential is the only use that meets the four tests of highest and best use. Therefore, it is concluded to be the highest and best use of the property as if vacant.

As Improved (Proposed)

As of the effective appraisal date, backbone infrastructure is complete and on-site improvements have commenced, which are necessary for development. Therefore, a continuation of this use is concluded to be financially feasible. The existing improvements have been constructed according to the subject entitlements and are consistent with the highest and best use of the subject as if vacant.

Most Probable Buyer

Taking into account the size and characteristics of the property the probable buyer of the subject property is a builder familiar with the region.

Valuation

Valuation Methodology

Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach and the income capitalization approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

Additional analyses often undertaken in the valuation of subdivisions include **extraction**, **land residual analysis,** and the **subdivision development method**.

Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type.

The methodology employed in this assignment is summarized as follows:

Approaches to Value

Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

Residential Land Valuation

Land Residual Analysis

The land residual analysis is used in estimating land value when subdivision and development are the highest and best use of the land being appraised. All direct and indirect costs are deducted from an estimate of the anticipated gross sales price of the improved product; the resultant net sales proceeds are then discounted to present value at an anticipated rate over the development and absorption period to indicate the value of the land. The land residual analysis is conducted on a semiannual (6-month) basis. As a discounted cash flow analysis, the land residual analysis consists of four primary components summarized as follows:

Revenue – the gross income is based on the individual component values.

Absorption Analysis – the time frame required for sell off. Of primary importance in this analysis is the allocation of the revenue over the absorption period – including the estimation of an appreciation factor (if any).

Expenses – the expenses associated with the sell-off are calculated in this section – including site development costs, administration, marketing and commission costs, as well as taxes and special taxes.

Discount Rate – an appropriate discount rate is derived employing a variety of data.

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

Revenue

The projected sales price for the average unit within the project will vary, as the ultimate sales price is affected by unit size, location within the project, site influences, construction costs, anticipated premiums achievable at the point of retail sale, as well as external influences such as adjacent land uses.

Information in this analysis will be based on the Developer's competitive market analysis, for which portions were provided for our review. Considering the information provided, as well as our analysis in the *Residential Market Analysis* section, the subject's proposed product lines will have a typical (representative) home size of approximately 2,050 square feet, and could achieve a price of $1,275,000. These estimates will be utilized in the following analyses.

It should be noted, the Developer's proposed pricing presented in the competitive market analysis is structured in such a way that all lots within the projects are assigned lot "premiums", which range from $10,420 to $15,500 per unit. While this appraisal will consider lot premiums for features such as water views, we do not assign basic lot premiums on a lot by lot basis. Therefore, it is our opinion the base pricing presented in the competitive market analysis is somewhat understated, and we will utilize a lot premium amount of $12,750 per unit, or 1.0% of base price.

As will be discussed in the expense section that follows, given the proposed product mix, three model homes for each product segment for a total of six model homes. Upgrade amenity costs are projected at $150,000 per model home. Typically, builders capture approximately 50% of the cost through the sale of the model and the furniture. Although furnishings are a real cost of the model improvements, they are personal property, not real estate. Thus, furnishings are not included in the opinion of value for the model home premiums. Given this consideration, the recapture cost for model homes are typically reduced to 25% to 40% of model improvement costs. Considering the anticipated foot traffic for the subject property, a recapture amount of 30% is considered reasonable. Using this percentage, a recapture of $45,000 per model (30% x $150,000) is concluded, which will be considered in the estimate of aggregate retail value.

Closing Projections

The typical time required for the construction of units has been approximately three to six months from start to closing. It is assumed that initial closings will occur within three to six months of the date of sale. The premise is that the builder constructs efficiently as homes are sold. These assumptions are reflected in the projected construction schedule shown in the land residual models at the end of this section. Since the land residual analysis is conducted on a semi-annual basis, closings are reflected in the following period, as most construction will be substantially completed prior to initiation of sales.

Changes in Market Conditions (Price Increases or Decreases)

The subject's market area has experienced rapid market appreciation in home prices for the past few years; however, since early 2022 the Federal Reserve Bank began raising the benchmark federal-funds rate (from near zero in March 2022) in an effort to manage rising inflation. The fed-funds rate is nearing 4%, which has resulted in a substantial rise in mortgage interest rates, which now exceed 5.5%. Market expectations are for additional rate increases. The rise in mortgage interest rates is anticipated to impact the affordability of homes for a certain segment of the homebuyer market, which may impact pricing in the near term. Consequently, under current market conditions, forecasting home appreciation during the absorption period is speculative, and several homebuilders surveyed indicate they typically do not trend/forecast home appreciation during the sell-off period. Therefore, for purposes of this analysis, the home price revenue will be held constant during the sell-off period.

Absorption

Typically, multiple product lines would be marketed in a subdivision to create characteristics appealing to as many potential purchasers as possible. Offering home products within a subdivision to different market segments is done with the aim of increasing absorption and reducing the overall development holding period for a project. Based on the typical marketing and absorption rate data presented in the *Residential Market Analysis* section, as a master planned community with limited competition in the area, we estimate an absorption rate of approximately 2.5 units per month for each of the subject projects (Island View and Waterside), which is reflected in the land residual analyses as 30 units per period.

The first two periods are devoted to site development and in-tract work. Based on discussions with market participates, we do not believe the sale and/or delivery of homes will be impacted by significant labor or material disruptions and home sales begin in Period 2 and sell out in Period 7, with Period 8 needed to complete construction and close escrow.

Expense Projections

As part of an ongoing effort to assemble market information, the table below reflects survey responses and developer budget information for numerous single-family residential subdivisions throughout the Northern California region.

Attached Residential Budgets

Developer Classification	Budget Date	No. of Unit	Quality	Avg. Unit Size (SF)	G & A % of Revenue	Mkt & Sales % of Revenue	Direct Costs/SF	Indirect % of Direct Costs	Site Costs/Unit	Permits & Fees/Unit	Cost per Model	Profit % of Revenue	IRR	Projected Sales/Mo.
Regional	2021	101	Good	1,586	3.45%	1.20%	$171.32	12%	$107,339	$42,985	$225,000	8.9%	12.5%	4.8
Local	2021	58	Good	1,540	1.00%	4.90%	$294.96	13%	N/Av	$37,600	N/Av	9.6%	N/Av	N/Av
Local	2021	18	Good	1,841	N/Av	N/Av	$225.47	21%	$33,860	$31,393	N/Av	N/Av	N/Av	1.5
Regional	2021	15	Good	1,678	4.80%	1.34%	$223.00	17%	$108,667	$40,000	N/Av	10.9%	N/Av	4.0
Regional	2020	29	Good	1,364	N/Av	N/Av	$210.00	10%	$90,074	$49,244	N/Av	N/Av	N/Av	N/Av
Regional	2020	102	Average	1,560	2.80%	6.00%	$136.00	18%	$105,207	$44,282	N/Av	24.5%	N/Av	3.0
Regional	2020	237	Average	1,818	2.49%	0.54%	$135.00	6%	$78,137	$27,818	N/Av	12.5%	22.2%	5.3
Regional	2020	134	Good	1,707	N/Av	N/Av	$180.00	16%	$187,280	$27,365	$150,000	N/Av	N/Av	4.0
Regional	2020	68	Good	2,007	N/Av	N/Av	$205.00	16%	$187,280	$31,645	$150,000	N/Av	N/Av	4.0
Regional	2020	64	Good	2,111	N/Av	N/Av	$205.00	10%	$80,058	$31,370	N/Av	N/Av	N/Av	N/Av
Regional	2020	60	Good	2,019	N/Av	N/Av	$188.00	10%	$80,058	$30,150	N/Av	N/Av	N/Av	N/Av
Regional	2019	22	Average	1,939	3.00%	6.00%	$120.00	16%	$80,099	$103,149	N/Av	N/Av	N/Av	4.0
Regional	2019	74	Average	1,519	N/Av	5.8%	$143.56	8%	$115,000	$37,270	N/Av	N/Av	N/Av	3.0
Regional	2019	52	Average	1,621	1.80%	1.57%	$150.63	8%	$68,123	$60,000	$150,000	N/Av	N/Av	N/Av
Local	2019	21	Average/Good	1,593	N/Av	N/Av	$135.00	9%	$47,033	$24,811	N/Av	N/Av	N/Av	N/Av
Minimum		15	Average	1,364	1.00%	0.54%	$120.00	6%	$33,860	$24,811	$150,000	8.9%	12.5%	1.5
Maximum		237	Good	2,111	4.80%	6.00%	$294.96	21%	$187,280	$103,149	$225,000	24.5%	22.2%	5.3
Average		70	Good	1,727	2.76%	3.42%	$181.53	13%	$97,730	$41,272	$168,750	13.3%	17.4%	3.7

Information from the survey above will contribute to the estimate of development expenses classified as follows.

General and Administrative

These expenses consist of management fees, liability and fire insurance, inspection fees, appraisal fees, legal and accounting fees and copying or publication costs. This expense category typically ranges from 2.5% to 4.0%, depending on length of project and if all of the categories are included in a builder's budget. We have used 3.0% for general and administrative expenses.

Marketing and Sale

These expenses typically consist of advertising and promotion, closing costs, sales operations, and sales commissions. The expenses are expressed as a percentage of the gross sales revenue. The range of marketing and sales expenses typically found in projects within the subject's market area is 5.0% to 6.5%. A figure of 5.0%, or 2.5% for marketing and 2.5% for sales, is estimated in the marketing and sales expense category.

Property Taxes (Ad Valorem and Special Taxes)

The subject is located within an area with an effective tax rate of 1.162600%. This amount is applied to the estimated market values and divided by the total number of units to yield an estimate of ad valorem taxes/unit/year. The tax amounts are applied to unclosed inventory over the sell-off period. Property taxes are increased by 2% per year.

The subject is within the boundary of the City of Alameda Community Facilities District No. 22-1 (Alameda Marina). According to the Rate and Method of Apportionment, the annual special taxes applicable to the subject's facilities are as presented in the table below:

ASSIGNED SPECIAL TAX FOR DEVELOPED PROPERTY AND FINAL MAP PROPERTY FISCAL YEAR 2022/23

Land Use Class	Description	Assigned Special Tax
1	Townhome Property – Greater Than or Equal to 2,680 Square Feet	$7,942 per Dwelling Unit
2	Townhome Property – 2,430 – 2,679 Square Feet	7,757 per Dwelling Unit
3	Townhome Property – 2,180 – 2,429 Square Feet	7,017 per Dwelling Unit
4	Townhome Property – 1,930 – 2,179 Square Feet	6,992 per Dwelling Unit
5	Townhome Property – 1,680 – 1,929 Square Feet	6,091 per Dwelling Unit
6	Townhome Property – Less Than 1,680 Square Feet	5,498 per Dwelling Unit
7	Non-Residential Property	0.75 per Square Foot of Non-Residential Floor Area

Based on the estimated typical home size (2,050 square feet), Special Taxes associated with the District, for the most recently available tax year amount to $6,992 per unit, which is utilized in the analysis, in addition to $2,168 of additional direct charges per unit. The total tax expense is gradually reduced over the absorption period, as the land components are sold off.

HOA

A homeowners association is planned for the subject. According to the Developer the estimated HOA fee applicable to the subject property will be approximately $404 to $458 per unit per month. This analysis utilizes an HOA fee of $430 per unit per month, which is similar to other new home projects in the area.

Remaining Site Development Costs

The subject's remaining site development costs of $7,400,000 have been included in the analysis over the initial period.

Permits and Fees

Permits and fees represent all fees payable upon obtaining building permit for the construction of the proposed units and include school fees and any impact fees As noted, permits and fees due at building permit are projected to average $31,335 per unit. The value contribution of permits and fees paid will be considered at the end of the valuation section.

Direct and Indirect Construction Costs

Construction costs are generally classified into direct and indirect costs. Direct costs reflect the cost of labor and materials to build the project. Direct costs generally are lower per square foot for larger floor plans, all else being equal, due to economies of scale. Indirect items are the carrying costs and fees incurred in developing the project and during the construction cycle. Construction quality and market-segment are significant factors that affect direct construction costs. In addition, national/public builders, which are able to achieve lower costs due to the larger scale in which orders are placed, routinely achieve lower direct costs.

The Developer has noted total vertical home construction costs applicable to the subject are anticipated to be $81,000,000 in both direct and indirect costs. Recent conversations with homebuilders confirm construction costs have increased over the last 12 months. Based on the cost comparables and the Developer's provided costs, and considering the product line proposed for development, a direct cost estimate of $215 per square foot is applied to the 2,050 square foot home.

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

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

Conversations with homebuilders indicate the indirect costs generally range anywhere from 10% to 20% of the direct costs (excluding marketing, sales, general and administrative expenses, taxes, which are accounted for separately). An estimate of 15% is considered reasonable for the subject.

Model Complex

Considering the proposed product mix, three model homes for each product segment for a total of six model homes. Model upgrade expenses can vary widely depending upon construction quality, targeted market and anticipated length of time on the market. These upgrades, exterior and interior, including furniture, can range from $20,000 per model to over $250,000 per model for executive homes.

Based on the quality of the subject's proposed improvements and the targeted buyer segment, a model upgrade cost of $150,000 is considered reasonable for the subject's lots. Of this amount approximately 30% will be recaptured with the sale of the models reflecting a model recapture of $45,000. Model costs will be applied in the second period.

Summary

The following chart summarizes the revenue and expenses discussed on the preceding pages.

Revenue & Expense Summary

Revenue

Floor Plans	Units	Avg. SF/Unit	$/Unit	Extension	
Typical Market Rate Unit	157	2,050	$1,275,000	$200,175,000	
Aggregate Retail Proceeds				$200,175,000	
Number of Units				157	
Weighted Average Home Size (SF)				2,050	
Average Revenue per Unit				$1,275,000	
			Home Revenue (Before Appreciation):	$200,175,000	
			Home Revenue (After Appreciation):	$200,175,000	
			Home Revenue (Per Unit - from cash flow):	$1,275,000	
Lot Premiums				$2,001,750	$12,750 (per unit)
Model Recapture	(@ 30%	of cost)		$270,000	
			Lot Premium and Model Recapture Revenue:	$2,271,750	$14,470 (per unit)
			Total Revenue (After Appreciation):	$202,446,750	$1,289,470 (per unit)

Expenses

Non-Appreciated Expenses			Total Over Sell-Off Period			
General and Administrative	3.0%	of total revenue	$6,073,403			
Marketing and Sales	5.0%	of total revenue	$10,122,338			
Ad Valorem Real Estate Taxes	$4,374	/unit/year	$1,439,349	(from cash flow)		
Direct Real Estate Tax Charges	$2,168	/unit/year	$713,391	(from cash flow)		
CFD No. 22-1 (Alameda Marina)	$6,992	/unit/year	$2,300,753	(from cash flow)		
HOA	$430	/unit/month	$1,674,420	(from cash flow)		
Model Costs	6	models	$900,000	$150,000	(per model)	
Site Development Costs			$ 7,400,000.00	$47,134	(per unit)	
Permits and Fees			$4,919,595	$31,335	(per unit)	
Subtotal:			$35,543,248			
Appreciated Expenses						
Direct Constructon Costs (Before Appeciation)			$69,197,750	$440,750	(per unit)	$215 per SF
Direct Constructon Costs (After Appreciation)			$69,197,750	$440,750	(per unit)	(from cash flow)
Indirect Constructon Costs (Total)	15%	of Direct Costs	$10,379,663	$66,113	(per unit)	(from cash flow)
Subtotal:			$79,577,413			
		Total Expenses:	$115,120,661			

Developer’s Incentive and Discount Rate

Developer’s Incentive

When employing a land residual analysis, most market participants (homebuilders) analyze projects based on an expected increment of profit and a cost-of-funds discount rate. The developer’s profit is expressed as a percent of sales revenue and is included as an expense deduction. The cost-of-funds rate is used to discount each year of net income to present value. This methodology differs from the subdivision development method, in which most market participants (typically land developers) employ a yield rate or internal rate of return (IRR) inclusive of developer’s profit, and do not deduct profit as a line item expense.

According to industry sources, developer’s incentive (profit) historically has ranged anywhere from 5% to 25%, with a predominate range of 5% to 15%. This is consistent with our survey presented earlier in this section, which ranged from 8.9% to 24.5%. Profit is based on the perceived risk associated with the development. Low profit expectations are typical for projects focused on more affordable product with faster sales rates. Higher profit expectations are common in projects with more risk such as developments where sales rates are slower, project size produces an extended holding period or the product type is considered weak or untested.

Elements affecting profit include location, supply/demand, anticipated risk, construction time frame and project type. Another element considered in profit expectations is for the development stage of a project. First phases typically generate a lower profit margin due to cautious or conservative pricing, as new subdivisions in competitive areas must become established to generate a fair market share. Additionally, up front development costs on first phases can produce lower profit margins.

Based on the preceding discussion and developer surveys, we have concluded an estimate of 9% for developer's incentive.

Discount Rate (Cost of Funds)

A discount rate will be employed to convert future cash flows to present value, thus reflecting the time value of money. An appropriate discount rate should reflect the cost of funds under current market conditions. For a cost of funds index, we will use the 11th District Cost of Funds Index (COFI), which is a standard financial index widely used in U.S. capital markets as a benchmark for adjustable-rate loans. Lenders use such an index to adjust interest rates as economic conditions change. Lenders add a certain number of percentage points, or margin, to the index to establish interest rates. The 11th District COFI was 0.22% as of September 2022. A typical margin used by banks is about 250 to 350 basis points, or 2.5% to 3.5% not including additional points or fees. We will employ a discount rate (cost of funds) of 5.0% in the land residual analysis.

Conclusion

The land residual analysis is presented as follows:

Land Residual Analysis

Semi-Annual:	0	1	2	3	4	5	6	7	8	Total
REVENUE AND SALES										
Sales - Attached	0	0	30	30	30	30	30	7	0	157
Unsold Inventory	157	157	127	97	67	37	7	0	0	
Close of Escrow (COE)	0	0	0	30	30	30	30	30	7	157
Pending/Under Construction	0	0	30	90	90	90	90	67	14	
Under Construction by %		0.0%	6.4%	19.1%	19.1%	19.1%	19.1%	14.2%	3.0%	100.0%
Unclosed Inventory		157	157	127	97	67	37	7	0	
Contracted Base Revenue (Before Appreciation)		$0	$38,250,000	$38,250,000	$38,250,000	$38,250,000	$38,250,000	$8,925,000	$0	$200,175,000
Semi-Annual Appreciation Factor	1.0000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	
Appreciated Contracted Home Revenue		$0	$38,250,000	$38,250,000	$38,250,000	$38,250,000	$38,250,000	$8,925,000	$0	$200,175,000
Appreciated Closing Home Revenue		$0	$0	$38,250,000	$38,250,000	$38,250,000	$38,250,000	$38,250,000	$8,925,000	$200,175,000
Lot Premium and Model Recapture Revenue		$0	$0	$434,092	$434,092	$434,092	$434,092	$434,092	$101,288	$2,271,750
Total Revenue		$0	$0	$38,684,092	$38,684,092	$38,684,092	$38,684,092	$38,684,092	$9,026,288	$202,446,750
EXPENSES AND CASH FLOWS										
Fixed or Percentage Expenses										
General and Administrative	3%	($759,175)	($759,175)	($759,175)	($759,175)	($759,175)	($759,175)	($759,175)	($759,175)	($6,073,403)
Marketing and Sales	5%	$0	$0	($1,934,205)	($1,934,205)	($1,934,205)	($1,934,205)	($1,934,205)	($451,314)	($10,122,338)
Ad Valorem Real Estate Taxes	$4,374	($343,374)	($343,374)	($283,316)	($216,391)	($152,455)	($84,192)	($16,247)	$0	($1,439,349)
Direct Real Estate Tax Charges	$2,168	($170,188)	($170,188)	($140,421)	($107,251)	($75,562)	($41,728)	($8,052)	$0	($713,391)
CFD No. 22-1 (Alameda Marina)v	$6,992	($548,872)	($548,872)	($452,872)	($345,894)	($243,695)	($134,578)	($25,970)	$0	($2,300,753)
HOA per Month	$430	($405,060)	($405,060)	($327,660)	($250,260)	($172,860)	($95,460)	($18,060)	$0	($1,674,420)
Model Costs		$0	($900,000)	$0	$0	$0	$0	$0	$0	($900,000)
Site Development Costs		($7,400,000)	$0	$0	$0	$0	$0	$0	$0	($7,400,000)
Building Permits		$0	($940,050)	($940,050)	($940,050)	($940,050)	($940,050)	($219,345)	$0	($4,919,595)
Subtotal:		($9,626,669)	($4,066,719)	($4,837,699)	($4,553,226)	($4,278,002)	($3,989,388)	($2,981,054)	($1,210,490)	($35,543,248)
Appreciated Expenses										
Direct Construction Costs		$0	($4,407,500)	($13,222,500)	($13,222,500)	($13,222,500)	($13,222,500)	($9,843,417)	($2,056,833)	($69,197,750)
Semi-Annual Appreciation Factor	1.0000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	
Appreciated Direct Costs		$0	($4,407,500)	($13,222,500)	($13,222,500)	($13,222,500)	($13,222,500)	($9,843,417)	($2,056,833)	($69,197,750)
Indirect Construction Costs	15%	$0	($661,125)	($1,983,375)	($1,983,375)	($1,983,375)	($1,983,375)	($1,476,513)	($308,525)	($10,379,663)
Subtotal:		$0	($5,068,625)	($15,205,875)	($15,205,875)	($15,205,875)	($15,205,875)	($11,319,929)	($2,365,358)	($79,577,413)
Total Expenses		($9,626,669)	($9,135,344)	($20,043,574)	($19,759,101)	($19,483,877)	($19,195,263)	($14,300,983)	($3,575,848)	($115,120,661)
NET INCOME BEFORE DEVELOPER'S INCENTIVE		($9,626,669)	($9,135,344)	$18,640,518	$18,924,991	$19,200,215	$19,488,829	$24,383,109	$5,450,440	$87,326,089
Total Project Incentive	9.00%	$0	$0	($3,481,568)	($3,481,568)	($3,481,568)	($3,481,568)	($3,481,568)	($812,366)	($18,220,208)
NET INCOME (BEFORE DISCOUNTING)		($9,626,669)	($9,135,344)	$15,158,950	$15,443,423	$15,718,647	$16,007,261	$20,901,541	$4,638,074	$69,105,882
Present Value Factors										
Discount Rate (Cost of Borrowed Funds)	5.00%	0.97561	0.95181	0.92860	0.90595	0.88385	0.86230	0.84127	0.82075	
Discounted Cash Flow		($9,391,872)	($8,695,152)	$14,076,592	$13,990,979	$13,892,993	$13,803,011	$17,583,740	$3,806,684	$59,066,973
Net Present Value										$59,070,000
									Net Present Value Per Unit (Rounded):	$376,000
NET INCOME BEFORE DEVELOPER'S INCENTIVE		($9,626,669)	($9,135,344)	$18,640,518	$18,924,991	$19,200,215	$19,488,829	$24,383,109	$5,450,440	$87,326,089
Present Value Factor										
Internal Rate of Return (IRR)	13.525%	0.93666	0.87733	0.82176	0.76971	0.72095	0.67529	0.63251	0.59245	
Discounted Cash Flow		($9,016,901)	($8,014,703)	$15,317,990	$14,566,685	$13,842,433	$13,160,529	$15,422,612	$3,229,102	$58,507,746
Net Present Value		$58,507,746								

Sales Comparison Approach

In this section of the report, we will utilize the sales comparison approach as further support for the estimate the market value of the subject lots/units. This value estimate assumes the subject property would sell on a bulk, or wholesale, basis. That is, it would transfer in one transaction to a single buyer. This approach develops an indication of value by researching, verifying, and analyzing sales of similar properties. Our sales research focused on transactions within the following parameters:

- Location: city of Alameda
- Number of Lots/Units: 50 to 250 lots/units
- Transaction Date: within the last 24 to 48 months

The sale are analyzed on a price per lot/unit basis. The most relevant sales are summarized in the following table:

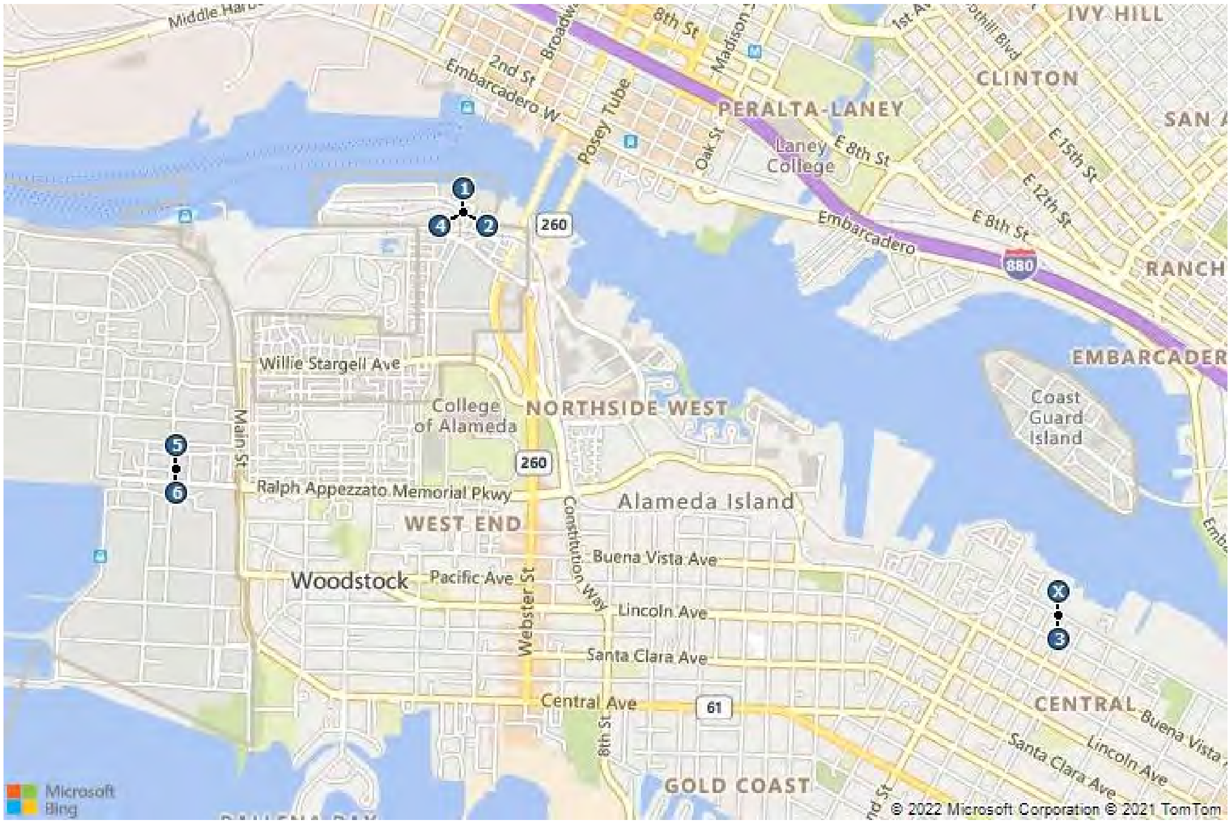
Summary of Comparable Land Sales

No.	Name/Address	Sale Date; Status	Sale Price; PV of Spec. Tax/Lot	Number of Lots	$/Lot
1	City of Alameda CFD No. 2013-01 (Alameda Landing) Mosley Ave. Alameda Tax ID: 74-1380- Lots 1 - 18, 74-1379- Lots 1 - 18, 74-1373-10 and 74-1373-13 Grantor: The Successor Agency to the former Community Improvement Commission of the City of Alameda Grantee: Pulte Home Company, LLC Document ID: *Comments: This transaction reflects Phase 3 of Alameda Landing, which includes 106 lots. Permits and fees are estimated at $15,590 per unit. The master developer is responsible for the grading of the parcels, with the homebuilder responsible for infrastructure and in-tracts. Remaining site development costs are estimated at $104,811 per lot. The proposed homes will include a mix of condominiums and townhomes. Eight of the homes will be below market rate. The average home size for Phase 3 is 1,406 square feet.* *This is the last of three takedowns to Pulte; all three takedowns were negotiated together in 2020 and included in one purchase agreement. The first and second takedowns closed in August 2020 and June 2021, respectively.*	Apr-22 In-Contract	$22,065,000 $0	106	$208,160
2	City of Alameda CFD No. 2013-01 (Alameda Landing) Mosley Ave. Alameda Tax ID: 74-1380- Lots 1 - 18, 74-1379- Lots 1 - 18, 74-1373-10 and 74-1373-13 Grantor: The Successor Agency to the former Community Improvement Commission of the City of Alameda Grantee: Pulte Home Company, LLC Document ID: *Comments: This transaction reflects Phase 2 of Alameda Landing, which includes 95 lots. Permits and fees are estimated at $15,590 per unit. The master developer is responsible for the grading of the parcels, with the homebuilder responsible for infrastructure and in-tracts. Remaining site development costs at the time of sale are estimated at $109,895 per lot. The proposed homes will include 78 attached homes (mix of townhomes and flats) and 17 detached homes on small lots. Seven of the homes will be below market rate. The average home size for Phase 2 is 1,404 square feet.* *This is the second of three takedowns to Pulte; all three takedowns were negotiated together and included in one purchase agreement. The first takedown closed in August 2020 and the third takedown is scheduled for April 2022.*	Jun-21 Closed	$24,075,000 $0	95	$253,421
3	City of Alameda CFD No. 2022-1 (Alameda Marina) Clement Ave. Alameda Tax ID: Grantor: Alameda Marina, LLC Grantee: Arroyo Cap II-5, LLC Document ID: 2021173713 *Comments: Homebuilder, Landsea Homes, acquired this 10.96-acre property in May 2021 based on the December 2020 contract price of $51,900,000, or approximately $285,165 per townhome unit. The proposed project consists of a total of 182 single family residences, including 25 BMR units. Two product lines will be constructed, Island View and Waterside. Island View will comprise a total of 98 townhomes with marina views, with seven floor plans ranging from 1,462 to 2,386 square feet, and select homes will include rooftop decks. Waterside is located on the waterfront; these 84 townhomes will include four floor plans ranging from 2,161 to 2,689 square feet with rooftop decks. Vertical home construction commenced in August 2022.* *Upon completion of the Alameda Marina redevelopment project, it will include 760 housing units, 150,000 square feet of commercial space, and 104 BMR units, as well as 3.45 acres of parks, 529 boat slips, a 60-boat dry storage area, public shoreline access and an extension of the Bay Trail and bike path network.*	May-21 Closed	$51,900,000 $0	182	$285,165

Summary of Comparable Land Sales

No.	Name/Address	Sale Date; Status	Sale Price; PV of Spec. Tax/Lot	Number of Lots	$/Lot
4	City of Alameda CFD No. 2013-01 (Alameda Landing) Mosley Ave. Alameda Tax ID: 74-1380- Lots 1 - 18, 74-1379- Lots 1 - 18, 74-1373-10 and 74-1373-13 Grantor: The Successor Agency to the former Community Improvement Commission of the City of Alameda Grantee: Pulte Home Company, LLC *Comments: This transaction reflects Phase 1 of Alameda Landing, which includes 156 lots. Permits and fees are estimated at $15,590 per unit. The master developer is responsible for the grading of the parcels, with the homebuilder responsible for infrastructure and in-tracts. Remaining site development costs at the time of sale are estimated at $80,032 per lot. The majority of the proposed homes will reflect attached townhomes and flats (143 homes). The project will also include 13 detached homes on small lots. Twenty-four of the homes will be below market rate. The average home size for Phase 1 is 1,399 square feet.* *This is the first of three takedowns to Pulte; all three takedowns were negotiated together and included in one purchase agreement. The second takedown closed in June 2021 and the third takedown is scheduled for April 2022.*	Aug-20 Closed	$35,110,000 $0	156	$225,064
5	Alameda Point Block 7 173 W. Seaplane Pagoon Alameda Tax ID: 74-1376-4 Grantor: Alameda Point Partners, LLC Grantee: TH-HW Alameda Pointe, LLC (Trumark) Document ID: 135321 *Comments: This property sold with infrastructure obligations to be completed by the seller to bring the development to paper lot status. Block 7 of Alameda Point is proposed for 60 townhomes ranging from 1,448 to 2,442 square feet. Permits and fees are estimated at $30,150 per unit.*	Jul-19 Closed	$15,000,000 $0	60	$250,000
6	Alameda Point Block 6 173 W. Seaplane Lagoon Alameda Tax ID: 74-1376-3 Grantor: Alameda Point Partners, LLC Grantee: TH-HW Alameda Pointe, LLC (Trumark) *Comments: This property sold with infrastructure obligations to be completed by the seller to bring the development to paper lot status. Block 6 of Alameda Point is proposed for 64 townhomes ranging from 1.767 to 3,332 square feet. Permits and fees are estimated at $31,370 per unit.*	Mar-18 Closed	$19,400,000 $0	64	$303,125

Comparable Land Sales Map



Adjustment Factors

The sales are compared to the subject and adjusted to account for material differences that affect value. Adjustments are considered for the following factors, in the sequence shown below.

Adjustment Factors	
Effective Sale Price	Accounts for atypical economics of a transaction, such as demolition cost, expenditures by the buyer at time of purchase, or other similar factors. Usually applied directly to sale price on a lump sum basis.
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale, related parties transaction.
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.
Location	Market or submarket area influences on sale price; surrounding land use influences.
Community Appeal	Adjustments are applied where necessary to account for differences in desirability of communities.
Number of Lots/Units	Generally, there is an inverse relationship between the number of lots/units and price per lot/unit such that larger projects (with a greater number of lots/units) achieve a lower price per lot/unit and smaller projects (with fewer lots/units) achieve a higher price per lot/unit.
Topography/Site Utility	Differences in contour, drainage, soil conditions, as well as project design, can affect the utility and, therefore, the market value of the properties.
Lot Premiums/ Discounts	Cul-de-sac, single or double-loaded streets, open space, elevated views, etc.

When considering market conditions, we note that home values have been increasing significantly during the past 18 months; though, some price appreciation has been offset by rising construction costs (materials) and labor shortages during the pandemic. The construction costs have since moderated; though, rising interest rates are beginning to show signs of impacting pricing and absorption. The comparables transferred between March 2018 and April 2022, and we apply market conditions adjustments those comparables that transferred between 2018 and 2020.

The market data set consists of various sales that are considered reasonable indicators of market value for the fee simple interest in the subject property, which reflects an unadjusted range of

$208,160 to $303,125 per unit/lot. It is noted, Comparable 3 represents the recent transaction of the subject property.

Based upon the analysis presented herein, a ranking of the subject and the comparable sales is provided in the following table.

Bulk Lot Ranking Summary

Property	Sale Date	$/Lot (Unadjusted)
Comparable 6	Mar-18	$303,125
Comparable 3	May-21	$285,165
Subject Property		**$285,165**
Comparable 5	Jul-19	$250,000
Comparable 2	Jun-21	$253,421
Comparable 4	Aug-20	$225,064
Comparable 1	Apr-22	$208,160

According to the horizontal cost budget provided by the merchant builder, total site development costs are estimated at $19,052,799, of which $7,400,000 remain to be incurred; therefore, approximately $11,662,798 (or $74,222 per unit) has been spent to date. Considering the costs incurred to date, a value of $360,000 per unit (rounded) is concluded via the sales comparison approach.

Land Value Conclusion

The unit value conclusions indicated by the land residual analysis and sales comparison approach to value are presented below.

Reconciliation		
Land Residual Analysis	$376,000	per unit
Sales Comparison Approach	$360,000	per unit
% Difference	4.4%	
Average	$368,000	
Concluded Unit Value	$375,000	per unit

The residential market conditions, in this region and beyond, were experiencing rapid value changes for new homes and near ready for construction lots to support new home expansion over the past 12 to 18 months. In the subject's submarket the last completed sale contracts were negotiated months prior. We are aware of more recent lot sales elsewhere in the region that illustrate a step-in price for lots in the first quarter of 2022. However, rising interest rates and slowing demand has put downward pressure on home and lot prices over the last few months. Market participants have noted they believe the top of the market occurred in the first quarter of 2022 and land values have since declined due to the rising interest rates and other economic conditions.

When ample sales are available, the direct sales comparison approach is generally concluded to be the most reliable indication of land value. However, the scarcity of sales that reflect current market conditions for the subject's location result in a required upward adjustment for expanding market conditions, which can be difficult to quantify. Given the information cited above, the direct sales comparison approach as an indicator of value is weaker than the land residential analysis that considers the current prices achieved for new home sales.

It should be noted, Landsea Homes has already paid permits and fees for Building 2 (seven units in Island View) and Building 11 (four units in Waterside, respectively) of $176,943.96 and $149,567.69, respectively. In addition, eligible CFD infrastructure improvements related to the seawall and Clement Avenue total $30,373,395. Based on information provided by the master developer, $1,723,168 in costs related to the seawall construction (promenade wharf structural retrofit and seawall handrails) remain, of which the subject's pro-rata share is approximately $455,325. Bond proceeds are less than the amount of eligible infrastructure costs spent to day. Therefore, the permits and fees paid to date, as well as remaining seawall costs are accounted for in our final opinion of value, calculated as follows:

Land Value Conclusion	
Indicated Value per Lot	$375,000
Subject Lots	157
Indicated Value	$58,875,000
Adjustments	
Less: Remaining Infrastructure Costs	-$455,325
Plus: Permits and Fees Paid	$326,512
Total Adjustments	-$128,813
Indicated Value	$58,746,187
Rounded	$58,750,000

Final Opinion of Value

Based on the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, our opinion of value is as follows:

Value Conclusion

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value, Subject to a Hypothetical Condition	Fee Simple	September 6, 2022	$58,750,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

None

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. We have been requested to provide an opinion of value of the subject property as of September 6, 2022. It is a hypothetical condition of the Appraisal that proceeds from the Bonds are available for reimbursements of public improvement costs.

Exposure Time

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Exposure time is always presumed to precede the effective date of the appraisal. Based on our review of recent sales transactions for similar properties and our analysis of supply and demand in the local land market, it is our opinion that the probable exposure time for the subject at the concluded market value stated previously is 12 months.

Marketing Time

Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. As we foresee no significant changes in market conditions in the near term, it is our opinion that a reasonable marketing period for the subject in bulk is likely to be the same as the exposure time. Accordingly, we estimate the subject’s marketing period at 12 months.

Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. 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.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Kevin Ziegenmeyer, MAI, made a personal inspection of the property that is the subject of this report. Eric Segal, MAI, has not personally inspected the subject. Sara Gilbertson has not personally inspected the subject.
12. No one provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report, Kevin Ziegenmeyer, MAI, and Eric Segal, MAI, have completed the continuing education program for Designated Members of the Appraisal Institute.

15. As of the date of this report, Sara Gilbertson has completed the Standards and Ethics Education Requirements for Candidates/Practicing Affiliates of the Appraisal Institute.

Kevin Ziegenmeyer, MAI
California Certified General Real Estate Appraiser
California Certificate # AG013567

Eric Segal, MAI
California Certified General Real Estate Appraiser
California Certificate # AG026558

Sara Gilbertson
California Certified General Real Estate Appraiser
California Certificate # 3002204

Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal

covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.

7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.
17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic

conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.

18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

19. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.

20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. Integra Realty Resources – Sacramento, Integra Realty Resources, Inc., Integra Strategic Ventures, Inc. and/or any of their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.

21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.

22. Integra Realty Resources – Sacramento is not a building or environmental inspector. Integra Sacramento does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.

23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.

24. It is expressly acknowledged that in any action which may be brought against any of the Integra Parties, arising out of, relating to, or in any way pertaining to this engagement, the

appraisal reports, and/or any other related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct.

25. Integra Realty Resources – Sacramento, an independently owned and operated company, has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).

26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.

27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

28. The appraisal is also subject to the following:

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

None

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. We have been requested to provide an opinion of value of the subject property as of September 6, 2022. It is a hypothetical condition of the Appraisal that proceeds from the Bonds are available for reimbursements of public improvement costs.

Addendum A

Appraiser Qualifications

Kevin Ziegenmeyer, MAI

Experience

Mr. Ziegenmeyer is a Certified General real estate appraiser and holds the Appraisal Institute's MAI designation. In 1989, Mr. Ziegenmeyer began his career in real estate as a controller for a commercial and residential real estate development corporation. In 1991 he began appraising and continued to be involved in appraisal assignments covering a wide variety of properties, including office, retail, industrial, residential income and subdivisions throughout the state of California, and Northern Nevada. Mr. Ziegenmeyer handles many of the firm’s master-planned property appraisals and over the past two decades has developed expertise in the valuation of Community Facilities Districts and Assessment Districts.In fact, Mr. Ziegenmeyer was one of five appraisers to collaborate with other professionals in developing the appraisal guidelines for the California Debt and Investment Advisory Commission (Recommended Practices in the Appraisal of Real Estate for Land-Secured Financing - 2004). He has developed the experience and background necessary to deal with complex assignments covering an array of property types, with a particular focus on urban redevelopment in the cities and counties of San Francisco, Dublin, Monterey, Newport Beach, Alameda, Napa and San Mateo. In early 2015, Mr. Ziegenmeyer obtained the Appraisal Institute's MAI designation. Kevin is currently Senior Managing Director of the Integra-San Francisco office and Managing Director of the Integra-Sacramento office.

Licenses

California, Certified General Real Estate Appraiser, AG013567, Expires June 2023

Education

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

Appraisal and Real Estate Courses:
Standards of Professional Practice, Parts A, B & C
Basic Valuation Procedures
Real Estate Appraisal Principles
Capitalization Theory and Techniques, Part A
Advanced Income Capitalization
Report Writing and Valuation Analysis
Advanced Applications
IRS Valuation Summit I & II
2008, 2009, 2010 & 2011 Economic Forecast
Business Practices and Ethics
Contemporary Appraisal Issues with Small Business Administration Financing
General Demonstration Appraisal Report Writing Seminar
7-Hour National USPAP Update Course
Valuation of Easements and Other Partial Interests
2009 Summer Conference
Uniform Appraisal Standards for Federal Land Acquisitions
2008 Economic Update
Valuation of Conservation Easements
Subdivision Valuation
2005 Annual Fall Conference

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Kevin Ziegenmeyer, MAI

Education (Cont'd)

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

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Business, Consumer Services & Housing Agency

BUREAU OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

Kevin K. Ziegenmeyer

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

"Certified General Real Estate Appraiser"

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

BREA APPRAISER IDENTIFICATION NUMBER: AG 013567

Effective Date: June 5, 2021
Date Expires: June 4, 2023

Loretta Dillon

Loretta Dillon, Deputy Bureau Chief, BREA

3057527

Eric Segal, MAI

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Experience

Mr. Segal is a Certified General real estate appraiser and holds the Appraisal Institute's MAI designation. In 1998, Mr. Segal began his career in real estate as a research analyst/appraiser trainee for Richard Seevers and Associates. By 1999, he began writing narrative appraisal reports covering a variety of commercial properties, with an emphasis on residential master planned communities and subdivisions. Today, Mr. Segal is a partner in the firm and is involved in appraisal assignments covering a wide variety of properties including office, retail, industrial, multifamily housing, master planned communities, and specializes in the appraisal of Mello-Roos Community Facilities Districts and Assessment Districts for land-secured municipal financings, as well as multifamily developments under the U.S. Department of Housing and Urban Development's Multifamily Accelerated Processing (MAP) Guide. He has developed the experience and background necessary to deal with complex assignments covering an array of property types, with a particular focus on urban redevelopment in the cities of San Francisco, Monterey, Alameda and San Mateo. He has developed the experience and background necessary to deal with complex assignments covering an array of property types. Eric is currently Managing Director of the Integra-San Francisco office as well as Integra-Sacramento office.

Professional Activities & Affiliations

Appraisal Institute, Member (MAI) Appraisal Institute, January 2016

Licenses

California, Certified General, AG026558, Expires February 2023
Nevada, Certified General, A.0207666-CG, Expires January 2023
Arizona, Certified General, CGA - 1006422, Expires January 2024
Washington, Certified General, 20100611, Expires June 2023

Education

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

Appraisal and Real Estate Courses:
Uniform Standards of Professional Appraisal Practice
Appraisal Principles
Basic Income Capitalization
Highest & Best Use and Market Analysis
Advanced Income Capitalization
Report Writing and Valuation Analysis
Self-Storage Economics and Appraisal Seminar
Appraisal Litigation Practice and Courtroom Management
Hotel Valuations: New Techniques for today's Uncertain Times
Computer Enhanced Cash Flow Modeling
Advanced Sales Comparison & Cost Approaches
Advanced Applications
Supervisor-Trainee Course for California

esegal@irr.com - 916.435.3883 x228

Business, Consumer Services & Housing Agency

BUREAU OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

Eric A. Segal

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

"Certified General Real Estate Appraiser"

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

BREA APPRAISER IDENTIFICATION NUMBER: AG 026558

Effective Date: February 19, 2021
Date Expires: February 18, 2023

Loretta Dillon

Loretta Dillon, Deputy Bureau Chief, BREA

3055248

Sara Gilbertson

Integra Realty Resources - Sacramento

590 Menlo Drive
Suite 1
Rocklin, CA 95765

T 916.435.3883
F 916.435.4774

irr.com

Experience

Ms. Gilbertson is a licensed appraiser with Integra Realty Resources, a real estate appraisal firm that engages in a wide variety of real estate valuation and consultation assignments. After completing her bachelor's degree at California State University, Sacramento, Ms. Gilbertson began her career in real estate as a research analyst/appraiser trainee for Seevers Jordan Ziegenmeyer in 2011. She has experience in writing narrative appraisal reports covering a variety of commercial properties, as well as special use properties including self-storage facilities, hotels and mobile home parks. She also specialized in the appraisal of residential master planned communities and subdivision, as well as Mello Roos and Assessment Districts for land secured municipal financings. Ms. Gilbertson has developed the experience and background necessary to deal with complex assignments covering an array of property types.

Licenses

California, California Certified General Real Estate Appraiser, 3002204, Expires May 2024

Education

Academic:
Bachelor of Science in Business Administration (Concentration in Real Estate and Land Development), California State University, Sacramento

Appraisal Institute Courses:
Basic Appraisal Principles
Basic Appraisal Procedures
Uniform Standards of Professional Appraisal Practice
Real Estate Finance and Statistics and Valuation Modeling
Sales Comparison Approach
Report Writing and Case Studies
Market Analysis and Highest and Best Use
Site Valuation and Cost Approach
Basic Income Capitalization
Federal and California Statutory and Regulator Laws
Quantitative Analysis
Business Practices and Ethics
Advanced Market Analysis and Highest and Best Use
Advanced Income Capitalization
Advanced Concepts and Case Studies

sgilbertson@irr.com - 916.435.3883 x248

Business, Consumer Services & Housing Agency

BUREAU OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

Sara A. Gilbertson

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

"Certified General Real Estate Appraiser"

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

BREA APPRAISER IDENTIFICATION NUMBER: 3002204

Effective Date: May 30, 2022
Date Expires: May 29, 2024

Loretta Dillon

Loretta Dillon, Deputy Bureau Chief, BREA

3062390

About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

Local Expertise...Nationally!

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Addendum B

IRR Quality Assurance Survey

IRR Quality Assurance Survey

We welcome your feedback!

At IRR, providing a quality work product and delivering on time is what we strive to accomplish. Our local offices are determined to meet your expectations. Please reach out to your local office contact so they can resolve any issues.

Integra Quality Control Team

Integra does have a Quality Control Team that responds to escalated concerns related to a specific assignment as well as general concerns that are unrelated to any specific assignment. We also enjoy hearing from you when we exceed expectations! You can communicate with this team by clicking on the link below. If you would like a follow up call, please provide your contact information and a member of this Quality Control Team will call contact you.

Link to the IRR Quality Assurance Survey: quality.irr.com

Addendum C

Definitions

Definitions

The source of the following definitions is the Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015), unless otherwise noted.

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

Disposition Value
The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms.

Effective Date
1. The date on which the appraisal or review opinion applies.
2. In a lease document, the date upon which the lease goes into effect.

Entitlement
In the context of ownership, use, or development of real estate, governmental approval for annexation, zoning, utility extensions, number of lots, total floor area, construction permits, and occupancy or use permits.

Entrepreneurial Incentive
The amount an entrepreneur expects to receive for his or her contribution to a project. Entrepreneurial incentive may be distinguished from entrepreneurial profit (often called *developer's*

profit) in that it is the expectation of future profit as opposed to the profit actually earned on a development or improvement. The amount of entrepreneurial incentive required for a project represents the economic reward sufficient to motivate an entrepreneur to accept the risk of the project and to invest the time and money necessary in seeing the project through to completion.

Entrepreneurial Profit

1. A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses.
2. In economics, the actual return on successful management practices, often identified with coordination, the fourth factor of production following land, labor, and capital; also called entrepreneurial return or entrepreneurial reward.

Exposure Time

1. The time a property remains on the market.
2. The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Fee Simple Estate

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

Floor Area Ratio (FAR)

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

Highest and Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (ISV)

3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
2. The value of an asset to the owner or a prospective owner for individual investment or operational objectives.

Lease

A contract in which rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent.

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

Liquidation Value

The most probable price that a specified interest in real property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms.

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

Market Value
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- buyer and seller are typically motivated;
- both parties are well informed or well advised, and acting in what they consider their own best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

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

Addendum D

Final Map

TRACT 8610
ALAMEDA MARINA TOWNHOMES

BEING A SUBDIVISION OF LOT 5 OF TRACT 8500,
RECORDED IN BOOK 363 OF MAPS, AT PAGE 90
OFFICIAL RECORDS OF ALAMEDA COUNTY
CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA

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MAY 2022

OWNER'S STATEMENT

THE UNDERSIGNED HEREBY STATES THAT IT IS THE OWNER OF THE REAL PROPERTY INCLUDED WITHIN THE SUBDIVISION SHOWN ON THE MAP; THAT IT IS THE ONLY ENTITY WHOSE CONSENT IS NECESSARY TO PASS A CLEAR TITLE TO SAID REAL PROPERTY; AND THAT IT HEREBY CONSENTS TO THE MAKING OF SAID MAP AND SUBDIVISION AS SHOWN WITHIN THE DISTINCTIVE BORDER LINE; AND HEREBY CONSENTS TO ALL DEDICATIONS AND OFFERS OF DEDICATION THEREIN.

THE UNDERSIGNED ALSO HEREBY STATES THAT THE REAL PROPERTY DESCRIBED BELOW IS DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES: FOR PUBLIC UTILITIES AND THEIR APPURTENANCES AND THE RIGHT TO CONSTRUCT, INSTALL, MAINTAIN AND REPLACE SUCH UTILITIES AND THEIR APPURTENANCES UNDER, ON, OVER THE STRIPS OF LAND DESIGNATED "PUBLIC UTILITY EASEMENT" (PUE) ON SAID MAP. SAID PUBLIC UTILITY EASEMENT SHALL BE KEPT OPEN AND FREE FROM BUILDINGS AND STRUCTURES OF ANY KIND EXCEPT LAWFUL FENCES, SURFACE PAVEMENT, LAWFUL UNSUPPORTED ROOF OVERHANGS, LANDSCAPING, IRRIGATION SYSTEMS, UTILITY COMPANY STRUCTURES AND APPURTENANCES THEREOF.

THE UNDERSIGNED ALSO HEREBY STATES THAT THE REAL PROPERTY DESCRIBED BELOW IS DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES: FOR PUBLIC ACCESS PURPOSES AND APPURTENANCES THERETO ON OR OVER THOSE CERTAIN STRIPS OF LAND DESIGNATED AND DELINEATED AS "PAE" (PUBLIC ACCESS EASEMENT).

THE UNDERSIGNED ALSO HEREBY STATES THAT THE REAL PROPERTY DESCRIBED BELOW IS DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES: FOR INGRESS AND EGRESS OF EMERGENCY VEHICLES OVER, UPON AND ACROSS THOSE STRIPS OF LAND DESIGNATED "EMERGENCY VEHICLE ACCESS EASEMENT (EVAE) AS DELINEATED ON THIS MAP.

THE UNDERSIGNED ALSO HEREBY STATES THAT THE REAL PROPERTY DESCRIBED BELOW IS DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES: THE AREA MARKED "EBMUD" IS DEDICATED TO EAST BAY MUNICIPAL UTILITY DISTRICT AS A PERPETUAL EASEMENT FOR THE PURPOSE OF CONSTRUCTING, REPLACING, MAINTAINING, OPERATING AND USING ANY FACILITIES NECESSARY FOR THE TRANSMISSION OF UTILITIES, AND ALL NECESSARY FIXTURES, INCLUDING UNDERGROUND TELEMETRY AND ELECTRICAL CABLES OR APPURTENANCES THERETO, IN, UNDER, ALONG AND ACROSS SAID EASEMENT. TOGETHER WITH THE RIGHT OF INGRESS TO AND EGRESS FROM SAID EASEMENT AND THE RIGHT AT ALL TIMES TO ENTER IN, OVER AND UPON SAID EASEMENT AND EVERY PART THEREOF.

THE EASEMENT AREA MAY BE LANDSCAPED IN A MANNER CONSISTENT WITH EAST BAY MUNICIPAL UTILITY DISTRICT'S USE; HOWEVER, NO BUILDING OR STRUCTURE MAY BE PLACED ON SAID EASEMENT, NO TREES MAY BE PLANTED WITHIN THE EASEMENT AREA AND NO CHANGES MAY BE MADE TO THE EXISTING SURFACE ELEVATION (GRADE) OF THE EASEMENT AREA BY MORE THAN ONE (1) FOOT, NOR SHALL ANYTHING BE DONE THEREON WHICH MAY INTERFERE WITH EAST BAY MUNICIPAL UTILITY DISTRICT'S FULL ENJOYMENT OF SAID EASEMENT. EBMUD SHALL ACCEPT THIS EASEMENT BY SEPARATE INSTRUMENT.

THE UNDERSIGNED ALSO HEREBY ACKNOWLEDGES THE TITLE EXCEPTION NOTES DELINEATED ON SHEET 2 OF THIS MAP.

PARCELS A, B, C, D, E, F, G, H, I, J, K, L, M, R, S, T, U, V, W, AND X ARE FOR PRIVATE ROADWAY AND PARKING PURPOSES AND SHALL BE GRANTED IN FEE TO THE HOMEOWNERS ASSOCIATION BY SEPARATE INSTRUMENT.

PARCELS N, O, P, Q, AND Y ARE FOR PUBLIC TRAIL AND OPEN SPACE PURPOSES AND SHALL BE GRANTED IN FEE TO THE HOMEOWNERS ASSOCIATION BY SEPARATE INSTRUMENT.

THIS MAP SHOWS ALL THE EASEMENTS ON THE PREMISES, OR OF RECORD.

AS OWNER: ARROYO CAP II-5, LLC, A DELAWARE LIMITED LIABILITY COMPANY.

BY: Jeff B Broullette

NAME (PRINT): JEFFREY B BROULLETTE

TITLE: EXECUTIVE VICE PRESIDENT

DATE: 4/7/22

OWNER'S ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF California } SS.
COUNTY OF Orange }

ON April 7, 2022, BEFORE ME, Rachel Mayo, A NOTARY PUBLIC, PERSONALLY APPEARED Jeffrey B. Broullette, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND:

SIGNATURE: Rachel Mayo

NAME (PRINT): Rachel Mayo

PRINCIPAL COUNTY OF BUSINESS: Orange

MY COMMISSION NUMBER: 2263143

MY COMMISSION EXPIRES: Oct 18, 2022

RACHEL MAYO
Notary Public - California
Los Angeles County
Commission # 2263143
My Comm. Expires Oct 18, 2022

RECORDER'S STATEMENT

FILED THIS 22ND DAY OF JULY 2022, AT 10:13 A.M. IN BOOK 367 OF MAPS, AT PAGES 82-92, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF ALAMEDA, STATE OF CALIFORNIA, AT THE REQUEST OF FIRST AMERICAN TITLE COMPANY.

FEE: $103.00

SERIES NO: 2022131489

MELISSA WILK,
COUNTY RECORDER
COUNTY OF ALAMEDA, CALIFORNIA

BY: L. Lobe
DEPUTY

COPY of map to be recorded
Has not been compared with Original

TRUSTEE'S STATEMENT

THE UNDERSIGNED CORPORATION, AS TRUSTEE UNDER THE DEED OF TRUST RECORDED ON MAY 7, 2021, DOCUMENT NUMBER 2021-177118 OF OFFICIAL RECORDS, ALAMEDA COUNTY; DOES HEREBY JOIN IN AND CONSENT TO THE FOREGOING OWNERS STATEMENT AND ALL DEDICATIONS SHOWN HEREIN.

FIRST AMERICAN TITLE INSURANCE COMPANY, A NEBRASKA CORPORATION

BY: Sylvia Erazo

NAME (PRINT): SYLVIA ERAZO

TITLE: VP, DIRECTOR OF ESCROW

DATE: 7/13/2022

TRUSTEE'S ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF California } SS.
COUNTY OF Alameda }

ON July 15, 2022, BEFORE ME, U. Fulop, A NOTARY PUBLIC, PERSONALLY APPEARED Sylvia Erazo, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND:

SIGNATURE: J. Fulop

NAME (PRINT): J. Fulop

PRINCIPAL COUNTY OF BUSINESS: Alameda

MY COMMISSION NUMBER: 2303543

MY COMMISSION EXPIRES: Sep 27, 2023

CLERK OF THE BOARD OF SUPERVISOR'S CERTIFICATE

I, ANIKA CAMPBELL-BELTON, CLERK OF THE BOARD OF SUPERVISORS FOR THE COUNTY OF ALAMEDA, STATE OF CALIFORNIA, DO HEREBY STATE, AS CHECKED BELOW:

[✓] AN APPROVED BOND HAS BEEN FILED WITH SAID BOARD IN THE AMOUNT OF $730,019.00 BOND CONDITIONED FOR THE PAYMENT OF ALL TAXES AND SPECIAL ASSESSMENTS COLLECTED AS TAXES WHICH ARE NOW A LIEN AGAINST SAID LAND OR ANY PART THEREOF, BUT NOT YET PAYABLE AND WAS DULY APPROVED BY SAID BOARD IN SAID AMOUNT.

[ ] ALL TAXES AND SPECIAL ASSESSMENTS COLLECTED AS TAXES HAVE BEEN PAID, AS STATED BY THE TREASURER-TAX COLLECTOR OF THE COUNTY OF ALAMEDA.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND THIS 20th DAY OF July 2022.

BOARD OF SUPERVISORS • ALAMEDA COUNTY, CAL.

ANIKA CAMPBELL-BELTON
CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA, STATE OF CALIFORNIA

BY: Dannika Davis
~~DEPUTY~~ COUNTY CLERK

JOB NO. 2355-020

TRACT 8610
ALAMEDA MARINA TOWNHOMES

BEING A SUBDIVISION OF LOT 5 OF TRACT 8500,
RECORDED IN BOOK 363 OF MAPS, AT PAGE 90
OFFICIAL RECORDS OF ALAMEDA COUNTY
CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA

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OPTIONEE'S STATEMENT

THE UNDERSIGNED, AS OPTIONEE UNDER THE MEMORANDUM OF OPTION AGREEMENT RECORDED ON MAY 5, 2021, DOCUMENT NUMBER 2021-173715 OF OFFICIAL RECORDS, ALAMEDA COUNTY, DOES HEREBY JOIN IN AND CONSENT TO THE FOREGOING OWNERS STATEMENT AND ALL DEDICATIONS SHOWN HEREIN.

LS-ALAMEDA MARINA LLC, A DELAWARE LIMITED LIABILITY COMPANY

BY: ____________

NAME (PRINT): Mark Chamberlain

TITLE: Vice President of Forward Planning

DATE: 4/12/2022

OPTIONEE'S ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF California } SS.
COUNTY OF Contra Costa

ON April 12, 2022, BEFORE ME, Nicole Hunt, A NOTARY PUBLIC, PERSONALLY APPEARED Mark Chamberlain, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND:

SIGNATURE: Nicole Hunt

NAME (PRINT): Nicole Hunt

PRINCIPAL COUNTY OF BUSINESS: Contra Costa

MY COMMISSION NUMBER: 2384575

MY COMMISSION EXPIRES: Dec 23, 2025

SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF ARROYO CAP II-5 LLC, IN JUNE 2021. I HEREBY STATE THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP, IF ANY AND THAT ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED, OR THAT THEY WILL BE SET IN SUCH POSITIONS ON OR BEFORE DECEMBER 31, 2024, AND THAT THE MONUMENTS ARE, OR WILL BE, SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED AND THE SURVEY IS TRUE AND COMPLETE AS SHOWN.

MARK H. WEHBER, P.L.S.
L.S. NO. 7960

4/5/2022
DATE

LICENSED LAND SURVEYOR
MARK H. WEHBER
7960
STATE OF CALIFORNIA

ACTING CITY SURVEYOR'S STATEMENT

I, FRANK C. BELLECCI, ACTING CITY SURVEYOR FOR THE CITY OF ALAMEDA, STATE OF CALIFORNIA, DO HEREBY CERTIFY THAT I HAVE EXAMINED THE HEREIN EMBODIED TRACT MAP ENTITLED "TRACT 8610, ALAMEDA MARINA TOWNHOMES," AND FOUND THE TRACT MAP TO BE TECHNICALLY CORRECT.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND THIS 5th DAY OF may, 2022.

FRANK C. BELLECCI, L.S. 5399
ACTING CITY SURVEYOR, CITY OF ALAMEDA
COUNTY OF ALAMEDA, CALIFORNIA

LICENSED LAND SURVEYOR
FRANK C. BELLECCI
No. 5399
STATE OF CALIFORNIA

CITY ENGINEER'S STATEMENT

I, ROBERT ALAN VANCE, CITY ENGINEER OF THE CITY OF ALAMEDA, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, DO HEREBY STATE THAT I HAVE EXAMINED THE HEREIN EMBODIED FINAL MAP ENTITLED "TRACT 8610, ALAMEDA MARINA TOWNHOMES", CONSISTING OF 11 SHEETS, THIS STATEMENT BEING UPON SHEET TWO (2) THEREOF, AND THAT THE SUBDIVISION AS SHOWN ON SAID FINAL MAP IS SUBSTANTIALLY THE SAME AS SAID SUBDIVISION APPEARED ON THE TENTATIVE MAP, AND ANY APPROVED ALTERATIONS THEREOF; THAT ALL THE PROVISIONS OF THE SUBDIVISION MAP ACT OF THE STATE OF CALIFORNIA AND AMENDMENTS THERETO AND ANY LOCAL ORDINANCE APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND THIS 4th DAY OF May, 2022.

Robert Vance
ROBERT ALAN VANCE, R.C.E. C88857
CITY ENGINEER, CITY OF ALAMEDA
COUNTY OF ALAMEDA, CALIFORNIA

REGISTERED PROFESSIONAL ENGINEER
ROBERT ALAN VANCE
No. C88857
CIVIL
STATE OF CALIFORNIA

CITY CLERK'S STATEMENT

I, LARA WEISIGER, CITY CLERK OF THE COUNCIL OF THE CITY OF ALAMEDA, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, DO HEREBY STATE THAT THE HEREIN EMBODIED FINAL MAP ENTITLED, "TRACT 8610, ALAMEDA MARINA TOWNHOMES", CONSISTING OF 11 SHEETS, THIS STATEMENT BEING UPON SHEET TWO (2) THEREOF, WAS PRESENTED TO SAID COUNCIL OF THE CITY OF ALAMEDA AS PROVIDED BY LAW AT A REGULAR MEETING HELD ON THE 3rd DAY OF May, 2022, AND THAT SAID COUNCIL OF THE CITY OF ALAMEDA DID THEREON BY RESOLUTION NO. 15899, DULY PASSED AND ADOPTED AT SAID MEETING, APPROVE SAID MAP AND ACCEPT ON BEHALF OF THE CITY OF ALAMEDA AND THE PUBLIC, ALL EASEMENTS AS OFFERED FOR PUBLIC USE IN CONFORMITY WITH THE TERMS OF THE OFFERS OF DEDICATION AND REJECTS ON BEHALF OF THE CITY OF ALAMEDA THE EASEMENT DESIGNATED AS EBMUD.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL

THIS 5th DAY OF May, 2022.

Lara W
LARA WEISIGER, CITY CLERK AND CLERK OF THE CITY COUNCIL, CITY OF ALAMEDA
COUNTY OF ALAMEDA, STATE OF CALIFORNIA

TITLE EXCEPTION NOTES:

THE FOLLOWING EXCEPTIONS LISTED ON THE TITLE REPORT 0192-6621151 PREPARED BY FIRST AMERICAN TITLE COMPANY DATED JUNE 8, 2021 PERTAIN TO THE PROPERTY WITHIN THE BOUNDARY OF THIS MAP AS NOTED BELOW:

1. WATER RIGHTS, CLAIMS OR TITLE TO WATER, WHETHER OR NOT SHOWN BY THE PUBLIC RECORDS.
2. ANY CLAIM THAT ANY PORTION OF THE LAND IS BELOW THE ORDINARY HIGH WATER MARK FROM WHERE IT WAS LOCATED PRIOR TO ANY ARTIFICIAL OR ALLUSIVE CHANGES IN THE LOCATION OF THE SHORELINE.
3. ANY RIGHTS, INTERESTS, OR EASEMENTS IN FAVOR OF THE PUBLIC, WHICH EXIST OR ARE CLAIMED TO EXIST OVER ANY PORTION OF SAID LAND COVERED BY WATER, INCLUDING A PUBLIC RIGHT OF ACCESS TO THE WATER.
4. ANY CLAIM THAT ANY PORTION OF THE LAND IS OR WAS FORMERLY TIDELANDS OR SUBMERGED LANDS.

SOILS AND GEOLOGICAL REPORT

A GEOTECHNICAL REPORT ON THIS PROPERTY HAS BEEN PREPARED BY ENGEO, INC., PROJECT NO 11364.003.001, DATED JUNE 17, 2021, COPIES OF WHICH HAVE BEEN FILED WITH THE CITY CLERK OF THE CITY OF ALAMEDA.

TRACT 8610
ALAMEDA MARINA TOWNHOMES

BEING A SUBDIVISION OF LOT 5 OF TRACT 8500,
RECORDED IN BOOK 363 OF MAPS, AT PAGE 90
OFFICIAL RECORDS OF ALAMEDA COUNTY
CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA

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SAN RAMON • (925) 866-0322
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WWW.CBANDG.COM
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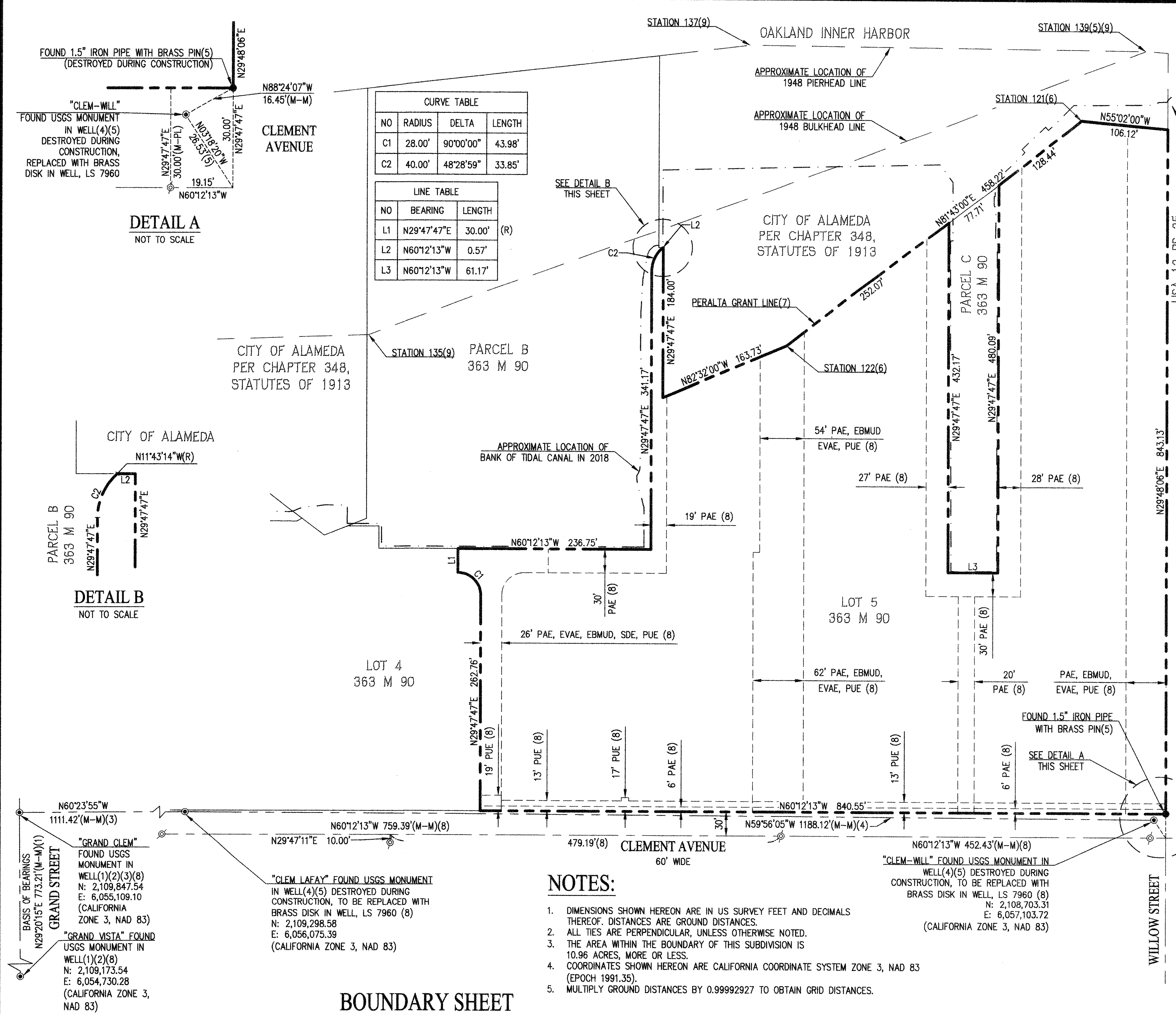
SCALE: 1" = 80'   MAY 2022



CURVE TABLE

NO	RADIUS	DELTA	LENGTH
C1	28.00'	90°00'00"	43.98'
C2	40.00'	48°28'59"	33.85'

LINE TABLE

NO	BEARING	LENGTH	
L1	N29°47'47"E	30.00'	(R)
L2	N60°12'13"W	0.57'	
L3	N60°12'13"W	61.17'	

80' 0' 40' 80' 160' 320'
GRAPHIC SCALE

BASIS OF BEARINGS:

THE BASIS OF BEARINGS FOR THIS SURVEY IS DETERMINED BY FOUND MONUMENTS IN GRAND STREET. THE BEARING BEING N29°20'15"E PER PARCEL MAP 2938 (138 PM 76)

LEGEND

	SUBDIVISION BOUNDARY LINE
	LOT LINE
	MONUMENT LINE
	CENTERLINE
	EASEMENT LINE
	TIE LINE
	ADJACENET LOT LINE
	APPROXIMATE LOCATION OF HARBOR LINES PER (9)
	APPROXIMATE LOCATION OF BANK OF TIDAL CANAL IN 2018
(T)	TOTAL
(R)	RADIAL
(LL)	LOT LINE
(M-M)	MONUMENT TO MONUMENT
(M-PL)	MONUMENT TO PROPERTY LINE
(M-TIE)	MONUMENT TO TIE
(TIE-PL)	TIE TO PROPERTY LINE
◉	FOUND STANDARD STREET MONUMENT
●	FOUND MONUMENT AS NOTED
◎	SET STANDARD STREET MONUMENT, LS 7960
⊘	STANDARD STREET MONUMENT TO BE SET PER TRACT 8500
EBMUD	EAST BAY MUNICIPAL UTILITY DISTRICT
EVAE	EMERGENCY VEHICLE ACCESS EASEMENT
PAE	PUBLIC ACCESS EASEMENT
PUE	PUBLIC UTILITY EASEMENT
SDE	STORM DRAIN EASEMENT

NOTES:

1. DIMENSIONS SHOWN HEREON ARE IN US SURVEY FEET AND DECIMALS THEREOF. DISTANCES ARE GROUND DISTANCES.
2. ALL TIES ARE PERPENDICULAR, UNLESS OTHERWISE NOTED.
3. THE AREA WITHIN THE BOUNDARY OF THIS SUBDIVISION IS 10.96 ACRES, MORE OR LESS.
4. COORDINATES SHOWN HEREON ARE CALIFORNIA COORDINATE SYSTEM ZONE 3, NAD 83 (EPOCH 1991.35).
5. MULTIPLY GROUND DISTANCES BY 0.99992927 TO OBTAIN GRID DISTANCES.

REFERENCES:

(#) INDICATES REFERENCE NUMBER
(1) PARCEL MAP 2938 (138 PM 76)
(2) TRACT 7723 (305 M 6)
(3) TRACT 5016 (134 M 39)
(4) PARCEL MAP 3730 (133 PM 57)
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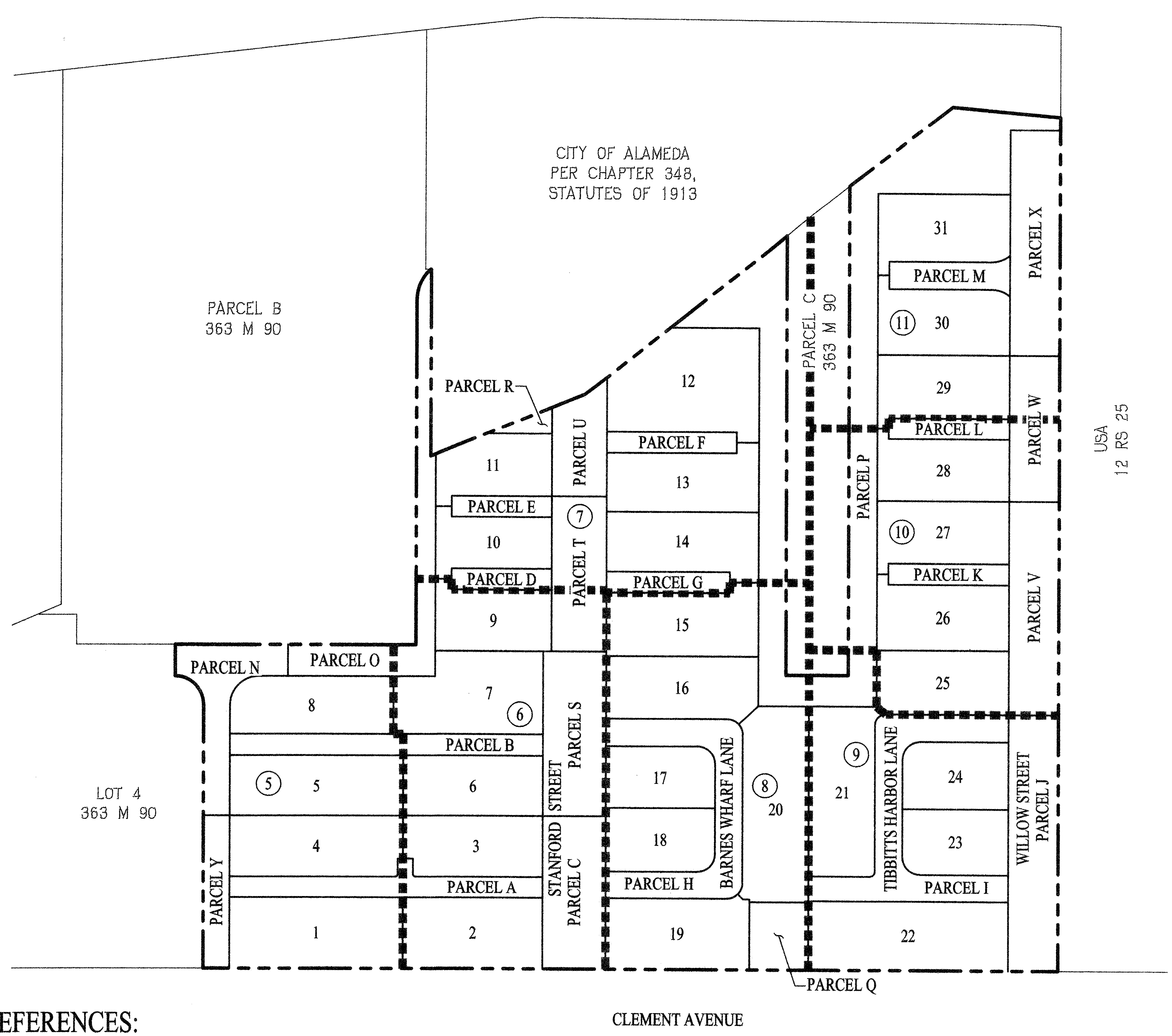
(7) PARCEL MAP 158 (47 PM 69)
(8) TRACT 8500 (363 M 90)
(9) MAP OF HARBOR LINES FOR SAN FRANCISCO BAY, DATED FEBRUARY 13, 1948 PREPARED BY DEPARTMENT OF THE ARMY CORPS OF ENGINEERS

BOUNDARY SHEET



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SCALE: 1" = 80'   MAY 2022

80' 0' 40' 80' 160' 320'
GRAPHIC SCALE

BASIS OF BEARINGS:

THE BASIS OF BEARINGS FOR THIS SURVEY IS DETERMINED BY FOUND MONUMENTS IN GRAND STREET. THE BEARING BEING N29°20'15"E PER PARCEL MAP 2938 (138 PM 76)

LEGEND

SUBDIVISION BOUNDARY LINE
LOT LINE
MONUMENT LINE
CENTERLINE
EASEMENT LINE
TIE LINE
ADJACENET LOT LINE
APPROXIMATE LOCATION OF HARBOR LINES PER (9)
APPROXIMATE LOCATION OF BANK OF TIDAL CANAL IN 2018
(T) TOTAL
(R) RADIAL
(LL) LOT LINE
(M–M) MONUMENT TO MONUMENT
(M–PL) MONUMENT TO PROPERTY LINE
(M–TIE) MONUMENT TO TIE
(TIE–PL) TIE TO PROPERTY LINE
FOUND STANDARD STREET MONUMENT
FOUND MONUMENT AS NOTED
SET STANDARD STREET MONUMENT, LS 7960
STANDARD STREET MONUMENT TO BE SET PER TRACT 8500
EBMUD EAST BAY MUNICIPAL UTILITY DISTRICT
EVAE EMERGENCY VEHICLE ACCESS EASEMENT
PAE PUBLIC ACCESS EASEMENT
PUE PUBLIC UTILITY EASEMENT
SDE STORM DRAIN EASEMENT
SHEET LIMITS
(#) SHEET NUMBER

REFERENCES:

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INDEX SHEET

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JOB NO. 2355-020

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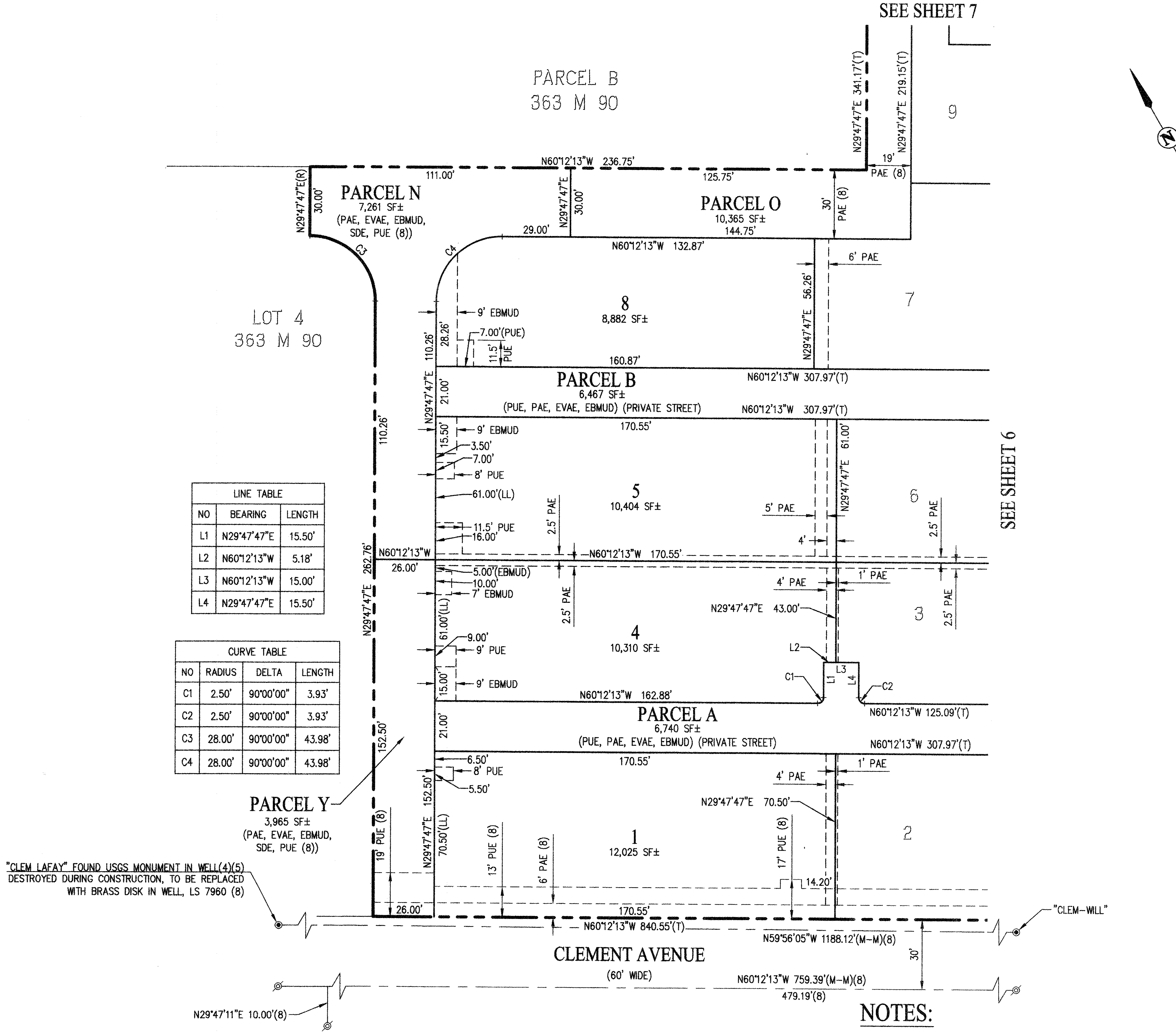
SCALE: 1" = 30'   MAY 2022



LINE TABLE		
NO	BEARING	LENGTH
L1	N29°47'47"E	15.50'
L2	N60°12'13"W	5.18'
L3	N60°12'13"W	15.00'
L4	N29°47'47"E	15.50'

CURVE TABLE			
NO	RADIUS	DELTA	LENGTH
C1	2.50'	90°00'00"	3.93'
C2	2.50'	90°00'00"	3.93'
C3	28.00'	90°00'00"	43.98'
C4	28.00'	90°00'00"	43.98'

GRAPHIC SCALE: 30' 0' 15' 30' 60' 120'

BASIS OF BEARINGS:

THE BASIS OF BEARINGS FOR THIS SURVEY IS DETERMINED BY FOUND MONUMENTS IN GRAND STREET. THE BEARING BEING N29°20'15"E PER PARCEL MAP 2938 (138 PM 76)

LEGEND

	SUBDIVISION BOUNDARY LINE
	LOT LINE
	MONUMENT LINE
	CENTERLINE
	EASEMENT LINE
	TIE LINE
	ADJACENET LOT LINE
	APPROXIMATE LOCATION OF HARBOR LINES PER (9)
	APPROXIMATE LOCATION OF BANK OF TIDAL CANAL IN 2018
(T)	TOTAL
(R)	RADIAL
(LL)	LOT LINE
(M-M)	MONUMENT TO MONUMENT
(M-PL)	MONUMENT TO PROPERTY LINE
(M-TIE)	MONUMENT TO TIE
(TIE-PL)	TIE TO PROPERTY LINE
⊙	FOUND STANDARD STREET MONUMENT
●	FOUND MONUMENT AS NOTED
◎	SET STANDARD STREET MONUMENT, LS 7960
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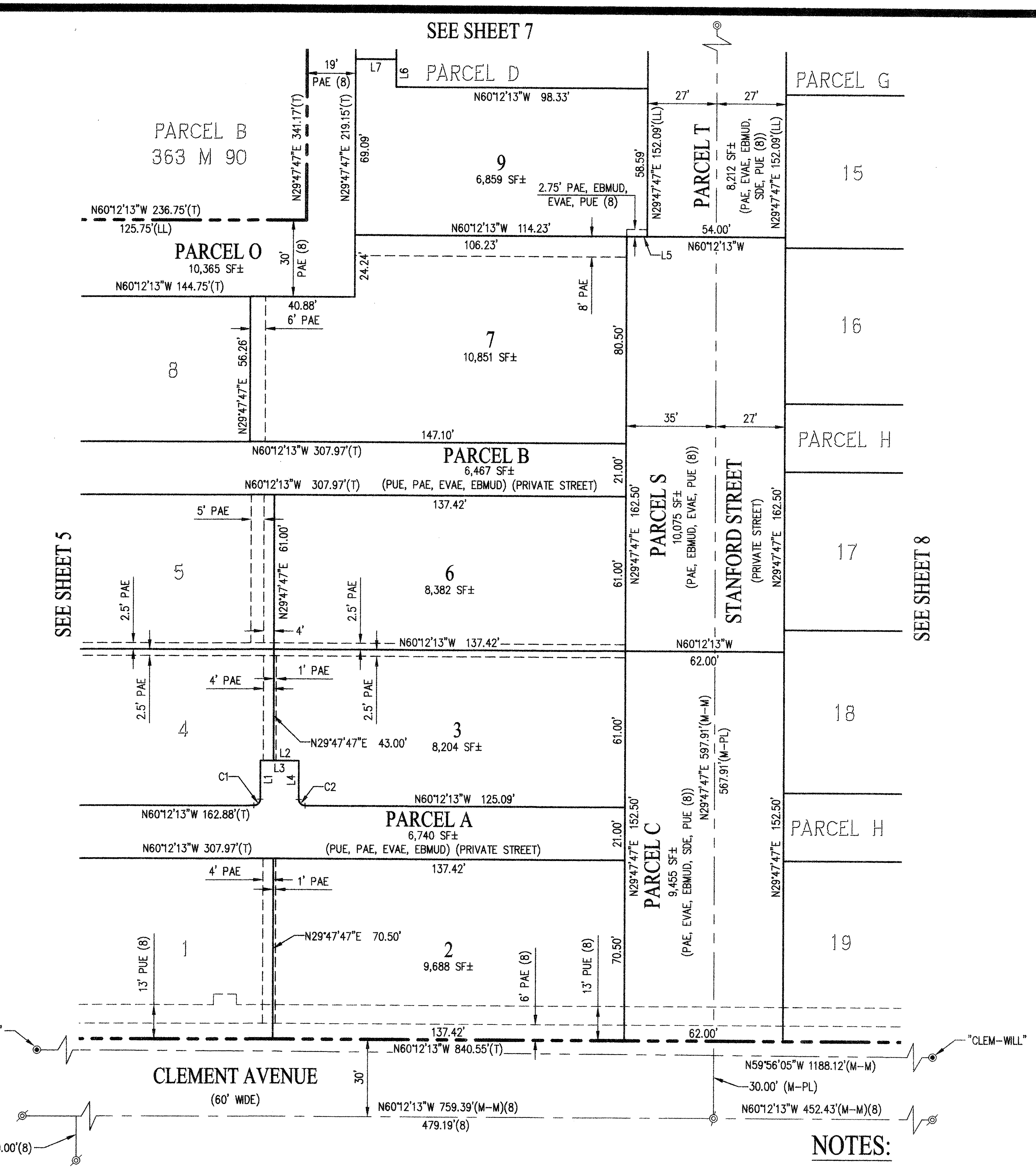
SCALE: 1" = 30'   MAY 2022

30' 0' 15' 30' 60' 120'
GRAPHIC SCALE

LINE TABLE		
NO	BEARING	LENGTH
L1	N29°47'47"E	15.50'
L2	N60°12'13"W	9.82'
L3	N60°12'13"W	15.00'
L4	N29°47'47"E	15.50'
L5	N60°12'13"W	8.00'
L6	N29°47'47"E	10.50'
L7	N60°12'13"W	15.90'

CURVE TABLE			
NO	RADIUS	DELTA	LENGTH
C1	2.50'	90°00'00"	3.93'
C2	2.50'	90°00'00"	3.93'



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LEGEND

(heavy dashed line)	SUBDIVISION BOUNDARY LINE
(solid line)	LOT LINE
(long/short dash)	MONUMENT LINE
(long dash short dash)	CENTERLINE
(dashed)	EASEMENT LINE
(fine dashed)	TIE LINE
(thin line)	ADJACENET LOT LINE
(dashed)	APPROXIMATE LOCATION OF HARBOR LINES PER (9)
(dash dot)	APPROXIMATE LOCATION OF BANK OF TIDAL CANAL IN 2018
(T)	TOTAL
(R)	RADIAL
(LL)	LOT LINE
(M-M)	MONUMENT TO MONUMENT
(M-PL)	MONUMENT TO PROPERTY LINE
(M-TIE)	MONUMENT TO TIE
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SCALE: 1" = 30' MAY 2022

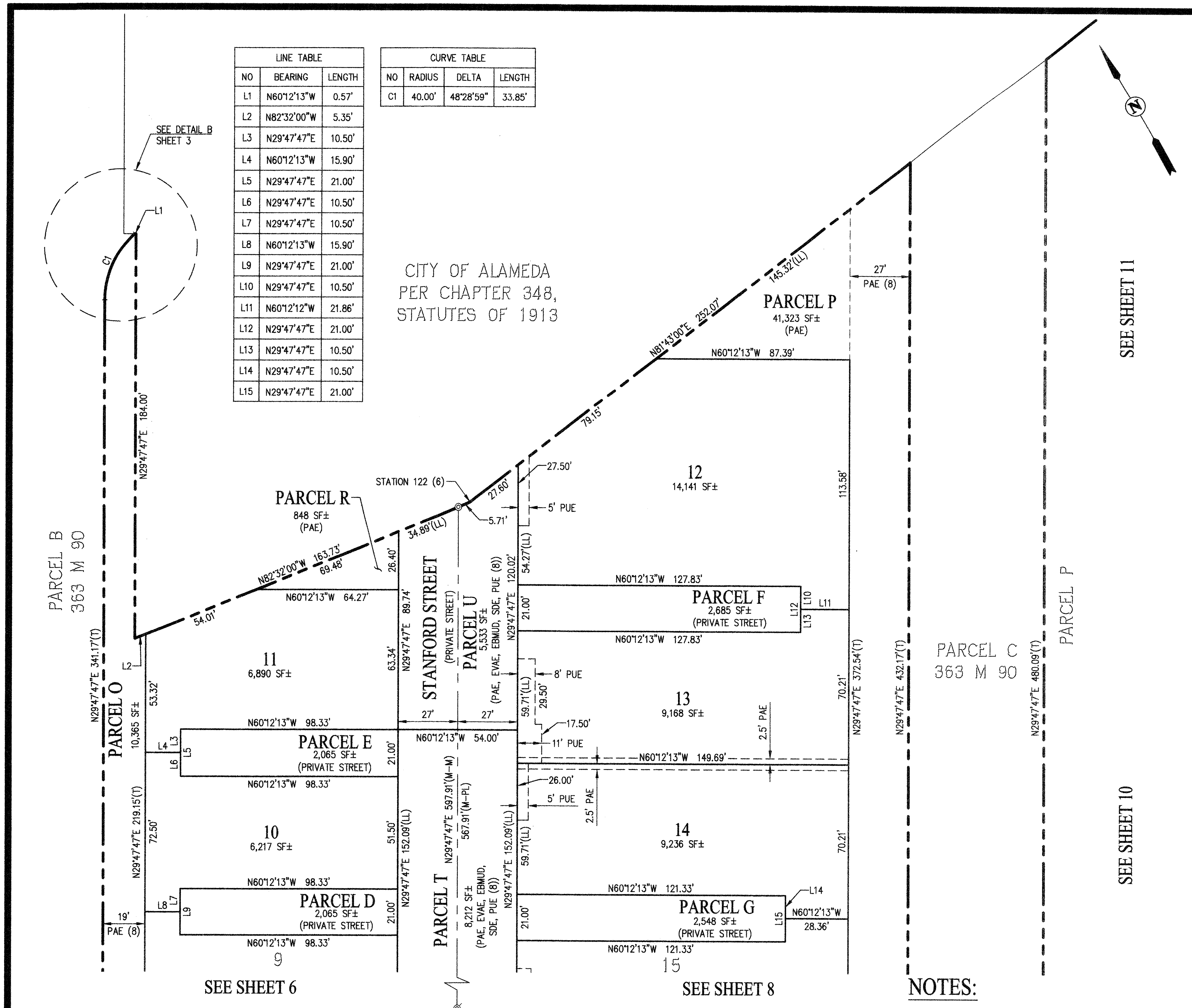
30' 0' 15' 30' 60' 120'
GRAPHIC SCALE

LINE TABLE

NO	BEARING	LENGTH
L1	N60°12'13"W	0.57'
L2	N82°32'00"W	5.35'
L3	N29°47'47"E	10.50'
L4	N60°12'13"W	15.90'
L5	N29°47'47"E	21.00'
L6	N29°47'47"E	10.50'
L7	N29°47'47"E	10.50'
L8	N60°12'13"W	15.90'
L9	N29°47'47"E	21.00'
L10	N29°47'47"E	10.50'
L11	N60°12'12"W	21.86'
L12	N29°47'47"E	21.00'
L13	N29°47'47"E	10.50'
L14	N29°47'47"E	10.50'
L15	N29°47'47"E	21.00'

CURVE TABLE

NO	RADIUS	DELTA	LENGTH
C1	40.00'	48°28'59"	33.85'



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LEGEND

	SUBDIVISION BOUNDARY LINE
	LOT LINE
	MONUMENT LINE
	CENTERLINE
	EASEMENT LINE
	TIE LINE
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	APPROXIMATE LOCATION OF HARBOR LINES PER (9)
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(T)	TOTAL
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(LL)	LOT LINE
(M-M)	MONUMENT TO MONUMENT
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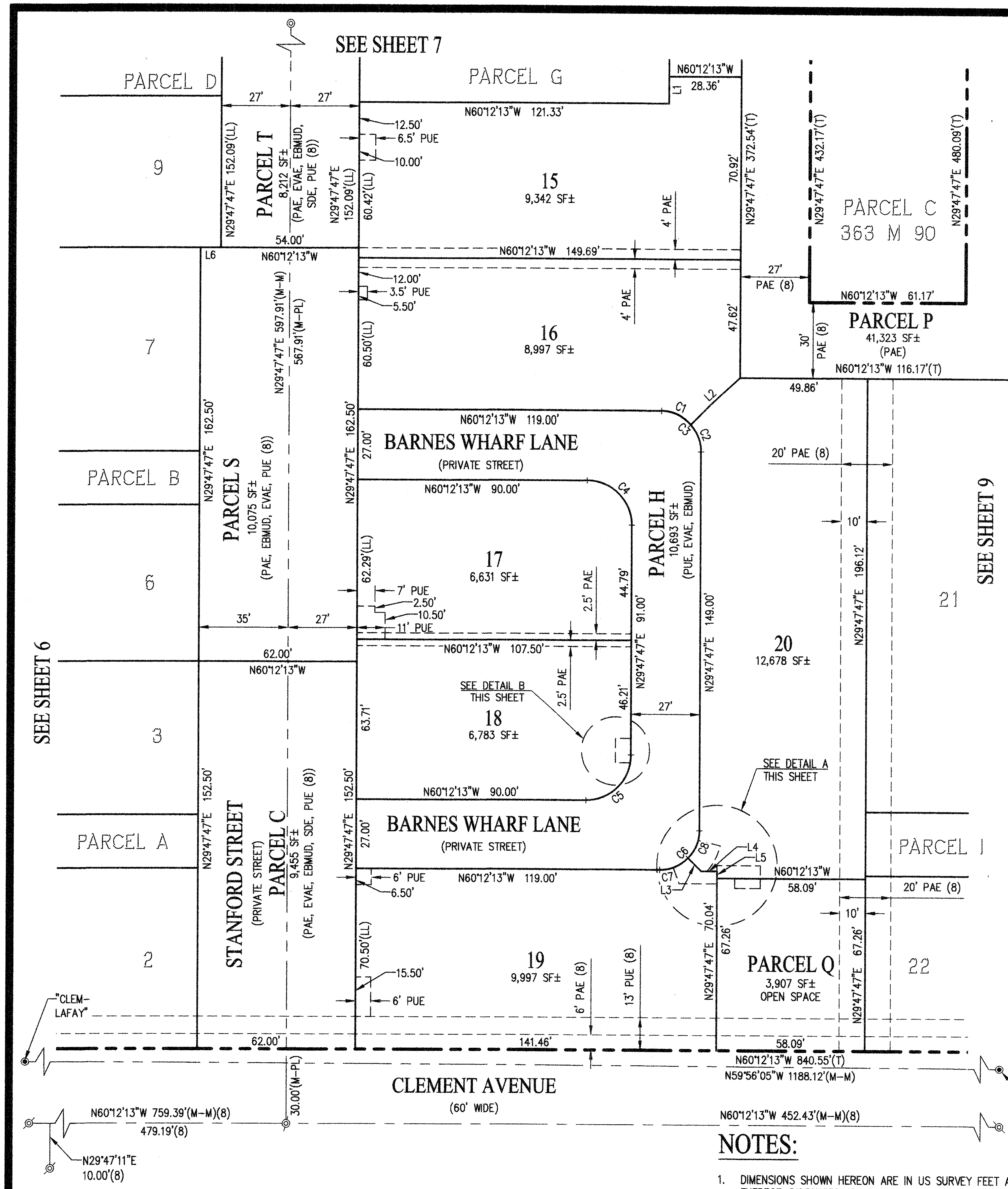

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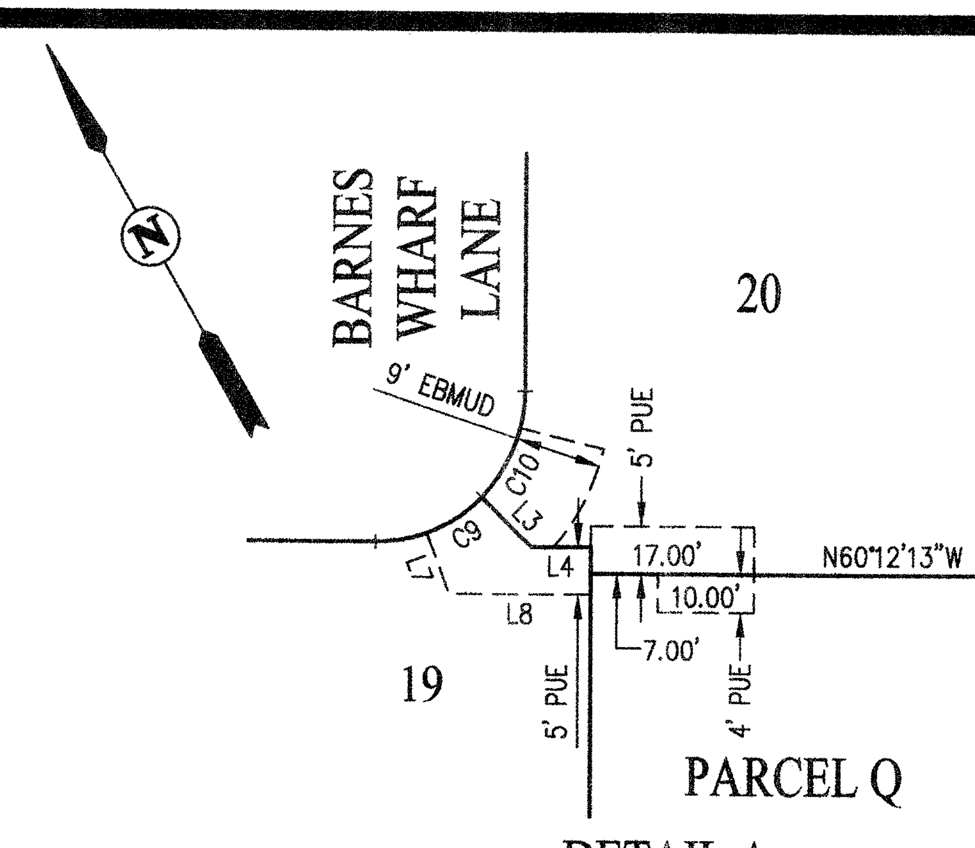
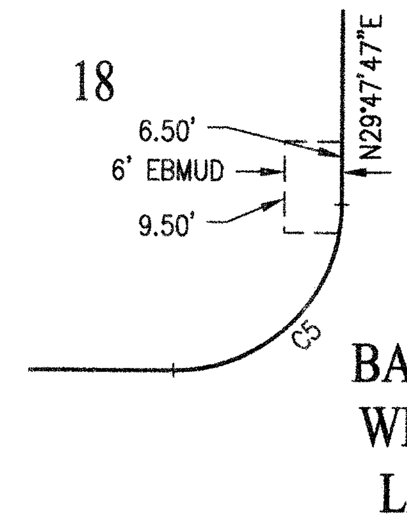
SCALE: 1" = 30'   MAY 2022

30' 0' 15' 30' 60' 120'

GRAPHIC SCALE



DETAIL A
NOT TO SCALE



DETAIL B
NOT TO SCALE

LINE TABLE			
NO	BEARING	LENGTH	
L1	N29°47'47"E	10.50'	
L2	N77°02'20"E	26.31'	(R)
L3	N15°43'17"W	7.27'	(R)
L4	N60°12'13"W	6.21'	(LL)
L5	N29°47'47"E	2.79'	(LL)
L6	N60°12'13"W	8.00'	
L7	N09°37'26"E	6.83'	(R)(PUE)
L8	N60°12'13"W	14.76'	(PUE)

CURVE TABLE				
NO	RADIUS	DELTA	LENGTH	
C1	15.50'	47°14'33"	12.78'	
C2	15.50'	42°45'27"	11.57'	
C3	15.50'	90°00'00"	24.35'	
C4	17.50'	90°00'00"	27.49'	
C5	17.50'	90°00'00"	27.49'	(LL)
C6	15.50'	90°00'00"	24.35'	
C7	15.50'	45°31'04"	12.31'	(LL)
C8	15.50'	44°28'56"	12.03'	(LL)
C9	15.50'	25°20'43"	6.86'	(PUE)
C10	15.50'	30°19'15"	8.20'	(EBMUD)

BASIS OF BEARINGS:

THE BASIS OF BEARINGS FOR THIS SURVEY IS DETERMINED BY FOUND MONUMENTS IN GRAND STREET. THE BEARING BEING N29°20'15"E PER PARCEL MAP 2938 (138 PM 76)

LEGEND

- SUBDIVISION BOUNDARY LINE
- LOT LINE
- MONUMENT LINE
- CENTERLINE
- EASEMENT LINE
- TIE LINE
- ADJACENET LOT LINE
- APPROXIMATE LOCATION OF HARBOR LINES PER (9)
- APPROXIMATE LOCATION OF BANK OF TIDAL CANAL IN 2018
- (T) TOTAL
- (R) RADIAL
- (LL) LOT LINE
- (M-M) MONUMENT TO MONUMENT
- (M-PL) MONUMENT TO PROPERTY LINE
- (M-TIE) MONUMENT TO TIE
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- FOUND MONUMENT AS NOTED
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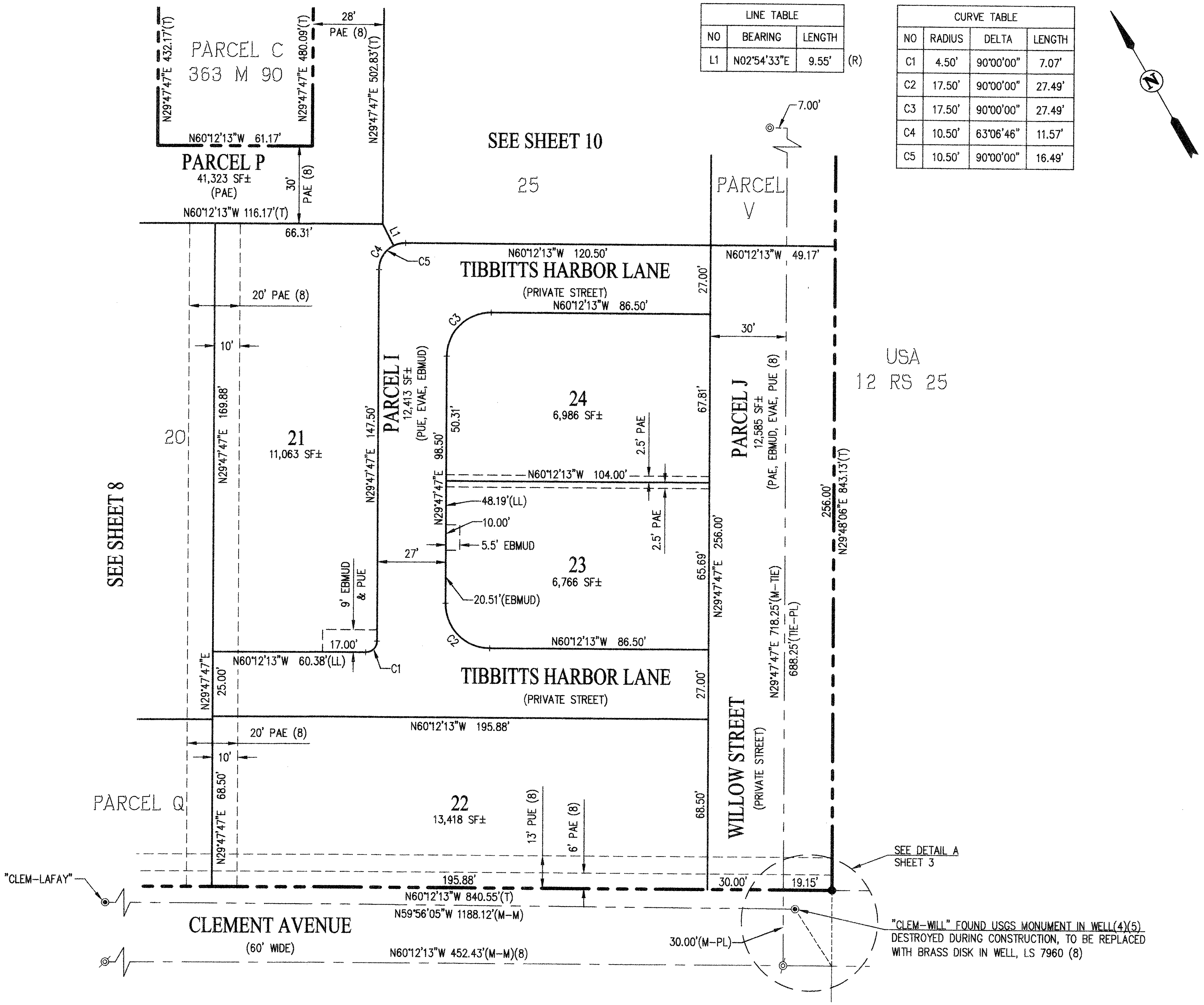
SCALE: 1" = 30'   MAY 2022

LINE TABLE

NO	BEARING	LENGTH
L1	N02°54'33"E	9.55' (R)

CURVE TABLE

NO	RADIUS	DELTA	LENGTH
C1	4.50'	90°00'00"	7.07'
C2	17.50'	90°00'00"	27.49'
C3	17.50'	90°00'00"	27.49'
C4	10.50'	63°06'46"	11.57'
C5	10.50'	90°00'00"	16.49'



30' 0' 15' 30' 60' 120'
GRAPHIC SCALE

BASIS OF BEARINGS:

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LEGEND

	SUBDIVISION BOUNDARY LINE
	LOT LINE
	MONUMENT LINE
	CENTERLINE
	EASEMENT LINE
	TIE LINE
	ADJACENET LOT LINE
	APPROXIMATE LOCATION OF HARBOR LINES PER (9)
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(T)	TOTAL
(R)	RADIAL
(LL)	LOT LINE
(M-M)	MONUMENT TO MONUMENT
(M-PL)	MONUMENT TO PROPERTY LINE
(M-TIE)	MONUMENT TO TIE
(TIE-PL)	TIE TO PROPERTY LINE
	FOUND STANDARD STREET MONUMENT
	FOUND MONUMENT AS NOTED
	SET STANDARD STREET MONUMENT, LS 7960
	STANDARD STREET MONUMENT TO BE SET PER TRACT 8500
EBMUD	EAST BAY MUNICIPAL UTILITY DISTRICT
EVAE	EMERGENCY VEHICLE ACCESS EASEMENT
PAE	PUBLIC ACCESS EASEMENT
PUE	PUBLIC UTILITY EASEMENT
SDE	STORM DRAIN EASEMENT

REFERENCES:

(#) INDICATES REFERENCE NUMBER
(1) PARCEL MAP 2938 (138 PM 76)
(2) TRACT 7723 (305 M 6)
(3) TRACT 5016 (134 M 39)
(4) PARCEL MAP 3730 (133 PM 57)
(5) RECORD OF SURVEY 672 (12 RS 25)
(6) MAP OF ALAMEDA MARSH LAND (25 M 74)
(7) PARCEL MAP 158 (47 PM 69)
(8) TRACT 8500 (363 M 90)
(9) MAP OF HARBOR LINES FOR SAN FRANCISCO BAY, DATED FEBRUARY 13, 1948 PREPARED BY DEPARTMENT OF THE ARMY CORPS OF ENGINEERS

NOTES:

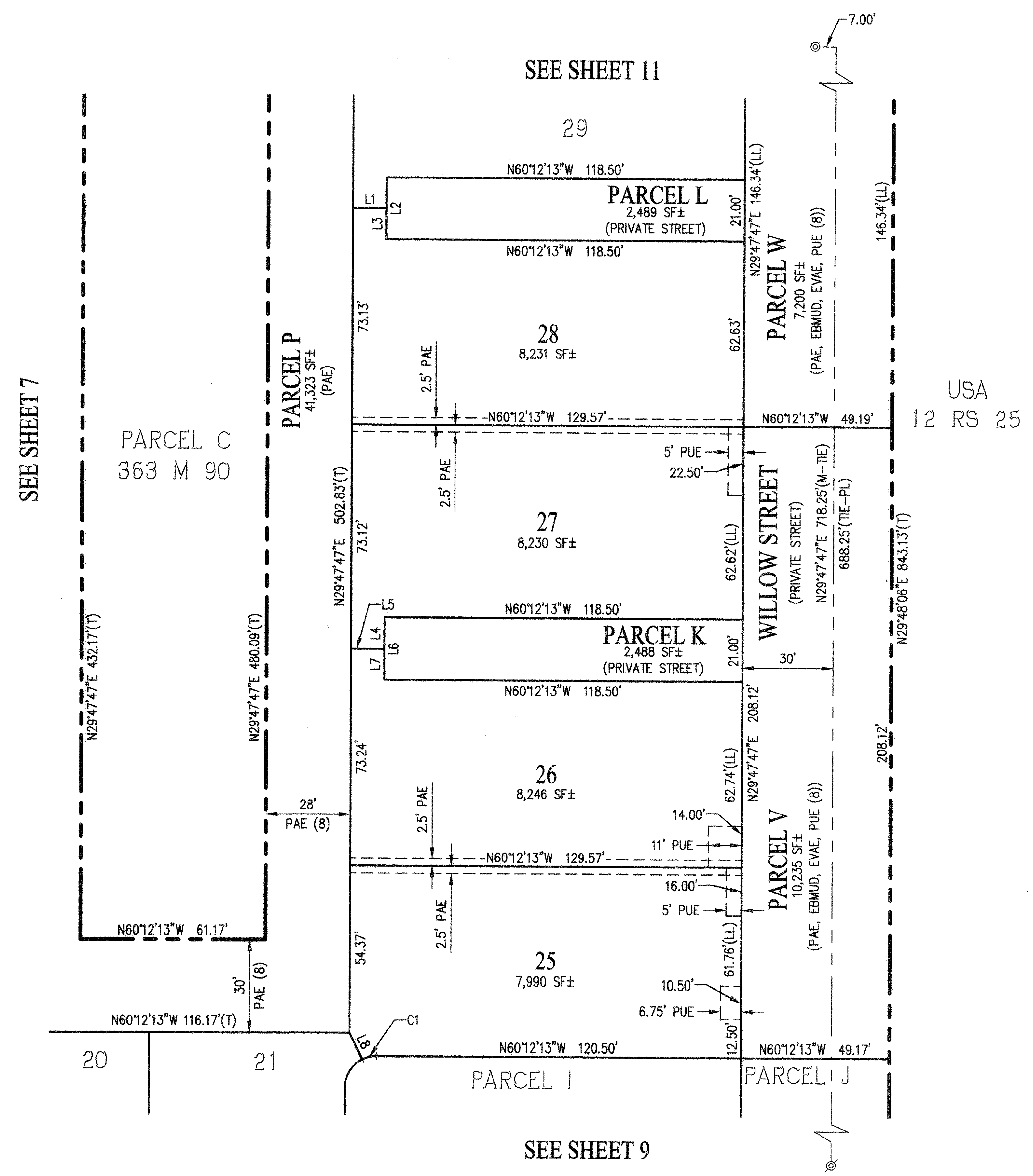
1. DIMENSIONS SHOWN HEREON ARE IN US SURVEY FEET AND DECIMALS THEREOF. DISTANCES ARE GROUND DISTANCES.
2. ALL TIES ARE PERPENDICULAR, UNLESS OTHERWISE NOTED.

TRACT 8610
ALAMEDA MARINA TOWNHOMES

BEING A SUBDIVISION OF LOT 5 OF TRACT 8500,
RECORDED IN BOOK 363 OF MAPS, AT PAGE 90
OFFICIAL RECORDS OF ALAMEDA COUNTY
CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA

cbg
SAN RAMON • (925) 866-0322
SACRAMENTO • (916) 375-1877
WWW.CBANDG.COM
CIVIL ENGINEERS • SURVEYORS • PLANNERS

SCALE: 1" = 30' MAY 2022



LINE TABLE		
NO	BEARING	LENGTH
L1	N60°12'13"W	11.07'
L2	N29°47'47"E	21.00'
L3	N29°47'47"E	10.50'
L4	N29°47'47"E	10.50'
L5	N60°12'13"W	11.07'
L6	N29°47'47"E	21.00'
L7	N29°47'47"E	10.50'
L8	N02°54'33"E	9.55' (R)

CURVE TABLE			
NO	RADIUS	DELTA	LENGTH
C1	10.50'	26°53'14"	4.92'

30' 0' 15' 30' 60' 120'
GRAPHIC SCALE

BASIS OF BEARINGS:

THE BASIS OF BEARINGS FOR THIS SURVEY IS DETERMINED BY FOUND MONUMENTS IN GRAND STREET. THE BEARING BEING N29°20'15"E PER PARCEL MAP 2938 (138 PM 76)

LEGEND

	SUBDIVISION BOUNDARY LINE
	LOT LINE
	MONUMENT LINE
	CENTERLINE
	EASEMENT LINE
	TIE LINE
	ADJACENET LOT LINE
	APPROXIMATE LOCATION OF HARBOR LINES PER (9)
	APPROXIMATE LOCATION OF BANK OF TIDAL CANAL IN 2018
(T)	TOTAL
(R)	RADIAL
(LL)	LOT LINE
(M-M)	MONUMENT TO MONUMENT
(M-PL)	MONUMENT TO PROPERTY LINE
(M-TIE)	MONUMENT TO TIE
(TIE-PL)	TIE TO PROPERTY LINE
	FOUND STANDARD STREET MONUMENT
	FOUND MONUMENT AS NOTED
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	STANDARD STREET MONUMENT TO BE SET PER TRACT 8500
EBMUD	EAST BAY MUNICIPAL UTILITY DISTRICT
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REFERENCES:

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(6) MAP OF ALAMEDA MARSH LAND (25 M 74)
(7) PARCEL MAP 158 (47 PM 69)
(8) TRACT 8500 (363 M 90)
(9) MAP OF HARBOR LINES FOR SAN FRANCISCO BAY, DATED FEBRUARY 13, 1948 PREPARED BY DEPARTMENT OF THE ARMY CORPS OF ENGINEERS

NOTES:

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2. ALL TIES ARE PERPENDICULAR, UNLESS OTHERWISE NOTED.

JOB NO. 2355-020

TRACT 8610
ALAMEDA MARINA TOWNHOMES

BEING A SUBDIVISION OF LOT 5 OF TRACT 8500,
RECORDED IN BOOK 363 OF MAPS, AT PAGE 90
OFFICIAL RECORDS OF ALAMEDA COUNTY
CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA

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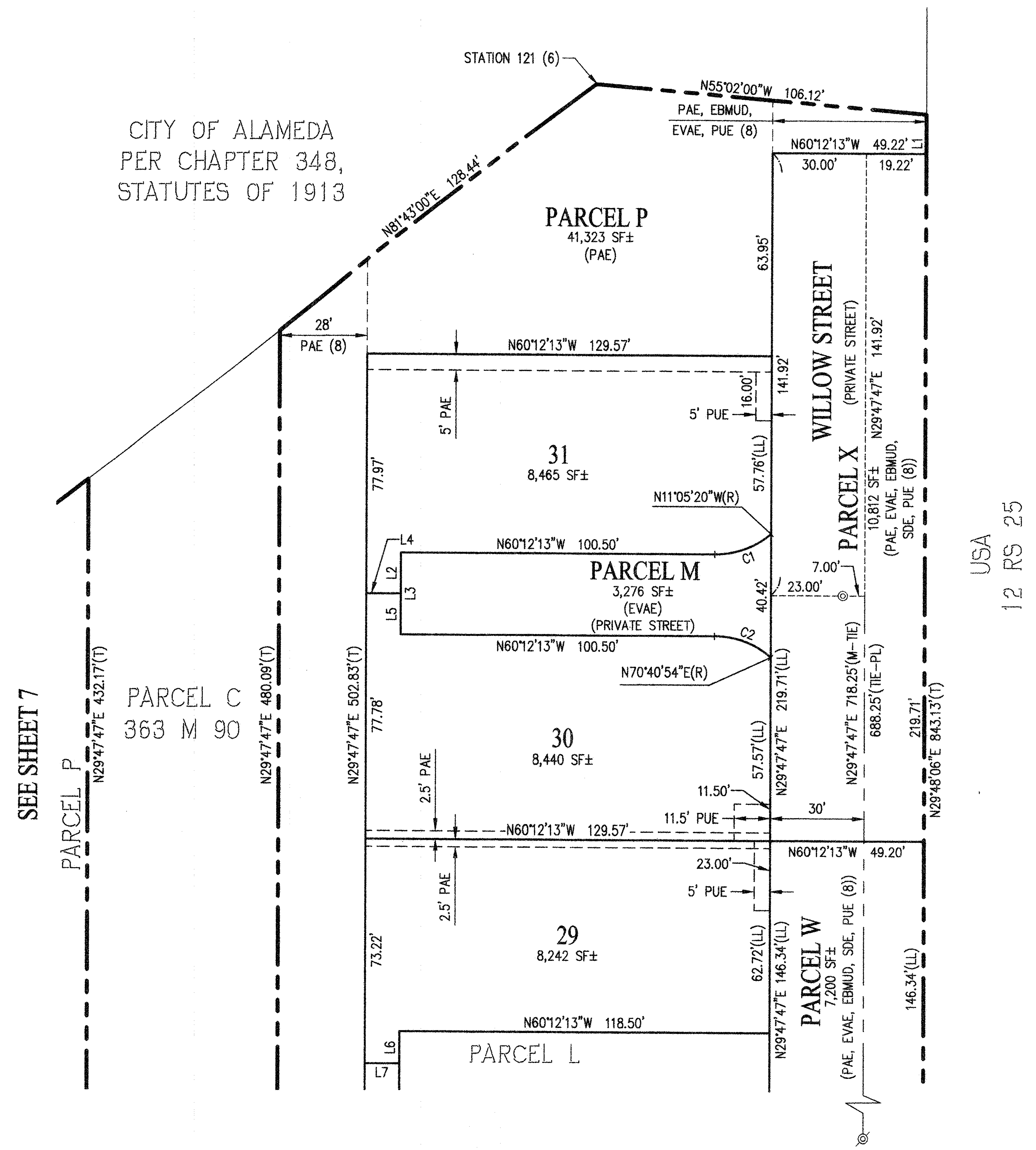
WWW.CBANDG.COM
CIVIL ENGINEERS • SURVEYORS • PLANNERS

SCALE: 1" = 30' MAY 2022

30' 0' 15' 30' 60' 120'
GRAPHIC SCALE



SEE SHEET 10

LINE TABLE		
NO	BEARING	LENGTH
L1	N29°48'06"E	12.96'
L2	N29°47'47"E	13.50'
L3	N29°47'47"E	27.00'
L4	N60°12'13"W	11.07'
L5	N29°47'47"E	13.50'
L6	N29°47'47"E	10.50'
L7	N60°12'13"W	11.07'

CURVE TABLE			
NO	RADIUS	DELTA	LENGTH
C1	27.50'	40°53'07"	19.62'
C2	27.50'	40°53'07"	19.62'

BASIS OF BEARINGS:

THE BASIS OF BEARINGS FOR THIS SURVEY IS DETERMINED BY FOUND MONUMENTS IN GRAND STREET. THE BEARING BEING N29°20'15"E PER PARCEL MAP 2938 (138 PM 76)

LEGEND

SUBDIVISION BOUNDARY LINE
LOT LINE
MONUMENT LINE
CENTERLINE
EASEMENT LINE
TIE LINE
ADJACENET LOT LINE
APPROXIMATE LOCATION OF HARBOR LINES PER (9)
APPROXIMATE LOCATION OF BANK OF TIDAL CANAL IN 2018

(T)	TOTAL
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◉	FOUND STANDARD STREET MONUMENT
●	FOUND MONUMENT AS NOTED
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EBMUD	EAST BAY MUNICIPAL UTILITY DISTRICT
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(9) MAP OF HARBOR LINES FOR SAN FRANCISCO BAY, DATED FEBRUARY 13, 1948 PREPARED BY DEPARTMENT OF THE ARMY CORPS OF ENGINEERS

NOTES:

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2. ALL TIES ARE PERPENDICULAR, UNLESS OTHERWISE NOTED.

Addendum E

Preliminary Title Report

First American Title Company

1250 Corona Pointe Court, Suite 200
Corona, CA 92879

Customer Reference:	Alameda Marina TD2
Order Number:	6797575-2 (RA)
Title Officer:	Ryan Achterberg
Phone:	(949)299-4950
Fax No.:	(714)824-5946
E-Mail:	rachterberg@firstam.com
Escrow Officer:	Jeanne Gould
Phone:	(949)885-2405
Fax No.:	(714)913-6372
E-Mail:	jagould@firstam.com
Buyer:	

PRELIMINARY REPORT

In response to the above referenced application for a policy of title insurance, this company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Exhibit A attached. *The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties*. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit A. Copies of the policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

Please be advised that any provision contained in this document, or in a document that is attached, linked or referenced in this document, that under applicable law illegally discriminates against a class of individuals based upon personal characteristics such as race, color, religion, sex, sexual orientation, gender identity, familial status, disability, national origin, or any other legally protected class, is illegal and unenforceable by law.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of June 8, 2022 at 7:30 A.M.

The form of Policy of title insurance contemplated by this report is:

A specific request should be made if another form or additional coverage is desired.

Title to said estate or interest at the date hereof is vested in:

Arroyo Cap II-5, LLC, a Delaware limited liability company

The estate or interest in the land hereinafter described or referred to covered by this Report is:

A fee.

The Land referred to herein is described as follows:

(See attached Legal Description)

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

1. General and special taxes and assessments for the fiscal year 2022-2023, a lien not yet due or payable.

2. The lien of special tax assessed pursuant to Chapter 2.5 commencing with Section 53311 of the California Government Code for Community Facilities District No. A/C-3, as disclosed by Notice of Special Tax Lien recorded January 31, 2019 as Instrument No. 2019015593 of Official Records.

3. The lien of special tax assessed pursuant to Chapter 2.5 commencing with Section 53311 of the California Government Code for Community Facilities District 22-2, as disclosed by Notice of Special Tax Lien recorded June 3, 2022 as Instrument No. 2022106134 of Official Records.

4. The lien of special tax assessed pursuant to Chapter 2.5 commencing with Section 53311 of the California Government Code for Community Facilities District 22-1, as disclosed by Notice of Special Tax Lien recorded June 3, 2022 as Instrument No. 2022106135 of Official Records.

5. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.

6. An unrecorded lease dated May 16, 2012, executed by City of Alameda, a California municipal corporation as lessor and Pacific Shops, Inc., a California corporation as lessee, as disclosed by a Memorandum of Lease recorded July 19, 2012 as Instrument No. 2012231378 of Official Records.

Defects, liens, encumbrances or other matters affecting the leasehold estate, whether or not shown by the public records.

7. The terms and provisions contained in the document entitled "San Francisco Bay Conservation and Development Commission Permit No. 2018.003.00" recorded September 30, 2020 as Instrument No. 2020254392 of Official Records.

7a. An easement shown or dedicated on the Map as referred to in the legal description

For: Public access, emergency vehicle access, public utility, storm drain and incidental purposes.

7b. An easement shown or dedicated on the Map as referred to in the legal description

For: East Bay Municipal Utility District and incidental purposes.

The terms and provisions contained in the document entitled Acceptance of Water Pipeline Easement recorded May 31, 2022 as Instrument No. 2022102964 of Official Records.

7c. The terms and provisions contained in the document entitled "Subdivision Improvement Agreement" recorded December 9, 2020 as Instrument No. 2020342863 of Official Records.

8. Any claim that any portion of the Land is below the ordinary high water mark from where it was located prior to any artificial or avulsive changes in the location of the shoreline.

Affects that portion of the Land lying northerly of either the Rancho Peralta Grant line or the Allardt High Tide Survey Line as shown by "Lot 5 Site Plan, Alameda Marina" dated January 29, 2021 by cbg Civil Engineers.

9. Any claim that any portion of the land is or was formerly tidelands or submerged lands.

Affects that portion of the Land lying northerly of either the Rancho Peralta Grant line or the Allardt High Tide Survey Line as shown by "Lot 5 Site Plan, Alameda Marina" dated January 29, 2021 by cbg Civil Engineers.

10. Water rights, claims or title to water, whether or not shown by the Public Records.

11. Covenants, conditions, restrictions, easements, assessments, liens, charges, terms and provisions in the document entitled, "Master Declaration of Covenants, Conditions and Restrictions of Alameda Marina" recorded May 5, 2021 as Instrument No. 2021173711 of Official Records, but deleting any covenant, condition, or restriction, if any, indicating a preference, limitation, or discrimination based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, handicap, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, to the extent that such covenants, conditions or restrictions violate applicable state or federal laws. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

12. The terms and provisions contained in the document entitled "Memorandum of Repurchase Option" recorded May 5, 2021 as Instrument No. 2021173713 of Official Records.

    The terms and provisions contained in the document entitled Assignment of Option Agreement recorded May 7, 2021 as Instrument No. 2021177119 of Official Records.

13. The terms and provisions contained in the document entitled "Declaration of Development Covenants, Conditions and Restrictions" recorded May 5, 2021 as Instrument No. 2021173714 of Official Records.

14. The terms and provisions contained in the document entitled "Memorandum of Option Agreement" recorded May 5, 2021 as Instrument No. 2021173715 of Official Records.

15. A deed of trust to secure an original indebtedness of $47,136,992.00 recorded May 7, 2021 as Instrument No. 2021177118 of Official Records.

Dated:	May 7, 2021
Trustor:	Arroyo Cap II-5, LLC, a Delaware limited liability company
Trustee:	First American Title Insurance Company
Beneficiary:	Western Alliance Bank, an Arizona corporation

16. The terms and provisions contained in the document entitled Consent to Assignments, Subordination and Recognition Agreement recorded May 7, 2021 as Instrument No. 2021177120 of Official Records.

17. The terms and provisions contained in the document entitled Agreement for Decorative Paving Overlying Applicant - Installed Water Main Extension Agreement No. EA21-013A recorded March 16, 2022 as Instrument No. 2022055898 of Official Records.

INFORMATIONAL NOTES

Note: The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the certain dollar amount set forth in any applicable arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. If you desire to review the terms of the policy, including any arbitration clause that may be included, contact the office that issued this Commitment or Report to obtain a sample of the policy jacket for the policy that is to be issued in connection with your transaction.

1. General and special taxes and assessments for the fiscal year 2021-2022.

First Installment:	$7,222.67, PAID
Penalty:	$0.00
Second Installment:	$7,222.67, PAID
Penalty:	$0.00
Tax Rate Area:	21-004
A. P. No.:	071-0291-010

The map attached, if any, may or may not be a survey of the land depicted hereon. First American expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.

LEGAL DESCRIPTION

Real property in the City of Alameda, County of Alameda, State of California, described as follows:

LOT 5 AS SHOWN ON THE MAP ENTITLED "TRACT 8500", ALAMEDA MARINA, FILED FOR RECORD ON DECEMBER 9, 2020 IN BOOK 363 OF MAPS, AT PAGES 90 THROUGH 96, ALAMEDA COUNTY RECORDS AND AS AMENDED BY CERTIFICATE OF CORRECTION RECORDED JANUARY 28, 2021 AS INSTRUMENT NO. 2021034934 OF OFFICIAL RECORDS.

APN: 071-0291-010

NOTICE

Section 12413.1 of the California Insurance Code, effective January 1, 1990, requires that any title insurance company, underwritten title company, or controlled escrow company handling funds in an escrow or sub-escrow capacity, wait a specified number of days after depositing funds, before recording any documents in connection with the transaction or disbursing funds. This statute allows for funds deposited by wire transfer to be disbursed the same day as deposit. In the case of cashier's checks or certified checks, funds may be disbursed the next day after deposit. In order to avoid unnecessary delays of three to seven days, or more, please use wire transfer, cashier's checks, or certified checks whenever possible.

EXHIBIT A
LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (BY POLICY TYPE)

CLTA STANDARD COVERAGE POLICY – 1990

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
   (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy; or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
   Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public, records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the public records at Date of Policy.

CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13)
EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
   a. building;
   b. zoning;
   c. land use;
   d. improvements on the Land;
   e. land division; and
   f. environmental protection.
   This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
   a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
   b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
   c. that result in no loss to You; or
   d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right:
   a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
   b. in streets, alleys, or waterways that touch the Land.
   This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:
For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.
The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1% of Policy Amount Shown in Schedule A or $2,500 (whichever is less)	$10,000
Covered Risk 18:	1% of Policy Amount Shown in Schedule A or $5,000 (whichever is less)	$25,000
Covered Risk 19:	1% of Policy Amount Shown in Schedule A or $5,000 (whichever is less)	$25,000
Covered Risk 21:	1% of Policy Amount Shown in Schedule A or $2,500 (whichever is less)	$5,000

2006 ALTA LOAN POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to

   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;

(iii) the subdivision of land; or
(iv) environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
(a) created, suffered, assumed, or agreed to by the Insured Claimant;
(b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
(c) resulting in no loss or damage to the Insured Claimant;
(d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
(e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
(a) a fraudulent conveyance or fraudulent transfer, or
(b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

[Except as provided in Schedule B - Part II,[t[or T]his policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

[PART I

[The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the Public Records at Date of Policy.

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:]

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to

(i) the occupancy, use, or enjoyment of the Land;
(ii) the character, dimensions, or location of any improvement erected on the Land;
(iii) the subdivision of land; or
(iv) environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 or 10); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
   (a) a fraudulent conveyance or fraudulent transfer, or
   (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:
[The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the Public Records at Date of Policy.
7. [Variable exceptions such as taxes, easements, CC&R's, etc. shown here.]

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10)
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to

   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;

   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d),

14 or 16.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
   (a) a fraudulent conveyance or fraudulent transfer, or
   (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

Addendum F

Comparable Data

Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name:	City of Alameda CFD No. 2013-01 (Alameda Landing)
Sub-Property Type:	Residential, Residential Subdivision
Address:	Mosley Ave.
City/State/Zip:	Alameda, CA 94501
County:	Alameda
Market Orientation:	Suburban
IRR Event ID:	2753896

MSA:	San Francisco-Oakland-Hayward, CA
Legal/Tax/Parcel ID:	74-1380- Lots 1 - 18, 74-1379- Lots 1 - 18, 74-1373-10 and 74-1373-13

Sale Information

Sale Price:	$22,065,000
Effective Sale Price:	$22,065,000
Sale Date:	04/01/2022
Sale Status:	In-Contract
Eff. Price/Unit:	$208,160 /Approved Lot
$/Acre(Gross):	$5,899,733
$/Land SF(Gross):	$135.44
$/Acre(Usable):	$5,899,733
$/Land SF(Usable):	$135.44
Grantor/Seller:	The Successor Agency to the former Community Improvement Commission of the City of Alameda
Grantee/Buyer:	Pulte Home Company, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Terms of Sale Comments:	Third of three takedowns
Verified By:	Laura Diaz
Verification Date:	06/17/2021
Verification Type:	Confirmed-Other

Improvement and Site Data

Acres(Usable/Gross):	3.74/3.74
Land-SF(Usable/Gross):	162,914/162,914
Usable/Gross Ratio:	1.00
Year Built:	2021 to 2023
Property Class:	A
M&S Class:	D
Construction Quality:	Good
Improvements Cond.:	New
No. of Units/Unit Type:	106/Approved Lots
Topography:	Level
Corner Lot:	Yes
Frontage Desc.:	Fifth Street
Frontage Type:	2 way, 1 lane each way
Traffic Flow:	Low
Visibility Rating:	Average
Density-Unit/Gross Acre:	28.34
Density-Unit/Usable Acre:	28.34
Zoning Code:	MX
Zoning Desc.:	Mixed Use - Planned Development
Flood Plain:	Yes
Comm. Panel No.:	06001C0066H &

Improvement and Site Data (Cont'd)

Date:	12/21/2018
Source of Land Info.:	Public Records

Comments

This transaction reflects Phase 3 of Alameda Landing, which includes 106 lots. Permits and fees are estimated at $15,590 per unit. The master developer is responsible for the grading of the parcels, with the homebuilder responsible for infrastructure and in-tracts. Remaining site development costs are estimated at $104,811 per lot. The proposed homes will include a mix of condominiums and townhomes. Eight of the homes will be below market rate. The average home size for Phase 3 is 1,406 square feet.

This is the last of three takedowns to Pulte; all three takedowns were negotiated together in 2020 and included in one purchase agreement. The first and second takedowns closed in August 2020 and June 2021, respectively.

This property represents a portion of the 44-acre area annexed into the City of Alameda Community Facilities District No. 13-1 (Alameda Landing Public Improvements). The property is subdivided into three phases which are proposed for a total of 357 single family residences (including 39 BMR units) across four product lines and one retail site. Phase 1 will include 156 attached and detached (small lot) single family residences and an approximately 0.16 acre retail site currently used for the sales office. Phase 2 will include 95 attached and detached homes, while Phase 3 will include 106 attached homes.

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name:	City of Alameda CFD No. 2013-01 (Alameda Landing)
Sub-Property Type:	Residential, Residential Subdivision
Address:	Mosley Ave.
City/State/Zip:	Alameda, CA 94501
County:	Alameda
Market Orientation:	Suburban
IRR Event ID:	2753852

Sale Information

Sale Price:	$24,075,000
Effective Sale Price:	$24,075,000
Sale Date:	06/14/2021
Sale Status:	Closed
$/SF NRA:	$2662.57
Eff. Price/Unit:	$253,421 /Approved Lot
$/Acre(Gross):	$4,005,824
$/Land SF(Gross):	$91.96
$/Acre(Usable):	$4,005,824
$/Land SF(Usable):	$91.96
Grantor/Seller:	The Successor Agency to the former Community Improvement Commission of the City of Alameda
Grantee/Buyer:	Pulte Home Company, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Terms of Sale Comments:	Second of three takedowns
Document Type:	Deed
Verified By:	Laura Diaz
Verification Date:	06/17/2021
Verification Type:	Confirmed-Other

Improvement and Site Data

MSA:	San Francisco-Oakland-Hayward, CA
Legal/Tax/Parcel ID:	74-1380- Lots 1 - 18, 74-1379- Lots 1 - 18, 74-1373-10 and 74-1373-13
NRA-SF:	9,042
Acres(Usable/Gross):	6.01/6.01
Land-SF(Usable/Gross):	261,795/261,795
Usable/Gross Ratio:	1.00
Year Built:	2021 to 2023
Property Class:	A
M&S Class:	D
Construction Quality:	Good
Improvements Cond.:	New
No. of Units/Unit Type:	95/Approved Lots
Topography:	Level
Corner Lot:	Yes
Frontage Desc.:	Fifth Street
Frontage Type:	2 way, 1 lane each way
Traffic Flow:	Low
Visibility Rating:	Average
Density-Unit/Gross Acre:	15.81
Density-Unit/Usable Acre:	15.81
Zoning Code:	MX

Improvement and Site Data (Cont'd)

Zoning Desc.:	Mixed Use - Planned Development
Flood Plain:	Yes
Comm. Panel No.:	06001C0066H &
Date:	12/21/2018
Source of Land Info.:	Public Records

Comments

This transaction reflects Phase 2 of Alameda Landing, which includes 95 lots. Permits and fees are estimated at $15,590 per unit. The master developer is responsible for the grading of the parcels, with the homebuilder responsible for infrastructure and in-tracts. Remaining site development costs at the time of sale are estimated at $109,895 per lot. The proposed homes will include 78 attached homes (mix of townhomes and flats) and 17 detached homes on small lots. Seven of the homes will be below market rate. The average home size for Phase 2 is 1,404 square feet.

This is the second of three takedowns to Pulte; all three takedowns were negotiated together and included in one purchase agreement. The first takedown closed in August 2020 and the third takedown is scheduled for April 2022.

This property represents a portion of the 44-acre area annexed into the City of Alameda Community Facilities District No. 13-1 (Alameda Landing Public Improvements). The property is subdivided into three phases which are proposed for a total of 357 single family residences (including 39 BMR units) across four product lines and one retail site. Phase 1 will include 156 attached and detached (small lot) single family residences and an approximately 0.16 acre retail site currently used for the sales office. Phase 2 will include 95 attached and detached homes, while Phase 3 will include 106 attached homes.

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name:	City of Alameda CFD No. 22-1 (Alameda Marina)
Sub-Property Type:	Commercial
Address:	Clement Ave.
City/State/Zip:	Alameda, CA 94501
County:	Alameda
Market Orientation:	Suburban
IRR Event ID:	2915328

Sale Information

Sale Price:	$51,900,000
Effective Sale Price:	$51,900,000
Sale Date:	05/05/2021
Recording Date:	05/05/2021
Contract Date:	12/04/2020
Sale Status:	Closed
Grantor/Seller:	Alameda Marina, LLC
Grantee/Buyer:	Arroyo Cap II-5, LLC
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Recording No.:	2021173713
Verified By:	Sara Gilbertson
Verification Date:	09/02/2022
Confirmation Source:	Sean P. Murphy
Verification Type:	Confirmed-Seller

Improvement and Site Data

MSA:	San Francisco-Oakland-Hayward, CA
Acres(Gross):	0.00
Land-SF(Gross):	0
Source of Land Info.:	Public Records

Comments

Homebuilder, Landsea Homes, acquired this 10.96-acre property in May 2021 based on the December 2020 contract price of $51,900,000, or approximately $285,165 per townhome unit. The proposed project consists of a total of 182 single family residences, including 25 BMR units. Two product lines will be constructed, Island View and Waterside. Island View will comprise a total of 98 townhomes with marina views, with seven floor plans ranging from 1,462 to 2,386 square feet, and select homes will include rooftop decks. Waterside is located on the waterfront; these 84 townhomes will include four floor plans ranging from 2,161 to 2,689 square feet with rooftop decks. Vertical home construction commenced in August 2022.

Upon completion of the Alameda Marina redevelopment project, it will include 760 housing units, 150,000 square feet of commercial space, and 104 BMR units, as well as 3.45 acres of parks, 529 boat slips, a 60-boat dry storage area, public shoreline access and an extension of the Bay Trail and bike path network.

Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name:	City of Alameda CFD No. 2013-01 (Alameda Landing)
Sub-Property Type:	Residential, Residential Subdivision
Address:	Mosley Ave.
City/State/Zip:	Alameda, CA 94501
County:	Alameda
Market Orientation:	Suburban
IRR Event ID:	2753849

Sale Information

Sale Price:	$35,110,000
Effective Sale Price:	$35,110,000
Sale Date:	08/14/2020
Sale Status:	Closed
Eff. Price/Unit:	$225,064 /Approved Lot
$/Acre(Gross):	$4,700,134
$/Land SF(Gross):	$107.90
$/Acre(Usable):	$4,700,134
$/Land SF(Usable):	$107.90
Grantor/Seller:	The Successor Agency to the former Community Improvement Commission of the City of Alameda
Grantee/Buyer:	Pulte Home Company, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Terms of Sale Comments:	First of three takedowns
Document Type:	Deed
Recording No.:	2020200519
Verified By:	Laura Diaz
Verification Date:	06/17/2021
Verification Type:	Confirmed-Other

Improvement and Site Data

MSA:	San Francisco-Oakland-Hayward, CA
Legal/Tax/Parcel ID:	74-1380- Lots 1 - 18, 74-1379- Lots 1 - 18, 74-1373-10 and 74-1373-13
Acres(Usable/Gross):	7.47/7.47
Land-SF(Usable/Gross):	325,393/325,393
Usable/Gross Ratio:	1.00
Year Built:	2021 to 2023
Property Class:	A
M&S Class:	D
Construction Quality:	Good
Improvements Cond.:	New
No. of Units/Unit Type:	156/Approved Lots
Topography:	Level
Corner Lot:	Yes
Frontage Desc.:	Fifth Street
Frontage Type:	2 way, 1 lane each way
Traffic Flow:	Low
Visibility Rating:	Average
Density-Unit/Gross Acre:	20.88
Density-Unit/Usable Acre:	20.88
Zoning Code:	MX
Zoning Desc.:	Mixed Use - Planned Development

Improvement and Site Data (Cont'd)

Flood Plain:	Yes
Comm. Panel No.:	06001C0066H &
Date:	12/21/2018
Source of Land Info.:	Public Records

Comments

This transaction reflects Phase 1 of Alameda Landing, which includes 156 lots. Permits and fees are estimated at $15,590 per unit. The master developer is responsible for the grading of the parcels, with the homebuilder responsible for infrastructure and in-tracts. Remaining site development costs at the time of sale are estimated at $80,032 per lot. The majority of the proposed homes will reflect attached townhomes and flats (143 homes). The project will also include 13 detached homes on small lots. Twenty-four of the homes will be below market rate. The average home size for Phase 1 is 1,399 square feet.

This is the first of three takedowns to Pulte; all three takedowns were negotiated together and included in one purchase agreement. The second takedown closed in June 2021 and the third takedown is scheduled for April 2022.

This property represents a portion of the 44-acre area annexed into the City of Alameda Community Facilities District No. 13-1 (Alameda Landing Public Improvements). The property is subdivided into three phases which are proposed for a total of 357 single family residences (including 39 BMR units) across four product lines and one retail site. Phase 1 will include 156 attached and detached (small lot) single family residences and an approximately 0.16 acre retail site currently used for the sales office. Phase 2 will include 95 attached and detached homes, while Phase 3 will include 106 attached homes.

Land Sale Profile

Sale No. 5

Location & Property Identification

Property Name:	Alameda Point Block 7
Sub-Property Type:	Residential
Address:	173 W. Seaplane Pagoon
City/State/Zip:	Alameda, CA 94501
County:	Alameda
Market Orientation:	Suburban
IRR Event ID:	2915355

Sale Information

Sale Price:	$15,000,000
Effective Sale Price:	$15,000,000
Sale Date:	07/16/2019
Sale Status:	Closed
$/Acre(Gross):	$6,122,449
$/Land SF(Gross):	$140.55
$/Acre(Usable):	$6,122,449
$/Land SF(Usable):	$140.55
$/Unit:	$250,000 /Approved Unit
Grantor/Seller:	Alameda Point Partners, LLC
Grantee/Buyer:	TH-HW Alameda Pointe, LLC (Trumark)
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Recording No.:	135321
Verified By:	Laura Diaz
Verification Date:	07/14/2020
Confirmation Source:	Trumark
Verification Type:	Confirmed-Seller

Improvement and Site Data

Legal/Tax/Parcel ID:	74-1376-4
Acres(Usable/Gross):	2.45/2.45
Land-SF(Usable/Gross):	106,722/106,722
Usable/Gross Ratio:	1.00
No. of Units (Potential):	60
Zoning Code:	AP-TC
Zoning Desc.:	Alameda Point - Town Center
Source of Land Info.:	Public Records

Comments

This property sold with infrastructure obligations to be completed by the seller to bring the development to paper lot status. Block 7 of Alameda Point is proposed for 60 townhomes ranging from 1,448 to 2,442 square feet. Permits and fees are estimated at $30,150 per unit.

Land Sale Profile Sale No. 6

Location & Property Identification

Property Name:	Alameda Point Block 6
Sub-Property Type:	Residential
Address:	173 W. Seaplane Lagoon
City/State/Zip:	Alameda, CA 94501
County:	Alameda
Market Orientation:	Suburban
IRR Event ID:	2915349

Sale Information

Sale Price:	$19,400,000
Effective Sale Price:	$19,400,000
Sale Date:	03/15/2018
Sale Status:	Closed
$/Acre(Gross):	$6,830,986
$/Land SF(Gross):	$156.82
$/Acre(Usable):	$6,830,986
$/Land SF(Usable):	$156.82
$/Unit:	$303,125 /Approved Unit
Grantor/Seller:	Alameda Point Partners, LLC
Grantee/Buyer:	TH-HW Alameda Pointe, LLC (Trumark)
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Recording No.:	53373
Verified By:	Laura Diaz
Verification Date:	06/14/2020
Confirmation Source:	Trumark
Verification Type:	Confirmed-Buyer

Improvement and Site Data

Legal/Tax/Parcel ID:	74-1376-3
Acres(Usable/Gross):	2.84/2.84
Land-SF(Usable/Gross):	123,710/123,710
Usable/Gross Ratio:	1.00
No. of Units (Potential):	64
Zoning Code:	AP-TC
Zoning Desc.:	Alameda Point - Town Center
Source of Land Info.:	Public Records

Comments

This property sold with infrastructure obligations to be completed by the seller to bring the development to paper lot status. Block 6 of Alameda Point is proposed for 64 townhomes ranging from 1.767 to 3,332 square feet. Permits and fees are estimated at $31,370 per unit.

APPENDIX I

ASSIGNED SPECIAL TAX FOR EACH TOWNHOME

The table below sets forth, for each of the 182 townhomes expected to be constructed in the District, the product line and building number of the building in which it will be located, if the townhome is a below market rate unit exempt from Special Tax levies (see "x" next to the applicable townhome numbers), the square footage of the townhome, the Land Use Class for the townhome under the Rate and Method, and the fiscal year 2023-24 Assigned Special Tax for the townhome. The table also shows the total fiscal year 2023-24 Assigned Special Taxes for the townhomes in each building. Under the Rate and Method, the Assigned Special Tax for each Land Use Class increases each July 1 by an amount equal to two percent of the amount in effect for the prior fiscal year. See "SECURITY FOR THE 2023 BONDS— Summary of Rate and Method" and "THE DEVELOPMENT AND THE DISTRICT—Description of the District" in the body of this Official Statement.

Product	Building # and Townhomes in the Building	Townhome Square Footage	Rate and Method Land Use Class	Fiscal Year 2023/24 Assigned Special Tax	Total Assigned Special Taxes for Units in the Building
Island View	Building 1				$44,483.22
Island View	1	2200	3	$7,157.34	
Island View	2	1462	6	5,607.96	
Island View	3	2105	4	7,131.84	
Island View	4	1768	5	6,212.82	
Island View	5	1462	6	5,607.96	
Island View	6 x	2105	N/A	0.00	
Island View	7	1462	6	5,607.96	
Island View	8	2200	3	7,157.34	
Island View	Building 2				37,325.88
Island View	1	2389	3	7,157.34	
Island View	2	1462	6	5,607.96	
Island View	3	2105	4	7,131.84	
Island View	4	1768	5	6,212.82	
Island View	5	1462	6	5,607.96	
Island View	6 x	1483	N/A	0.00	
Island View	7	1628	6	5,607.96	
Island View	Building 3				37,325.88
Island View	1	1628	6	5,607.96	
Island View	2 x	1483	N/A	0.00	
Island View	3	1462	6	5,607.96	
Island View	4	1768	5	6,212.82	
Island View	5	2105	4	7,131.84	
Island View	6	1462	6	5,607.96	
Island View	7	2389	3	7,157.34	

Product	Building # and Townhomes in the Building	Townhome Square Footage	Rate and Method Land Use Class	Fiscal Year 2023/24 Assigned Special Tax	Total Assigned Special Taxes for Units in the Building
Island View	Building 4				44,457.72
Island View	1	2200	3	7,157.34	
Island View	2	1462	6	5,607.96	
Island View	3	2105	4	7,131.84	
Island View	4	1462	6	5,607.96	
Island View	5	1768	5	6,212.82	
Island View	6	2105	4	7,131.84	
Island View	7	1462	6	5,607.96	
Island View	8 x	2200	N/A	0.00	
Island View	Building 5				44,483.22
Island View	1	2200	3	7,157.34	
Island View	2	1462	6	5,607.96	
Island View	3 x	2105	N/A	0.00	
Island View	4	1768	5	6,212.82	
Island View	5	1462	6	5,607.96	
Island View	6	2105	4	7,131.84	
Island View	7	1462	6	5,607.96	
Island View	8	2200	3	7,157.34	
Island View	Building 6				37,325.88
Island View	1	2389	3	7,157.34	
Island View	2	1462	6	5,607.96	
Island View	3	2105	4	7,131.84	
Island View	4	1768	5	6,212.82	
Island View	5	1462	6	5,607.96	
Island View	6	1483	6	5,607.96	
Island View	7 x	1628	N/A	0.00	
Waterside	Building 7				37,485.00
Waterside	1	2744	1	8,100.84	
Waterside	2 x	2189	N/A	0.00	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5	2189	3	7,157.34	
Waterside	6	2581	2	7,912.14	
Waterside	Building 8				36,541.50
Waterside	1 x	2744	N/A	0.00	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5	2189	3	7,157.34	
Waterside	6	2581	2	7,912.14	
Waterside	Building 9				30,327.66
Waterside	1	2744	1	8,100.84	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4	2581	2	7,912.14	

Product	Building # and Townhomes in the Building	Townhome Square Footage	Rate and Method Land Use Class	Fiscal Year 2023/24 Assigned Special Tax	Total Assigned Special Taxes for Units in the Building
Waterside	Building 10				14,314.68
Waterside	1	2211	3	7,157.34	
Waterside	2 x	2211	N/A	0.00	
Waterside	3 x	2232	N/A	0.00	
Waterside	4	2219	3	7,157.34	
Waterside	Building 11				23,170.32
Waterside	1	2744	1	8,100.84	
Waterside	2	2189	3	7,157.34	
Waterside	3 x	2189	N/A	0.00	
Waterside	4	2581	2	7,912.14	
Waterside	Building 12				37,485.00
Waterside	1	2581	2	7,912.14	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5	2744	1	8,100.84	
Waterside	Building 13				29,572.86
Waterside	1 x	2581	N/A	0.00	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5	2744	1	8,100.84	
Waterside	Building 14				37,485.00
Waterside	1	2581	2	7,912.14	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5	2744	1	8,100.84	
Waterside	Building 15				37,485.00
Waterside	1	2581	2	7,912.14	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5	2744	1	8,100.84	
Waterside	Building 16				30,327.66
Waterside	1	2581	2	7,912.14	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4 x	2189	N/A	0.00	
Waterside	5	2744	1	8,100.84	
Island View	Building 17				27,054.48
Island View	1	2200	3	7,157.34	
Island View	2	1462	6	5,607.96	
Island View	3	2105	4	7,131.84	
Island View	4 x	1462	N/A	0.00	
Island View	5	2200	3	7,157.34	

Product	Building # and Townhomes in the Building	Townhome Square Footage	Rate and Method Land Use Class	Fiscal Year 2023/24 Assigned Special Tax	Total Assigned Special Taxes for Units in the Building
Island View	Building 18				25,505.10
Island View	1	2200	3	7,157.34	
Island View	2	1462	6	5,607.96	
Island View	3	2105	4	7,131.84	
Island View	4	1462	6	5,607.96	
Island View	5 x	2200	N/A	0.00	
Island View	Building 19				37,325.88
Island View	1 x	1628	N/A	0.00	
Island View	2	1483	6	5,607.96	
Island View	3	1462	6	5,607.96	
Island View	4	1768	5	6,212.82	
Island View	5	2105	4	7,131.84	
Island View	6	1462	6	5,607.96	
Island View	7	2389	3	7,157.34	
Island View	Building 20				50,091.18
Island View	1	2200	3	7,157.34	
Island View	2	1462	6	5,607.96	
Island View	3	1462	6	5,607.96	
Island View	4	1768	5	6,212.82	
Island View	5 x	1768	N/A	0.00	
Island View	6	1462	6	5,607.96	
Island View	7	2105	4	7,131.84	
Island View	8	1462	6	5,607.96	
Island View	9	2389	3	7,157.34	
Island View	Building 21				45,402.24
Island View	1	2200	3	7,157.34	
Island View	2	1462	6	5,607.96	
Island View	3	2105	4	7,131.84	
Island View	4	1462	6	5,607.96	
Island View	5 x	1768	N/A	0.00	
Island View	6	2105	4	7,131.84	
Island View	7	1462	6	5,607.96	
Island View	8	2200	3	7,157.34	
Island View	Building 22				49,146.66
Island View	1 x	2392	N/A	0.00	
Island View	2	1459	6	5,607.96	
Island View	3	2103	4	7,131.84	
Island View	4	1459	6	5,607.96	
Island View	5	1768	5	6,212.82	
Island View	6	1768	5	6,212.82	
Island View	7	1462	6	5,607.96	
Island View	8	1462	6	5,607.96	
Island View	9	2200	3	7,157.34	

Product	Building # and Townhomes in the Building	Townhome Square Footage	Rate and Method Land Use Class	Fiscal Year 2023/24 Assigned Special Tax	Total Assigned Special Taxes for Units in the Building
Island View	Building 23				32,662.44
Island View	1	2200	3	7,157.34	
Island View	2	1462	6	5,607.96	
Island View	3	2105	4	7,131.84	
Island View	4	1462	6	5,607.96	
Island View	5	2200	3	7,157.34	
Island View	Building 24				27,054.48
Island View	1	2200	3	7,157.34	
Island View	2 x	1462	N/A	0.00	
Island View	3	2105	4	7,131.84	
Island View	4	1462	6	5,607.96	
Island View	5	2200	3	7,157.34	
Waterside	Building 25				30,327.66
Waterside	1	2744	1	8,100.84	
Waterside	2 x	2189	N/A	0.00	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5	2581	2	7,912.14	
Waterside	Building 26				29,572.86
Waterside	1	2744	1	8,100.84	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5 x	2581	N/A	0.00	
Waterside	Building 27				37,485.00
Waterside	1	2744	1	8,100.84	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5	2581	2	7,912.14	
Waterside	Building 28				37,485.00
Waterside	1	2744	1	8,100.84	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5	2581	2	7,912.14	
Waterside	Building 29				29,572.86
Waterside	1	2744	1	8,100.84	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5 x	2581	N/A	0.00	

Product	Building # and Townhomes in the Building	Townhome Square Footage	Rate and Method Land Use Class	Fiscal Year 2023/24 Assigned Special Tax	Total Assigned Special Taxes for Units in the Building
Waterside	Building 30				29,572.86
Waterside	1	2744	1	8,100.84	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5 x	2581	N/A	0.00	
Waterside	Building 31				29,384.16
Waterside	1 x	2744	N/A	0.00	
Waterside	2	2189	3	7,157.34	
Waterside	3	2189	3	7,157.34	
Waterside	4	2189	3	7,157.34	
Waterside	5	2581	2	7,912.14	
Total Fiscal Year 2023-24 Assigned Special Taxes				$1,077,239.34	$1,077,239.34