

PURCHASE CONTRACT

related to:

\$[PAR A]
Independent Cities Finance Authority
Mobile Home Park Revenue Bonds
(Augusta Communities Mobile Home Park Pool) Series 2024A

And

\$[PAR B]
Independent Cities Finance Authority
Mobile Home Park Revenue Bonds
(Augusta Communities Mobile Home Park Pool) Series 2024B (Federally Taxable)

[Pricing Date]

Independent Cities Finance Authority
Post Office Box 6740
Lancaster, California 93539-6740

Augusta Communities IV LLC
400 Mountain Avenue, Suite 205
Upland, California 91789
Attention: Suzanne Taylor

Ladies and Gentlemen:

Raymond James & Associates, Inc. (the “Underwriter”), hereby offers to enter into the following agreement with the Independent Cities Finance Authority (the “Issuer”) and Augusta Communities IV LLC, a California limited liability company (the “Borrower”) whose sole member is Augusta Homes, a California nonprofit public benefit corporation (the “Sole Member”). Upon the acceptance hereof by both of you, this offer will be binding upon the Issuer, the Borrower and the Underwriter. This offer is made subject to (i) the written acceptance hereof by both of you, and (ii) withdrawal by the Underwriter upon written notice (by email or otherwise) delivered to you at any time prior to the acceptance hereof by both of you.

Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Indenture of Trust, dated as of [October 1], 2024 (the “Indenture”), by and between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”).

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Issuer agrees to sell and deliver to the Underwriter and the Underwriter hereby agrees to purchase from the Issuer, at the Closing Time on the Closing Date (both as defined below), all of the (a) \$[PAR A] principal amount of Independent Cities Finance Authority Mobile Home Park Revenue Bonds (Augusta Communities

Mobile Home Park Pool) Series 2024A (the “Series A Bonds”) and (b) \$[PAR B] principal amount of Independent Cities Finance Authority Mobile Home Park Revenue Bonds (Augusta Communities Mobile Home Park Pool) Series 2024B (Federally Taxable) (the “Series B Bonds” and together with the Series A Bonds, the “Bonds”). The Bonds shall be dated the Closing Date, and the Bonds shall mature on [May] 15 in the years set forth on Exhibit A attached hereto and incorporated herein by this reference and shall bear interest at the rates shown on Exhibit A hereto. The Bonds shall be subject to optional redemption, special redemption and mandatory redemption from sinking fund payments in the amounts and on the dates shown in the Official Statement (as described below). Interest on the Bonds shall be payable on May 15 and November 15 of each year to maturity, commencing on [May 15, 2025].

The purchase price for the Series A Bonds shall be \$_____, being the principal amount of the Series A Bonds (\$[PAR A].00) less an Underwriter’s discount of \$_____ plus original issue premium of \$_____. The purchase price for the Series B Bonds shall be \$_____, being the principal amount of the Series B Bonds (\$[PAR B].00) less an Underwriter’s discount of \$_____. The date of payment by the Underwriter of the purchase price for the Bonds and delivery by the Issuer of the Bonds to the Underwriter or its designee is referred to herein as the “Closing Date,” the hour and date of such delivery and payment is referred to herein as the “Closing Time,” and the other actions contemplated hereby to take place at the time of such payment and delivery being herein sometimes called the “Closing.”

Each of the Issuer and the Borrower acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm’s-length commercial transaction between the Issuer and the Borrower, on one hand, and the Underwriter, on the other; (ii) in connection with such transaction, including the process leading thereto, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Issuer or the Borrower; (iii) the Underwriter has neither assumed an advisory or fiduciary responsibility in favor of the Issuer or the Borrower with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Issuer or the Borrower on other matters) nor has it assumed any other contractual obligation to the Issuer or the Borrower except the obligations expressly set forth in this Purchase Contract; (iv) the Underwriter has financial and other interests that differ from those of the Issuer and the Borrower; and (v) the Issuer and the Borrower have each consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

2. The Bonds. The Bonds shall be described in, and shall be issued and secured pursuant to, the provisions of the Constitution and the laws of the State of California including the provisions of Chapter 8 of Part 5 of Division 31 of the Health and Safety Code of the State of California (the “Bond Law”). The Bonds shall be issued and secured pursuant to the Indenture.

The Bonds are being issued for the purpose of making a loan (the “Loan”) to the Borrower to (i) provide financing with respect to the acquisition and improvement of the Wildwood Canyon Mobile Estates (the “Wildwood Project”) located at 34111 Wildwood Canyon Road, Yucaipa, California 92399 and the Idyllwild Trailer Park (the “Idyllwild Project”) located at 25955 Hwy 243, Idyllwild, California 92549; (ii) provide financing with respect to the improvement of the Valley View Mobile Home Park (the “Valley View Project” and collectively with the Wildwood Project and the Idyllwild Project, the “Projects” and each a “Project”) located at 12996 6th Street,

Yucaipa, California 92399; (iii) fund the Debt Service Reserve Fund; (iv) fund the Repair and Replacement Fund; and (v) pay the costs of issuing the Bonds, all as further described in the Official Statement (defined below). The Projects are to be operated pursuant to, respectively, (a) the Regulatory Agreement and Declaration of Restrictive Covenants, dated as of [October 1], 2024, by and among the Authority, the Trustee and the Borrower relating to the Wildwood Project; (b) the Regulatory Agreement and Declaration of Restrictive Covenants, dated as of [October 1], 2024, by and among the Authority, the Trustee and the Borrower relating to the Idyllwild Project; and (c) the Regulatory Agreement and Declaration of Restrictive Covenants, dated as of August 1, 2012, by and among the Authority, the Trustee and the Borrower (as assignee thereunder) relating to the Valley View Project (collectively, the “Regulatory Agreements”). As set forth in the Indenture, the Bonds are secured by a pledge of the Pledged Revenues.

Compliance by the Borrower with certain provisions of the Loan Agreement and the Regulatory Agreements will be monitored for the Issuer by Wolf & Company, Inc., acting as Oversight Agent under (i) with respect to the Wildwood Project and the Idyllwild Project, an Administration and Oversight Agreement, dated as of [October 1], 2024, and (ii) with respect to the Valley View Project, the Administration Agreement, dated as of May 1, 2022, each among the Issuer, Wolf & Company, Inc. and the Borrower (together, the “Oversight Agreements”). The Indenture, the Loan Agreement, the Regulatory Agreements, the Oversight Agreements, and this Purchase Contract are referred to collectively herein as the “Basic Documents.”

The Bonds shall be payable and shall be subject to redemption as provided in the Indenture and described in the Preliminary Official Statement dated [POS Date], 2024 (the “Preliminary Official Statement”), and the Official Statement dated of even date herewith, including the cover pages and the appendices thereto, as amended to conform to the terms of this Purchase Contract and with such changes and amendments thereto as have been mutually agreed to by the Issuer and the Underwriter, are hereinafter referred to as the “Official Statement.”

3. Public Offering by the Underwriter; Establishment of Series A Bonds Issue Price.

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

(b) It shall be a condition to the Issuer’s and the Underwriter’s respective obligations to sell and deliver, and to purchase, accept delivery of and pay for the Bonds that the entire principal amount of the Bonds shall be issued, sold and delivered by the Issuer and purchased, accepted and paid for by the Underwriter at the Closing.

(c) The Underwriter agrees to assist the Issuer in establishing the issue price of the Series A Bonds and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit E, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer, and Bond Counsel, to

accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series A Bonds.

(d) The Issuer will treat the first price at which 10% of each maturity of the Series A Bonds (the “10% test”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Series A Bonds. For purposes of this Section, if Series A Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series A Bonds.

(e) The Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply to those maturities of the Series A Bonds identified on Exhibit E for which the 10% test has not been satisfied as of the date of this Purchase Contract, that will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series A Bonds, the Underwriter will neither offer nor sell unsold Series A Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following: (A) the close of the fifth (5th) business day after the sale date; or (B) the date on which the Underwriter has sold at least 10% of that maturity of the Series A Bonds to the public at a price that is no higher than the initial offering price to the public. The Underwriter shall promptly advise the Issuer when the Underwriter has sold 10% of that maturity of the Series A Bonds to the public at a price that is no higher than the initial offering price to the public, if such sale occurs prior to the close of the fifth (5th) business day after the sale date.

(f) The Underwriter confirms that it has offered the Series A Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Exhibit E attached hereto, except as otherwise set forth therein. The Underwriter acknowledges that sales of any Series A Bonds to any person that is a related party to an Underwriter participating in the initial sale of the Series A Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party,

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

(iii) a purchaser of any of the Series A Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A)

more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

4. Official Statement, Delivery of Other Documents, Use of Documents.

(a) The Issuer and the Borrower hereby authorize the use by the Underwriter of the Preliminary Official Statement and the Official Statement (including any supplements or amendments to the Official Statement), the Basic Documents and the information therein contained, in connection with the public offering and sale of the Bonds.

(b) The Borrower shall deliver to the Underwriter, within seven business days from the date hereof, and in any event not later than two business days prior to the Closing Date, such number of copies of the final Official Statement executed on behalf of and approved for distribution by the Borrower as the Underwriter may reasonably request in order for the Underwriter to comply with the rules of the Municipal Securities Rulemaking Board and paragraph (b)(4) of Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). Such final Official Statement shall include information permitted to be omitted from the Preliminary Official Statement by paragraph (b)(1) of the Rule and shall include such other amendments or supplements as shall have been approved by the Issuer, the Borrower and the Underwriter (the "Final Official Statement"). It is acknowledged by the Issuer and the Borrower that the Underwriter may deliver the Preliminary Official Statement and a final Official Statement electronically over the internet and in printed paper form. For purposes of this Purchase Contract, the printed paper form of the Preliminary Official Statement and the final Official Statement, if any, are deemed controlling.

(c) As soon as practicable following receipt thereof, the Underwriter shall deliver the Official Statement, and any supplements or amendments thereto, to a nationally recognized municipal securities information repository.

(d) The Underwriter and the Borrower each acknowledge that the Issuer has furnished for inclusion in the Preliminary Official Statement and the Official Statement only the statements and information appearing therein under the captions entitled "THE AUTHORITY" and "LITIGATION – The Authority," solely as such information relates to the Issuer (collectively, the "Issuer Portion") and all other information contained in the Preliminary Official Statement or the Official Statement has been furnished by parties other than the Issuer, which other information has not been independently verified by the Issuer, its board members, its directors, its executive directors, its members, its contractors, its program managers, its advisors, its consultants, its employees, its agents or its counsel. It is further understood and agreed that no obligation of the Issuer contained in this Purchase Contract, the Bonds or the other Basic Documents shall give rise to any pecuniary liability of the Issuer.

5. Representations, Warranties and Agreements of the Issuer. The Issuer represents as follows:

(a) The Issuer is a joint exercise of powers authority duly organized and validly existing under the laws of the State of California.

(b) The Issuer has full legal right, power and authority (i) to enter into the Basic Documents; (ii) to sell, issue and deliver the Bonds to the Underwriter as provided herein; and (iii) to carry out and consummate the transactions on its part contemplated by the Basic Documents.

(c) By all necessary official action, the Issuer has duly authorized and approved the Basic Documents, has duly authorized and approved the Preliminary Official Statement and the Official Statement, has duly authorized and approved the execution and delivery of, and the performance by the Issuer of the obligations in connection with the issuance of the Bonds on its part contained in the Bonds and the Basic Documents and the consummation by it of all other transactions on its part contemplated by the Basic Documents.

(d) To the best knowledge of the Issuer, the Issuer is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation of any state or of the United States, or any agency or instrumentality of either, or any applicable judgment or decree, or any material loan agreement, indenture, bond, note, resolution, agreement (including, without limitation, the Indenture) or other instrument to which the Issuer is a party which breach or default has or may have a material and adverse effect on the ability of the Issuer to perform its obligations under the Basic Documents, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the execution and delivery of the Bonds, the execution and delivery of the Basic Documents, and compliance with the provisions on the Issuer's part contained therein, will not conflict in any material way with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer or under the terms of any such law, regulation or instrument, except as provided by the Bonds and the Basic Documents.

(e) To the best knowledge of the Issuer, except as described or contemplated in the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required to be obtained by the Issuer for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Issuer of its obligations under this Purchase Contract and the other Basic Documents have been duly obtained, except for such approvals, consents and orders as may be required under the federal securities laws or the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

(f) The Bonds when issued will conform to the descriptions thereof contained in the Official Statement; and the Indenture when executed will conform to the descriptions thereof contained in the Official Statement.

(g) The Bonds, when issued, authenticated and delivered in accordance with the Indenture, and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the Issuer, entitled to the benefits of the Indenture, and upon such issuance and delivery, the Indenture will provide for the benefit of the owners from time to time of the Bonds, the legally valid and binding pledges, liens and security interests it purports to create.

(h) To the best knowledge of the Issuer, as of the date hereof, there is no action, suit, proceeding, inquiry or investigation, notice of which has been served on the Issuer, at law or in equity before or by any court, government agency, public board or body, pending or to the best knowledge of the officer of the Issuer executing this Purchase Contract, threatened against the Issuer, affecting the existence of the Issuer or the qualification of any member of the Issuer to serve as an officer of the Issuer, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the pledge and lien on the Revenues pursuant to the Indenture, or contesting or affecting as to the Issuer the validity or enforceability of the Bonds or the Basic Documents, or contesting the tax-exempt status of the interest on the Series A Bonds, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the Issuer with respect to the issuance of the Bonds, or the execution and delivery or performance by the Issuer of the Basic Documents, or in any way contesting or challenging the consummation of the transactions contemplated hereby or thereby.

(i) The Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds (provided, however, that the Issuer shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction, and provided further, that the Underwriter shall bear all costs in connection with the Issuer's action under (i) and (ii) herein).

(j) As of the date thereof, the information contained in the Issuer Portion of the Preliminary Official Statement does not, except for the omission of certain information permitted to be omitted in accordance with the Rule, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein with respect to the Issuer, in light of the circumstances under which they were made, not misleading, provided, however, that these representations and warranties of the Issuer shall apply only to the information contained in the Issuer Portion of the Official Statement relating to the Issuer.

(k) At the time of the Issuer's acceptance hereof, and (unless an event occurs of the nature described in paragraph (m) of this Section 5) at all times subsequent thereto up to and including the Closing Date, the information contained in the Issuer Portion of the Official

Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that these representations and warranties of the Issuer shall apply only to the information contained in the Official Statement relating to the Issuer.

(l) If the Official Statement is supplemented or amended pursuant to paragraph (m) of this Section 5, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Date, the information contained in the Issuer Portion of the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that these representations of the Issuer shall apply only to the information contained in the Official Statement relating to the Issuer.

(m) If between the date of this Purchase Contract and that date which is 25 days after the end of the underwriting period (as determined in accordance with Section 7 hereof) any event known to the Issuer shall occur affecting the Issuer which might adversely affect the marketability of the Bonds or the market prices thereof, or which might cause the information contained in the Issuer Portion of the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Issuer shall notify the Underwriter thereof, and if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer will at the expense of the Borrower prepare and furnish to the Underwriter a reasonable number of copies of such supplement to, or amendment of, the Official Statement in a form and in a manner approved by the Underwriter.

(n) The Issuer will refrain from taking any action, or permitting any action to be taken, with regard to which the Issuer may exercise control, that results in the loss of the tax-exempt status of the interest on the Series A Bonds.

(o) Any certificate signed by any officer of the Issuer and delivered to the Underwriter pursuant to the Basic Documents or any document contemplated thereby, shall be deemed a representation by the Issuer to the Underwriter as to the statements made therein and that such officer shall have been duly authorized to execute the same.

(p) The Issuer will cause the proceeds from the sale of the Bonds to be paid to the Trustee for the purposes specified in the Indenture and the Official Statement. So long as any of the Bonds are outstanding and except as may be authorized by the Indenture, the Issuer will not issue or sell any bonds or other obligations, other than the Bonds sold thereby, the interest on and premium, if any, or principal of which will be payable from the payments to be made under the Indenture.

(q) The Issuer shall honor all other covenants on its part contained in the Basic Documents which are incorporated herein and made a part of this Purchase Contract.

(r) The Issuer Portion of the Preliminary Official Statement has been “deemed final” as of its date by the Issuer for purposes of the Rule, except for the permitted omission described in paragraph (b)(1) of the Rule, if any.

(s) The Issuer will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The Issuer will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

6. Representations, Warranties and Agreements of the Borrower. The Borrower represents, warrants and agrees as follows:

(a) The Borrower is a limited liability company duly organized, validly existing and in good standing under the laws of the State of California.

(b) The Borrower has full legal right, power and authority to enter into and to carry out the transactions on its part contemplated by: (i) the Basic Documents (other than the Indenture), (ii) the Note, (iii) the Deed of Trust, and (iv) the Continuing Disclosure Agreement, dated as of [October 1], 2024 (the “Continuing Disclosure Agreement”), between the Borrower and the Dissemination Agent named therein (the documents described in the preceding clauses (i) through (iv) being collectively referred to herein as the “Borrower Documents”); and to approve the Official Statement.

(c) By all necessary action, the Borrower has duly authorized and approved the Borrower Documents, has duly authorized and approved the Preliminary Official Statement and the Official Statement, has duly authorized and approved the execution and delivery of, and the performance by the Borrower of the obligations on its part contained in the Borrower Documents and the consummation by it of all other transactions on its part contemplated by the Borrower Documents.

(d) At the Closing the Borrower Documents will have been duly executed and delivered by the Borrower and will constitute the legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms except as enforcement of the Borrower Documents may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles if equitable remedies are sought.

(e) The Borrower is not in any material respect in violation or breach of or default under any applicable constitutional provision, law or administrative regulation of any state or of the United States, or any agency or instrumentality of either, or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement (including, without limitation, the Loan Agreement) or other instrument to which the Borrower is a party which breach or default has or may have an adverse effect on the Borrower’s financial position or the ability of the Borrower to perform its obligations under the Borrower Documents, and no event has occurred

and is continuing which with the passage of time or the giving of notice, or both, would constitute such a violation, default or event of default under any such instrument; and the execution and delivery of the Borrower Documents, and compliance with the provisions on the Borrower's part contained therein, will not conflict in any material way with or constitute a material breach of or a material default under the articles of incorporation or bylaws of the Borrower, or any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Borrower is a party nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower or under the terms of any such law, regulation or instrument, except as may be contemplated or permitted by the Borrower Documents.

(f) All consents or approvals of any trustee or holder of indebtedness of the Borrower, and authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Borrower of its obligations under the Borrower Documents have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

(g) The Sole Member is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"); and the Borrower, as a disregarded entity of the Sole Member for federal income tax purposes, is exempt from federal income tax under Section 501(a) of the Code, except with respect to any unrelated business income of the Borrower which income is not expected to result from the consummation of any transaction contemplated by the Borrower Documents. Such status is based on a letter of determination from the Internal Revenue Service to the Sole Member. The Sole Member is not a private foundation within the meaning of Section 509(a) of the Code; and the Sole Member at all times will maintain its status as an organization described in Section 501(c)(3) of the Code and its exemption from federal income tax under Section 501(a) of the Code or corresponding provisions of future federal income tax laws. The facts and circumstances which formed the basis of the status of the Sole Member as an organization described in Section 501(c)(3) of the Code as represented to the Internal Revenue Service continue substantially to exist. Neither the Borrower nor the Sole Member has filed Form 8832 to treat the Borrower as a corporation or has otherwise made an election to be treated as a corporation for federal income tax purposes.

(h) Between the date hereof and the Closing, the Borrower will not, without the prior written consent of the Underwriter, except as described in or contemplated by the Official Statement, incur any material liabilities, direct or contingent, other than in the ordinary course of business.

(i) The Borrower Documents conform to the descriptions thereof contained in the Official Statement.

(j) At or prior to the Closing, the Borrower shall have duly authorized, executed and delivered the Continuing Disclosure Agreement in the form set forth in the Official Statement.

(k) Except as described in the Official Statement, the Borrower is in full compliance with any prior written continuing disclosure undertakings entered into pursuant to the provisions of the Rule.

(l) Except as described in the Official Statement, as of the date hereof, there is no action, suit, proceeding, inquiry or investigation, notice of which has been served on the Borrower, at law or in equity before or by any court, government agency, public board or body, pending or to the best knowledge of the officer of the Borrower executing this Purchase Contract after inquiry of all other officers and directors of the Borrower, threatened against the Borrower, in any way contesting or affecting the corporate existence or powers of the Borrower or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the pledge of and lien on the Revenues pursuant to the Indenture, or contesting or affecting as to the Borrower the validity or enforceability of the Indenture, the Bonds, the Borrower Documents, or contesting the tax-exempt status of interest on the Series A Bonds, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or the execution and delivery or performance by the Borrower of the Borrower Documents, or in any way contesting or challenging the consummation of the transactions contemplated hereby or thereby or contesting or affecting the status of the Sole Member of the Borrower as an organization described in Section 501(c)(3) of the Code, or of the Borrower as a disregarded entity of the Sole Member for federal income tax purposes, or which would subject any income of the Borrower or the Sole Member to federal income taxation to such extent as would result in loss of the exclusion from gross income for federal income tax purposes of interest on any of the Series A Bonds under Section 103 of the Code.

(m) The Borrower: (i) is in compliance with all laws, ordinances, governmental rules and regulations to which it is subject and which are material to its properties, operations or finances; and (ii) has obtained all licenses, permits, franchises or other governmental authorizations necessary and material to the ownership of its property or to the conduct of its activities, and agrees to obtain all such licenses, permits, franchises or other governmental authorizations as may be required in the future for its operations in all cases where failure to obtain such licenses, permits, franchises or other governmental authorizations could reasonably be expected to materially and adversely affect the condition (financial or otherwise) of the Borrower or its ability to perform its obligations under the Borrower Documents.

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

Underwriter shall bear all costs in connection with the Borrower's action under (i) and (ii) herein); (iii) to assure or maintain the tax-exempt status of the interest on the Series A Bonds; and (iv) for the Underwriter to comply with the applicable provisions of the Rule.

(o) As of the date thereof, the Preliminary Official Statement did not, except for the omission of certain information permitted to be omitted in accordance with the Rule, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein with respect to the Borrower and the Projects, in light of the circumstances under which they were made, not misleading.

(p) The operating and financial data presented in the Official Statement under the headings "THE BORROWER" and "THE PROJECTS" present a fair and accurate summary, in all material respects, of the matters set forth therein.

(q) At the time of the Borrower's acceptance hereof, and (unless an event occurs of the nature described in paragraph (s) of this Section (6) at all times subsequent hereto up to and including the Closing Date, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that these representations and warranties of the Borrower shall apply only to the information contained in the Official Statement relating to the Borrower or the Projects.

(r) If the Official Statement is supplemented or amended pursuant to paragraph (s) of this Section 6, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Date, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that these representations and warranties of the Borrower shall apply only to the information contained in the Official Statement relating to the Borrower or the Projects.

(s) If between the date of this Purchase Contract and that date which is 25 days after the end of the underwriting period (as determined in accordance with Section 7 hereof) any event known to the Borrower shall occur affecting the Borrower or the Projects which might adversely affect the marketability of the Bonds or the market prices thereof, or which might cause an Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Borrower shall notify the Underwriter thereof, and if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Borrower will, at the expense of the Borrower, prepare and furnish to the Underwriter a reasonable number of copies of such supplement to, or amendment of, the Official Statement in a form and in a manner approved by the Underwriter.

(t) The Borrower will refrain from taking any action, or permitting any action to be taken, with regard to which the Borrower may exercise control, that results in the loss of the tax-exempt status of the interest on the Series A Bonds.

(t) Any certificate signed by any officer of the Borrower and delivered to the Underwriter pursuant to any Borrower Document or otherwise contemplated thereby shall be deemed a representation and warranty by the Borrower to the Underwriter as to the statements made therein and that such officer shall have been duly authorized to execute the same.

(u) The Borrower is in compliance with all laws, ordinances, governmental rules and regulations to which it is subject and which are material to its properties, operations or finances or status as an organization described in Section 501(c)(3) of the Code.

(v) The Borrower will advise the Underwriter and the Issuer promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter and the Issuer, which consent will not be unreasonably withheld. The Borrower will advise the Underwriter and the Issuer promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

7. Determination of End of the Underwriting Period. For purposes of this Purchase Contract, the End of the Underwriting Period for the Bonds shall mean the earlier of (a) the day of the Closing unless the Issuer and the Borrower have been notified in writing by the Underwriter, on or prior to the day of the Closing, that the “end of the underwriting period” for the Bonds for all purposes of the Rule will not occur on the day of the Closing, or (b) the date on which notice is given to the Issuer and the Borrower by the Underwriter in accordance with the following sentence. In the event that the Underwriter has given notice to the Issuer and the Borrower pursuant to clause (a) above that the “end of the underwriting period” for the Bonds will not occur on the day of the Closing, the Underwriter agrees to notify the Issuer and the Borrower in writing as soon as practicable following the “end of the underwriting period” for the Bonds for all purposes of the Rule.

8. Closing. At 8:00 a.m., Los Angeles time, on [Closing Date], or on such earlier or later date and time as may be mutually agreed upon by the Issuer, the Borrower and the Underwriter, the Issuer will, subject to the terms and conditions hereof, cause the Trustee to deliver to The Depository Trust Company (“DTC”) in New York, New York, on behalf of the Underwriter, the Bonds in definitive form, duly executed by the Trustee, together with the other documents hereinafter mentioned, and the Underwriter will accept such delivery and will pay the purchase price of the Bonds as set forth in paragraph 1 hereof by delivering Federal or other immediately available funds in the amount of such purchase price to the Trustee. The Bonds shall be prepared in fully registered form without coupons in authorized denominations and shall be registered in the name of Cede & Co.

9. Closing Conditions. The Underwriter has entered into this Purchase Contract in reliance upon the representations and warranties of the Issuer and the Borrower contained herein, and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer and the Borrower of their respective obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter’s obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer and

the Borrower of their obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) The representations and warranties of the Issuer and the Borrower contained herein shall be true, complete and correct on the date hereof and on and as of the Closing Date, as if made on the Closing Date;

(b) At the time of the Closing, the Indenture shall be in full force and effect in accordance with its terms and shall not have been amended, modified or supplemented and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriter;

(c) At the time of the Closing, all necessary official action of the Issuer, the Borrower and of the other parties thereto relating to the Indenture and the Borrower Documents, as applicable, shall have been taken, and the Borrower Documents shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect;

(d) Subsequent to the date hereof, there shall not have occurred any change in or affecting particularly the Issuer, the Borrower or the Bonds, as the foregoing matters are described in the Official Statement, which in the reasonable opinion of the Underwriter materially impairs the investment quality of the Bonds;

(e) At or prior to the Closing, the Underwriter shall have received copies of each of the following documents:

(1) The Official Statement and each supplement or amendment, if any, thereto, executed by an authorized officer of the Issuer;

(2) A copy of the Indenture, executed by the Issuer and the Trustee;

(3) A copy of the Loan Agreement, executed by the Borrower, the Trustee and the Issuer;

(4) A copy of each Regulatory Agreement, executed by the Borrower, the Trustee and the Issuer, and a copy of each Oversight Agreement, executed by the Borrower, the Issuer and the Oversight Agent;

(5) A copy of each Deed of Trust, executed by the Borrower;

(6) A copy of the Continuing Disclosure Agreement, executed by the Borrower and the Dissemination Agent, substantially in the form described in the Official Statement;

(7) Certificates of the Issuer and the Borrower, respectively, with respect to the matters described in Sections 5 and 6 hereof, and in paragraphs (a), (b), (c) and (d) of this Section 9;

(8) An Opinion (the “Final Approving Legal Opinion”), dated the Closing Date and addressed to the Issuer, of Gilmore & Bell, P.C., Bond Counsel, substantially in the form set forth in Appendix B to the Official Statement, accompanied by a reliance letter from Bond Counsel to the effect that such opinions may be relied upon by the Underwriter with the same effect as if such opinions were addressed to them;

(9) A supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriter, in substantially the form attached hereto as Exhibit B;

(10) An opinion or opinions of counsel to the Borrower, dated the Closing Date and addressed to the Underwriter and the Issuer, in substantially the form attached hereto as Exhibit C;

(11) An opinion, dated the Closing Date and addressed to the Underwriter and the Issuer, of the Issuer’s Counsel, in substantially the form attached hereto as Exhibit D;

(12) A certificate of the Trustee, to the effect that:

(i) Due Organization and Existence – the Trustee is duly organized and existing as a national banking association in good standing under the laws of the United States having the full power and authority to enter into and perform its duties under the Indenture, the Loan Agreement and the Regulatory Agreements and to authenticate and deliver the Bonds to the Underwriter pursuant to the terms of the Indenture;

(ii) Due Authorization; Valid and Binding Obligations – the Trustee is duly authorized to enter into the Indenture, the Loan Agreement and the Regulatory Agreements and to authenticate and deliver the Bonds;

(iii) No Conflict – to the best of the knowledge of the Trustee, after due investigation, the execution and delivery by the Trustee of the Indenture, the Loan Agreement and the Regulatory Agreements and compliance with the terms thereof, and the authentication and delivery of the Bonds, will not, in any material respect, conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties, or (except with respect to the lien of the Indenture) result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Trustee; and

(iv) to the best of knowledge of the Trustee, there is no litigation pending or threatened against or affecting the Trustee to restrain or enjoin

the Trustee's participation in, or in any way contesting the powers of the Trustee with respect to the transactions contemplated by the Bonds, the Regulatory Agreements, the Loan Agreement and the Indenture;

(13) An opinion of counsel to the Trustee, dated the Closing Date, to the effect that:

(i) Due Organization and Existence – the Trustee is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America and is authorized to exercise trust powers;

(ii) Corporate Action – the Trustee has all requisite corporate power, authority and legal right to execute and deliver the Indenture, Loan Agreement and Regulatory Agreements and to perform its obligations thereunder, and has authorized the execution and delivery thereof and has authorized the authentication and delivery of the Bonds;

(iii) Due Authorization, Execution and Delivery – assuming due authorization, execution and delivery by the Issuer and the Borrower, as applicable, the Indenture, the Loan Agreement and the Regulatory Agreements are the valid, legal and binding agreements of the Trustee, enforceable in accordance with their respective terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law);

(iv) Consents – exclusive of federal or state securities laws and regulations, to the best of such counsel's knowledge after reasonable inquiry and investigation, other than routine filings required to be made with governmental agencies in order to preserve the Trustee's authority to perform a trust business (all of which routine filings such counsel believes, after reasonable inquiry and investigation, to have been made), no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained by the Trustee is required for the execution and delivery by the Trustee of the Indenture or the execution and delivery of the Bonds; and

(v) No Litigation – to the best of such counsel's knowledge, there is no litigation pending or threatened against or affecting the Trustee to restrain or enjoin the Trustee's participation in, or in any way contesting the powers of the Trustee with respect to the transactions contemplated by the Bonds, the Regulatory Agreements, the Loan Agreement and the Indenture;

(14) A copy of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution and delivery of the Indenture, the Loan Agreement and the Regulatory Agreements, and the authentication and delivery of the Bonds;

(15) Transcripts of all proceedings relating to the authorization and issuance of the Bonds certified by the Secretary of the Issuer;

(16) An executed Tax Certificate and Agreement, dated as of the Closing Date, executed by the Issuer, the Sole Member, the Borrower, and the Trustee with respect to the Series A Bonds in form and substance acceptable to Bond Counsel;

(17) The written consent of John P. Neet, MAI (the “Appraiser”) to use the appraisals of the Projects and excerpts therefrom in the Preliminary Official Statement and the Official Statement, along with a certificate of the Appraiser to the effect that the information with respect to the appraisals in the Preliminary Official Statement and the Official Statement are accurate;

(18) Evidence that ownership of the Wildwood Project and the Idyllwild Project has been transferred to the Borrower and that the Borrower is the owner of the Valley View Project;

(19) Evidence that all insurance for the Projects required under the Borrower Documents is in full force and effect;

(20) An opinion of Kutak Rock LLP, counsel to the Underwriter, dated the Closing Date, in form and substance satisfactory to the Underwriter, and addressed to the Underwriter; and

(21) Such additional legal opinions, certificates, instruments and other documents as the Underwriter or Counsel to the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the Issuer’s and the Borrower’s representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Issuer and the Borrower on or prior to the Closing Date of all the agreements then to be performed and conditions then to be satisfied by it.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to Bond Counsel and the Underwriter. The opinions and agreements set forth as exhibits hereto and as appendices to the Official Statement shall be deemed satisfactory provided they are substantially in the form of such attached exhibits or appendices.

If the Issuer or the Borrower shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds contained in this

Purchase Contract, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and none of the Underwriter, the Issuer or the Borrower shall be under any further obligation hereunder.

10. Termination. The Underwriter shall have the right to terminate this Purchase Contract, without liability therefor, by notification to the Issuer and the Borrower if at any time subsequent to the date hereof and at or prior to the Closing the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, at the initial offering prices set forth in the Official Statement, shall not, in the reasonable judgment of the Underwriter, have been materially adversely affected by reason of any of the following:

(a) legislation enacted or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by owners of the Series A Bonds, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(b) by or on behalf of the United States Treasury Department or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Series A Bonds; or

(c) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended;

(d) there shall have occurred (i) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (ii) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis;

(e) the declaration of a general banking moratorium by federal, New York or California authorities, or a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction;

(f) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force;

(g) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any

other governmental agency issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(h) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to the outstanding indebtedness of the Sole Member or the Borrower;

(i) any event occurring, or information becoming known which in the reasonable judgment of the Underwriter makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, and, in either such event, the Issuer or the Borrower refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as supplemented to supply such statement or information, or to the effect of the Official Statement so supplemented is to materially adversely affect the market price of marketability or the ability of the Underwriter to enforce contracts for the sale of the Bonds;

(j) the occurrence, since the date hereof, of any materially adverse change in the affairs or financial condition of the Borrower;

(k) the suspension by the SEC of the trading in the outstanding bonds issued for the benefit of the Borrower or the Sole Member;

(l) any amendment shall have been made to the federal or State Constitution or action by any federal or State court, legislative regulatory body or authority materially adversely affecting the tax status of the Sole Member or the Borrower, its property, or income securities (interest thereon);

(m) a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred;

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

(o) legislation enacted by the legislature of the State, or a decision rendered by a court of the State, or a ruling, order, or regulation (final or temporary) made by State authority, which would have the effect of changing, directly or indirectly, the State tax consequences of interest on obligations of the general character of the Bonds.

If the Issuer or the Borrower shall be unable to satisfy the conditions contained in this Purchase Contract, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the

Underwriter nor the Issuer or the Borrower shall be under further obligation hereunder, except as further set forth in Section 11.

11. Payment of Costs and Expenses.

(a) The Underwriter shall be under no obligation to pay, and the Borrower shall pay or cause to be paid the expenses incident to the performance of the obligations of the Borrower hereunder including but not limited to (i) the costs of the preparation and printing, or other reproduction (for distribution on or prior to the date hereof) of the Indenture and the Borrower Documents and the cost of preparing, printing, issuing and delivering the definitive Bonds, (ii) the fees and disbursements of the accountants, or other experts or consultants retained by the Issuer or the Borrower, (iii) the fees and disbursements of counsel to the Issuer, to the Underwriter and to the Borrower, and Bond Counsel, (iv) the fees and disbursements of Disclosure Counsel, (v) the fees and disbursements of the Trustee and the Oversight Agent, and (vi) the cost of preparation and printing of the Preliminary Official Statement and any supplements and amendments thereto and the cost of preparation and printing of the Official Statement and any supplements and amendments thereto, including the requisite number of copies thereof for distribution by the Underwriter. The Issuer, the Borrower and the Underwriter intend that the Borrower will pay all expenses of the Borrower's employees that are incidental to implementing this Purchase Contract, including, but not limited to, meals, transportation, and lodging, of those employees, and the Borrower shall reimburse the Underwriter if the Underwriter pays for any of such expenses on behalf of the Borrower.

(b) The Underwriter shall pay all advertising expenses in connection with the public offering of the Bonds and all other expenses incurred by it in connection with its public offering and distribution of the Bonds, except as provided in Section 11(a) or as otherwise agreed to by the Underwriter and the Borrower.

12. Representations, Warranties and Agreements to Survive Delivery. The representations, warranties, agreements and other statements of the Issuer, the Borrower and the Underwriter or their officers set forth in, or made pursuant to, this Purchase Contract will remain operative and in full force and effect regardless of any investigation made by or on behalf of the Issuer, the Borrower or the Underwriter or any controlling person and will survive delivery of and payment for the Bonds.

13. Notices. Any notice or other communication to be given under this Purchase Contract may be given by delivering the same in writing:

To the Issuer: Independent Cities Finance Authority
Post Office Box 6740
Lancaster, CA 93539-6740
Attention: Executive Director

To the Borrower: Augusta Communities IV LLC
400 Mountain Avenue, Suite 205
Upland, CA 91789
Attention: Suzanne Taylor

To the Underwriter: Raymond James & Associates, Inc.
29 E. Union Street
Pasadena, California 91103
Attention: Jose Vera

14. Parties in Interest. This Purchase Contract is made solely for the benefit of the Issuer, the Borrower and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the Issuer's and the Borrower's representations, warranties and agreements contained in this Purchase Contract shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds pursuant to this Purchase Contract; and (iii) any termination of this Purchase Contract.

15. Effectiveness. This Purchase Contract shall become effective upon the execution of the acceptance hereof by the Issuer and the Borrower and shall be valid and enforceable from and after the time of such acceptance.

16. Headings. The headings of the sections of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

17. Governing Law. This Purchase Contract shall be construed in accordance with the laws of the State of California, applicable to contracts made and performed in such State, without regard to conflicts of law.

18. Severability. In the event any provision of this Purchase Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof

19. Entire Agreement. The Purchase Contract, when accepted by the Issuer and the Borrower in writing as heretofore specified, shall constitute the entire agreement among the Issuer, the Borrower and the Underwriter.

20. Electronic Signature. Each of the parties hereto agrees that the transaction consisting of this Purchase Contract may be conducted by electronic means. Each party agrees and acknowledges that it is such party's intent that if such party signs this Purchase Contract using an electronic signature, it is signing, adopting and accepting this Purchase Contract, and that signing this Purchase Contract using an electronic signature is the legal equivalent of having placed the undersigned officer's handwritten signature on this Purchase Contract on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Purchase Contract in a usable format.

21. No Assignment. The rights and obligations created by this Purchase Contract shall not be subject to assignment by the Underwriter, the Issuer or the Borrower without the prior written consent of the other parties hereto.

22. Counterparts. This Purchase Contract may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original. To the fullest extent permitted by applicable law, electronically

submitted or facsimile signatures shall constitute original signatures for all purposes under this Purchase Contract.

[Remainder of page intentionally left blank]

If the foregoing is in accordance with your understanding of the Purchase Contract please sign and return to us the enclosed duplicate copies hereof, whereupon it will become a binding agreement among the Issuer, the Borrower and the Underwriter in accordance with its terms.

Very truly yours,

RAYMOND JAMES & ASSOCIATES, INC.

Authorized Signatory

Accepted as _____ P.M. California time as of the date hereof:

INDEPENDENT CITIES FINANCE AUTHORITY

By: _____
Deborah Smith, Executive Director

AUGUSTA COMMUNITIES IV LLC,
a California limited liability company

By: AUGUSTA HOMES, a California
nonprofit public benefit corporation, its
sole member

By: _____
Suzanne Taylor, Executive Director

*(Signature Page to Purchase Contract – Augusta Communities Mobile Home Park Pool) Series
2024A)*

S-1

EXHIBIT A

MATURITY SCHEDULE

\$[PAR A]
Independent Cities Finance Authority
Mobile Home Park Revenue Bonds
(Augusta Communities Mobile Home Park Pool) Series 2024A

<u>Maturity</u> (<u>[May] 15</u>)	<u>Type</u>	<u>Principal</u> <u>Amount</u> \$	<u>Interest</u> <u>Rate</u> %	<u>Yield</u> %	<u>Initial</u> <u>Offering Price*</u>
--	-------------	---	-------------------------------------	-------------------	--

^(†) Yield to call at par on [May] 15, 20__.

* 10% of [each maturity] of the Bonds sold to the public on the sale date.

\$[PAR B]
Independent Cities Finance Authority
Mobile Home Park Revenue Bonds
(Augusta Communities Mobile Home Park Pool) Series 2024B (Federally Taxable)

<u>Maturity</u> (<u>[May] 15</u>)	<u>Type</u>	<u>Principal</u> <u>Amount</u> \$	<u>Interest</u> <u>Rate</u> %	<u>Yield</u> %
--	-------------	---	-------------------------------------	-------------------

EXHIBIT B

Form of Supplemental Opinion of Bond Counsel

[October 30], 2024

Raymond James & Associates, Inc.
29 E. Union Street
Pasadena, California 91103

Ladies and Gentlemen:

Re: \$_____ Independent Cities Finance Authority Mobile Home Park Revenue Bonds (Augusta Communities Mobile Home Park Pool) Series 2024A and \$_____ Independent Cities Finance Authority Mobile Home Park Revenue Bonds (Augusta Communities Mobile Home Park Pool) Series 2024B (Federally Taxable)

This supplemental opinion is rendered at your request in connection with the issuance by the Independent Cities Finance Authority (the “Issuer”) of its Mobile Home Park Revenue Bonds (Augusta Communities Mobile Home Park Pool) Series 2024A (the “Series A Bonds”) and its Mobile Home Park Revenue Bonds (Augusta Communities Mobile Home Park Pool) Series 2024B (Federally Taxable) (the “Series B Bonds” and, together with the Series A Bonds, the “Bonds”), dated the date of delivery thereof, which are being purchased by you pursuant to the Purchase Contract, dated [October 16], 2024 (the “Purchase Contract”), among you, the Issuer, and Augusta Communities IV LLC, a California limited liability company (the “Borrower”).

In connection with the issuance of the Bonds, we have delivered to you a copy of our approving legal opinion as Bond Counsel (the “Approving Opinion”) and you may rely upon such Approving Opinion as if such opinion were addressed to you.

In rendering this opinion, we have examined and relied upon the matters contained, referred to and identified, and to the same extent stated, in the Approving Opinion. We also have examined the Official Statement, dated [October 16], 2024, relating to the Bonds. All terms used in this supplemental opinion and not defined herein shall have the same meaning as assigned in the Approving Opinion. We have assumed but have not independently verified that the signatures on all documents and certificates that we examined were genuine.

Based on such examination, we are of the opinion that, under existing law:

1. The Purchase Contract has been duly authorized, executed and delivered by the Issuer and, assuming the due authorization, execution and delivery thereof by other parties thereto, constitutes a valid and legally binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally.

2. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

3. The statements relating to the Bonds and the summaries of documents, statutes and opinions contained in the sections of the Official Statement entitled “INTRODUCTION,” “THE BONDS,” other than information under the section entitled “Book-Entry System” therein, “SECURITY FOR THE BONDS,” “THE INDENTURE,” “THE LOAN AGREEMENT,” “THE REGULATORY AGREEMENTS,” and “TAX MATTERS” and in Appendices A, B and D thereto, are accurate in all material respects.

This opinion is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any other reason whatsoever.

We are not passing upon and do not assume responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. In our capacity as bond counsel to the Issuer, we participated in conferences with your representatives and representatives of the Issuer, the Borrower, their respective counsel and others, during which the contents of the Official Statement and related matters were discussed. Based on our participation in the above-mentioned conferences, and in reliance thereon and on the records, documents, certificates, opinions and matters mentioned herein and as set forth above, we advise you as a matter of fact and not opinion that, during the course of our representation of the Issuer on this matter, no facts came to the attention of the attorneys in our firm rendering legal services to the Issuer in connection with the Official Statement which caused us to believe that the Official Statement as of its date and as of the date hereof (except for any CUSIP numbers, financial, statistical or economic or engineering data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about environmental matters, information contained in the sections of the Official Statement entitled “THE BORROWER,” “THE PROJECTS,” “RISK FACTORS,” “CONTINUING DISCLOSURE,” “LITIGATION” or Appendix C or any information about book-entry or DTC, included or referred to therein, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

This letter is furnished by us to you as underwriter of the Bonds, is solely for your benefit and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. We are acting as bond counsel to the Issuer and no attorney-client relationship exists between our firm and you in connection with the Bonds or by virtue of this letter. We disclaim any obligation to update this letter. This letter is not intended to, and may not, be relied upon by any party to whom this letter is not specifically addressed.

Very truly yours,

EXHIBIT C

Form of Opinion of Borrower's Counsel

[To be provided]

EXHIBIT D

Form of Opinion of the Issuer's Counsel

October [___], 2024

Independent Cities Finance Authority
P.O. Box 6740
Lancaster, California 93539-6740

Raymond James & Associates, Inc.
29 E. Union Street
Pasadena, California 91103

Re: Independent Cities Finance Authority
Mobile Home Park Revenue Bonds
(Augusta Communities Mobile Home Park Pool) Series 2024A

Independent Cities Finance Authority
Mobile Home Park Revenue Bonds
(Augusta Communities Mobile Home Park Pool) Series 2024B
(Federally Taxable)

Ladies and Gentlemen:

We are counsel to the Independent Cities Finance Authority (the “Issuer”) and have acted as such in connection with the issuance by the Issuer of the captioned bonds (the “Bonds”). This opinion letter is being furnished to you at the request of the Issuer and in satisfaction of the requirements of Section 9(e)(11) of the Purchase Contract (the “Purchase Contract”), dated _____, 2024 among the Issuer, Augusta Communities IV LLC, a limited liability company (the “Borrower”) and Raymond James & Associates, Inc. (the “Underwriter”). Acceptance of this opinion letter by you shall conclusively operate as your acknowledgement that this opinion letter addresses all of the specific legal issues that are to be dealt with in our opinions set forth herein.

In rendering the opinions set forth herein, we have examined and relied upon originals, or copies certified or otherwise identified to our satisfaction as being true copies of originals, of the following:

1. A Resolution (the “Resolution”) adopted by the Board of Directors/Executive Committee of the Board of Directors of the Authority on _____, 2024.
2. The Purchase Contract.
3. The Indenture of Trust (the “Indenture”), dated as of _____ 1, 2024, by and between the Issuer and U.S. Bank Trust Company, National Association (the “Trustee”).

4. The Loan Agreement (the “Loan Agreement”), dated as of _____ 1, 2024, by and among the Issuer, the Borrower and the Trustee.
5. The Regulatory Agreement and Declaration of Restrictive Covenants with respect to the Wildwood Project, the Regulatory Agreement and Declaration of Restrictive Covenants with respect to the Idyllwild Project and the Regulatory Agreement and Declaration of Restrictive Covenants with respect to the Valley View Project (together, the “Regulatory Agreements”), each dated as of _____ 1, 2024, and each by and among the Issuer, the Borrower and the Trustee.
6. The Tax Certificate and Agreement (the “Tax Certificate”), dated as of _____, 2024, among the Issuer, Augusta Homes, a California nonprofit public benefit corporation, as the sole member of the Borrower, the Borrower, and the Trustee.

The Purchase Contract, the Indenture, the Loan Agreement, and the Regulatory Agreements and the Tax Certificate are collectively referred to herein as the “Basic Documents.”

Except as otherwise stated herein, in expressing the opinions set forth below, we have examined such other documents and records as we have deemed necessary, and as to questions of fact material to our opinions, we have relied upon representations of the Issuer contained in the Basic Documents and in the certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

We have also reviewed such other documents and matters of fact and law as we deem necessary in connection with the following opinions. The opinions expressed herein are based on an analysis of existing statutes, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur.

We have assumed without investigation (i) the authenticity and completeness of all documents and other writings submitted to or reviewed by us as originals and the conformity in all respects to originals of all documents and other writings submitted to or reviewed by us as copies or reproductions of originals, (ii) the genuineness of all documents and signatures to all such documents and other writings, and (iii) that all such documents and other writings have been duly authorized, executed and delivered by the parties to such documents and other writings. We have assumed, the accuracy of the factual matters represented, warranted or certified therein.

We express no opinion with respect to any indemnification, contribution, lien priority or choice of law provisions contained in the foregoing documents.

Whenever a statement herein is qualified by “to the best of our knowledge,” it shall be deemed to indicate that, during the course of our representation of the Issuer in connection with this transaction, no information that would give us current actual knowledge of the inaccuracy of such statement has come to the attention of the attorneys in this firm who perform legal services for the Issuer on a regular basis. We have not, however, undertaken any independent investigation to determine the accuracy of such statements, and any limited inquiry undertaken by us during the preparation of this opinion letter should not be regarded as such investigation. No inference as to

our knowledge of any matters bearing upon the accuracy of any such statements should be drawn from the fact of our representation of the Issuer.

Our opinions set forth herein do not extend to, and we express no opinions herein with respect to, any laws other than the laws of the State of California, but exclusive of the tax laws, rules and regulations of the State of California and the laws of the State of California relating to debt limitations and restrictions applicable to public entities.

On the basis of, and subject to and in reliance upon, the foregoing, we are of the opinion that:

(i) the Issuer is duly organized and validly existing as a joint exercise of powers authority under the laws of the State of California;

(ii) the Resolution was duly adopted at a meeting of the Executive Committee and the Board of Directors of the Issuer that was duly called and held pursuant to law and at which a quorum was present and acting throughout, and the Resolution is in full force and effect and has not been amended, modified or rescinded as of the date hereof;

(iii) to the best of our knowledge, the execution and delivery of the Bonds and the Basic Documents, and the performance by the Issuer thereof and compliance with the provisions on the Issuer's part contained therein, will not conflict in any material way with or constitute a material breach of or material default under any judgment or decree or under any material loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer or under the terms of any such instrument, except as provided by the Bonds or the Basic Documents; and

(iv) to the best of our knowledge, as of two days before the Closing Date, there is no action, suit, proceeding, inquiry or investigation, notice of which has been served on the Issuer, at law or in equity before or by any court, government agency, public board or body, pending or threatened against the Issuer, affecting the existence of the Issuer or the titles of its officers to their respective offices with the Issuer or contesting or affecting as to the Issuer the validity or enforceability of the Bonds, any Basic Document or the execution and delivery or performance by the Issuer of the Bonds or any Basic Document or in any way contesting or challenging the consummation of the transactions contemplated thereby.

Our opinion is further qualified by the following:

(a) We express no opinion with respect to the laws of any state or jurisdiction other than California and the United States regarding the enforceability of any transaction mentioned herein or the interpretation, authorization, execution, validity, enforceability or effect of any of the documents mentioned herein; provided further that we express no opinion with respect to California or federal tax and securities law.

(b) As counsel to the Issuer in this matter, we have not rendered financial advice to the Issuer and do not represent by this opinion, or otherwise, that we reviewed or made any assessment about, nor do we express any opinion whatsoever about, the ability of the Issuer to pay principal of and interest on the Bonds.

(c) We express no opinion as to the validity and enforceability of any indemnity or liquidated damages provisions.

This letter is furnished by us as counsel to the Issuer. Other than the Issuer, no attorney-client relationship has existed or exists between our firm and you in connection with the bonds or by virtue of this letter. This opinion letter is rendered solely for the benefit of the addressees in connection with the subject transaction and may not be relied upon or used, or its benefit claimed, by any other person or entity, or for any other purpose, without our prior written consent. This letter is not intended to, and may not, be relied upon by owners of the bonds.

We bring to your attention the fact that our legal opinions are an expression of professional judgment and are not a guarantee of a result. Our engagement with respect to the Bonds has terminated as of the date hereof, and we disclaim any obligation to update this opinion letter.

Very truly yours,

Scott Haskell Campbell
of BEST BEST & KRIEGER LLP

SHC

cc: Gilmore & Bell, P.C.

EXHIBIT E

FORM OF ISSUE PRICE CERTIFICATE

§[PAR A]

Independent Cities Finance Authority
Mobile Home Park Revenue Bonds
(Augusta Communities Mobile Home Park Pool) Series 2024A

The undersigned, on behalf of Raymond James & Associates, Inc. (“Raymond James”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the “Bonds”).

Section 1. Sale of the Bonds. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least ten percent of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A hereto.

[Raymond James offered the Hold the Offering Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.]

Section 2. Defined Terms.

[*Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”]

[*Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which Raymond James has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

Issuer means the Independent Cities Finance Authority.

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

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

Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [Sale Date], 2024.

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

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Raymond James's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and Agreement to which this certificate is included as an exhibit and with respect to compliance with the federal income tax rules affecting the Bonds, and by Gilmore & Bell, P.C., Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excludable from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

RAYMOND JAMES & ASSOCIATES, INC.

Authorized Signatory

Dated: _____, 2024

SCHEDULE A — BOND MATURITIES AND INTEREST RATES

[TO BE ATTACHED]

SCHEDULE B — PRICING WIRE

[TO BE ATTACHED]