

Attachment A

ACQUISITION AGREEMENT

Relating to:

**California Municipal Finance Authority
Community Facilities District No. 2021-3
(Town of Truckee-Soaring Ranch)**

THIS ACQUISITION AGREEMENT ("**Agreement**") is made and entered into on this ____ day of _____, 2023 ("**Effective Date**") among J-MAR 1, LLC, a Delaware limited liability company, ("**Developer**"), the California Municipal Finance Authority, a joint exercise of powers agency organized and existing under the laws of the State of California ("**Authority**"), and the Town of Truckee, a municipal corporation organized and existing under the laws of the State of California ("**Town**").

RECITALS

A. On February 26, 2021, the Board of Directors of the Authority adopted Resolution No. 21-064 ("**Resolution of Formation**") forming California Municipal Finance Authority Community Facilities District No. 2021-3 (Town of Truckee – Soaring Ranch) ("**CFD**") designating Improvement Area No. 1, and the Future Annexation Area ("**Future Annexation Area**") therein, under the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5, of the Government Code of the State of California ("**Act**"), and reference is hereby made to the map of the CFD set forth in Exhibit A. Improvement Area No. 1 is referred to herein as "**Initial Improvement Area.**" The Initial Improvement Area and the Future Annexation Area may be individually referred to herein as "**Improvement Area**" and collectively referred to herein as "**Improvement Areas.**"

B. On August 22, 2023, the Town Council adopted Resolution No. 2023-54 adopting "Local Goals and Policies for Community Facilities Districts" as required by the Act.

C. The Authority is authorized to levy special taxes upon land within the CFD and issue bonds ("**Bonds**") in one or more series, within each Improvement Area to provide financing for infrastructure and other public capital improvements to be owned by the Town and other local agencies.

D. In connection with the CFD and Bonds, the Developer applied to the Authority and the Town for the financing of certain public capital improvements to be owned by the Town as further described in the Resolution of Formation (collectively, "**Improvements**"). Attached hereto as Exhibit B is a description of certain improvements to be constructed by or on behalf of the Developer ("**Project**") and acquired by the Town ("**Acquisition Improvements**").

E. The Authority is authorized to levy special taxes and issue Bonds, in one or more series, within each Improvement Area to fund, among other things, all or a portion of the costs of the Improvements. Collectively, for all Improvement Areas, the portion of the proceeds of the special taxes (including prepayments) and Bonds issued by the Authority and allocable to the cost of the Improvements, together with interest earned thereon, is referred to herein as "**Available Amount.**"

F. The parties anticipate that pursuant to this Agreement, the Developer may be reimbursed from the Available Amount for costs of the Acquisition Improvements and, subject to the terms and conditions of this Agreement, the Town will acquire the completed Acquisition Improvements.

G. Any and all monetary obligations of the Authority arising out of this Agreement are the special and limited obligations of the Authority payable only from the Available Amount, and no other funds whatsoever of the Authority or the Town shall be obligated therefor under any circumstances.

H. In consideration of the formation of the CFD and the issuance of the Bonds, and the mutual covenants, undertakings and obligations set forth below, the Town, the Authority and the Developer agree as stated below.

I. Attached to this Agreement are Exhibit A (Map of CFD Boundary), Exhibit B (Description of Acquisition Improvements and Estimated Costs), Exhibit C (Actual Cost Certificate), Exhibit D (Disbursement Request Form), and Exhibit E (Bidding, Contracting and Construction Requirements for Acquisition Improvements), all of which are incorporated into this Agreement for all purposes.

AGREEMENT

NOW, THEREFORE, in consideration of the faithful performance of the terms and conditions set forth in this Agreement, the parties hereto agree as follows:

1. Incorporation of Recitals and Exhibits. The foregoing Recitals are true and correct and are hereby incorporated into and form a material part of this Agreement.

2. Effect on Other Agreements. Nothing in this Agreement shall be construed as affecting the Developer's or the Town's duty to perform their respective obligations under any other agreements (including the Development Documents, defined below), land use regulations or subdivision requirements related to the Project, which obligations are and shall remain independent of the Developer's and the Town's rights and obligations under this Agreement.

3. Definitions. As used herein, including the Recitals and all Exhibits, the following capitalized terms shall have the meanings ascribed to them below:

"Acceptable Title" means free and clear of all monetary liens, encumbrances, assessments, whether any such item is recorded or unrecorded, and taxes, except (i) those items which are reasonably determined by the Director not to interfere with the intended use and therefore are not required to be cleared from the title and (ii) the lien of the CFD or any other community facilities district or assessment district provided that the property owned by the Town is exempt from such taxation or assessment.

"Acquisition and Project Fund" means "Acquisition and Project Fund" established and held by the Authority pursuant to the Resolution of Formation and Section 5.2 hereof for the purpose of paying the Acquisition Price of the Acquisition Improvements.

"Acquisition Improvement" means a public capital improvement, described in Exhibit B, as may be amended from time to time.

"Acquisition Price" means the total amount eligible to be paid to the Developer from the Available Amount upon acquisition of an Acquisition Improvement, as provided in Sections 5.6 and 5.7, not to exceed the Actual Cost of the Acquisition Improvement.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5, of the Government Code of the State of California.

"Actual Cost" means the total paid cost of an Acquisition Improvement, as documented by the Developer to the satisfaction of the Town and as certified by the Director in an Actual Cost Certificate including, without limitation, (a) the Developer's cost of constructing such Acquisition Improvement, including a portion of the grading costs in the amount attributable to Acquisition Improvements, as determined by the Administrator, labor, material and equipment costs, (b) the Developer's cost of designing and engineering the Acquisition Improvement, preparing the plans and specifications and bid documents for such Acquisition Improvement, and the costs of inspection, materials testing and construction staking for such Acquisition Improvement, (c) the Developer's cost of any performance, payment and maintenance bonds and insurance, including title insurance, required hereby for such Acquisition Improvement, (d) the Developer's cost of environmental evaluation or mitigation required for such Acquisition Improvement to the extent approved by the Town, (e) the amount of any fees, such as permit processing fees paid to the Town in connection

with the Acquisition Improvement; and (f) the Developer's construction management costs in an amount up to 5% of the eligible hard construction cost of the Acquisition Improvement, as determined by the Director.

"Actual Cost Certificate" means a certificate prepared by the Developer in substantially the form shown in Exhibit C detailing the Actual Cost of an Acquisition Improvement, to be acquired hereunder, as may be revised by the Director pursuant to Section 5.6.

"Administrator" means Francisco & Associates as the acquisition consultant and auditor for the Authority.

"Agreement" means this Acquisition Agreement, dated as of the _____, 2023, by and among the Town, the Authority, and the Developer.

"Authority" means the California Municipal Finance Authority.

"Authority Trust Agreement" means a trust agreement, indenture or fiscal agent agreement entered into by the Authority and an Authority Trustee or Fiscal Agent in connection with the issuance of a series of Bonds on behalf of the CFD or an Improvement Area.

"Authority Trustee" means the financial institution identified as trustee or fiscal agent in an Authority Trust Agreement.

"Available Amount" shall have the meaning assigned to the term in Recital E.

"Board of the Authority" means the Board of Directors of the California Municipal Finance Authority.

"Bonds" means bonds or other indebtedness issued in one or more series by the Authority that are to be repaid with Special Taxes levied in an Improvement Area.

"Code" means the Government Code of the State of California.

"CFD" shall have the meaning assigned to the term in Recital A.

"Developer" means J-MAR 1, LLC, a Delaware limited liability company, and its successors and assigns.

"Development Documents" means, as applicable, one or more of the following: (i) an improvement agreement between the Developer and the Town concerning an Acquisition Improvement; (ii) improvement plans submitted by the Developer to the Town concerning an Acquisition Improvement; or (iii) any other agreement with the Town or Town condition of development concerning an Acquisition Improvement.

"Director" means the Administrative Services Director of the Town or his/her designee or representative (which may include a third-party person or entity providing services on behalf of the Director) who will be responsible for administering the acquisition of the Acquisition Improvements hereunder.

"Disbursement Request Form" means a requisition for payment of funds from an Acquisition and Project Fund for an Acquisition Improvement or an Eligible Portion thereof in substantially the form contained in Exhibit D.

"Future Annexation Area" shall have the meaning assigned to the term in Recital A and shown on the map of the CFD set forth in Exhibit A.

"Improvement Area(s)" means, as the context requires, Improvement Area No. 1 and/or Future Annexation Area.

"Initial Improvement Area " means Improvement Area No. 1.

"Project" means the development of the property in the CFD or offsite improvements serving property in the CFD, including the design and construction of the Acquisition Improvements.

"Special Taxes" means annual special taxes, and prepayments thereof, authorized by the CFD to be levied by the Board of the Authority.

"Title Documents" means, for each Acquisition Improvement acquired hereunder, a grant deed or similar instrument necessary to transfer title to any real property or interests therein (including easements), or an irrevocable offer of dedication of such real property with interests therein necessary to the operation, maintenance, rehabilitation and improvement by the Town of the Acquisition Improvement (including, if necessary, easements for ingress and egress) and a bill of sale or similar instrument evidencing transfer of title to the Acquisition Improvement (other than said real property interests) to the Town, where applicable.

4. Purpose: Effective Date.

4.1. Purpose. The purpose of this Agreement is to provide financing for the Acquisition Improvements from the Available Amount for all Improvement Areas in the CFD.

4.2. Effective Date. The Effective Date of this Agreement shall be as set forth in the preamble above.

4.3. Acquisition Improvements. Notwithstanding anything to the contrary, the Acquisition Improvements are authorized to be financed by Bonds and Special Taxes from each and every Improvement Area, and may be located anywhere, regardless of the Improvement Area from which such Bonds and Special Taxes are derived.

5. CFD

5.1. Establishment of CFD. The Town previously authorized the Authority to form one or more community facilities districts within the territory of the Town, subject to certain conditions being met. Subsequently, Developer requested the Authority to provide financing of the Acquisition Improvements through the establishment and authorization of the CFD. The CFD has been established by the Authority, and through the successful landowner election held in conformance with the Act, the Board of the Authority is authorized to levy the Special Taxes and to issue the Bonds to finance the Acquisition Improvements. Developer, the Town and the Authority agree to reasonably cooperate with one another in the completion of the financing through the issuance of the Bonds in one or more series in any Improvement Area.

5.2. Deposit and Use of Available Amount.

5.2.1. Acquisition and Project Fund Held by Authority. Prior to the issuance of the first series of Bonds for an Improvement Area, Special Taxes collected by the Authority (including from prepayments of Special Taxes) shall be deposited in the Acquisition and Project Fund established by the Authority for that Improvement Area and may be disbursed to pay the Acquisition Price of Acquisition Improvements in accordance with this Agreement. All funds in the Acquisition and Project Fund shall be considered a portion of the Available Amount, and upon the issuance of the first series of Bonds for such Improvement Area, the Acquisition and Project Fund shall be transferred to the Authority Trustee to be held in accordance with the Authority Trust Agreement.

5.2.2. Acquisition and Project Fund Held by Trustee. Upon the issuance of the first series of Bonds for an Improvement Area, the Authority will cause the Authority Trustee to establish and maintain a separate Acquisition and Project Fund for the purpose of holding all funds derived from

that Improvement Area for the financing of Improvements. Separate subaccounts may be established for each issue of Bonds. All earnings on amounts in an Acquisition and Project Fund shall remain in such Acquisition and Project Fund for use as provided herein and pursuant to the applicable Authority Trust Agreement. Money in each and every Acquisition and Project Fund shall be available to respond to delivery of a Disbursement Request Form pursuant to Section 5.6 and to be paid to the Town or its designee or the Developer or its designee to pay the Acquisition Price of the Acquisition Improvements, all to the extent the Acquisition Price has not previously been paid from the Available Amount. Upon completion of all of the Acquisition Improvements and the payment of all costs thereof, any remaining funds in each Acquisition and Project Fund (less any amount determined by the Town as necessary to reserve for claims against the account) (i) shall be applied to pay the costs of any additional Acquisition Improvements eligible for acquisition with respect to the Project as approved by the Authority and (ii) to the extent not so used, shall be applied by the Authority to call Bonds or to reduce Special Taxes as the Authority shall determine.

5.3. Letting and Administering Design Contracts. The Developer has awarded and administered, or will award and administer, engineering design contracts for the Acquisition Improvements. All eligible expenditures for design engineering and related costs in connection with the Acquisition Improvements shall be reimbursed upon a request for payment made pursuant to Section 5.6 hereof, as reviewed and approved by the Director. Requests for reimbursement for solely design engineering and related costs prior to construction of an Acquisition Improvement shall not exceed 10% of the estimated construction costs of said Acquisition Improvement, as reviewed and approved by the Director. Requests received in excess of 10% of the estimated construction costs of said Acquisition Improvement shall include justification and related documentation for review, with determination of costs in excess of 10% to be made by the Director based on the extent to which hard improvements have been completed or are reasonably expected to be completed. A request for payment may also include certain indirect costs of the Developer related to establishment of the CFD and the design and construction of the Acquisition Improvements; provided that the Town shall determine the amount to be so reimbursed on the basis of detailed itemizations of costs provided by Developer and the decision of the Town shall be final.

Where a specific contract has been awarded for design or engineering work relating solely to an Acquisition Improvement or Acquisition Improvements, one hundred percent (100%) of the costs under the contract will be allocated to that Acquisition Improvement.

Where a specific contract has been awarded for design or engineering work relating to an Acquisition Improvement and private improvements, the eligible percentage allocated to the Acquisition Improvement shall be determined by the Administrator in consultation with the Developer, for review and approval by the Director in his/her reasonable discretion.

5.4. Letting and Administering Construction Contracts: Prevailing Wages. State law requires that all Acquisition Improvements not completed prior to the formation of the CFD shall be constructed as if they were constructed under the direction and supervision, or under the authority, of the Town. In order to assure compliance with those provisions, except for any contracts entered into prior to the date hereof, Developer agrees to comply with all applicable statutory and regulatory requirements, including without limitation the requirements set forth in Exhibit E, with respect to the bidding and contracting for the construction of the Acquisition Improvements being constructed by the Developer, included, but not limited to, California Labor Code Section 1771, *et seq.* ("**Labor Code Regulations**"). Developer agrees and acknowledges that the construction of the Acquisition Improvements is subject to the payment of prevailing wages and agrees to comply with the requirements of the Labor Code. Further, Developer agrees to defend, indemnify and hold the Authority and the Town, its elected officials, officers, employees, and agents free and harmless from any and all claims, damages, suits or actions arising out of or incident to Developer's obligations under this section. Developer agrees to satisfy, to the extent applicable, its obligation of registering with the Department of Industrial Relations and furnishing electronic certified payroll records to the Labor Commissioner pursuant to Labor Code Section 1776. The Developer's indemnification obligation set forth in Section 6.1 of this Agreement shall also apply to any alleged failure to comply with the requirements of this Section, and/or applicable State laws regarding public contracting and prevailing wages.

5.5. Estimated Cost of Acquisition Improvements. The estimated cost of the Acquisition Improvements is shown in Exhibit B attached hereto. Notwithstanding this estimate, Developer and the Town hereby acknowledge and agree that (a) the actual costs to complete the Acquisition Improvements may vary from this estimate, and (b) the Acquisition Price shall never exceed the Actual Cost of any Acquisition Improvement.

5.6. Sale of Acquisition Improvements. The Developer agrees to convey to the Town each Acquisition Improvement to be constructed by Developer (including any rights-of-way or other easements necessary for the Acquisition Improvements, to the extent not already publicly owned), when the Acquisition Improvement is completed to the satisfaction of the Town. Exhibit B, attached hereto and incorporated herein, contains a list of the Acquisition Improvements. At the time of full completion of each Acquisition Improvement, the Developer shall deliver to the Director Title Documents required by the Town for the transfer of the Acquisition Improvement where necessary, and record plans (if record plans are not available the Developer shall submit constructed quantities that are verified and stamped by a civil engineer licensed in the State of California).

Request for Payment. Developer will submit to the Administrator and the Town an Actual Cost Certificate for the Acquisition Improvements and a written request for payment ("**Request for Payment**") of the Acquisition Price (as determined below) for the Acquisition Improvement. The Request for Payment shall be made on the form attached hereto as Exhibit C and include such necessary information (including invoices, receipts, worksheets and other evidence of cost as required by the Administrator) in sufficient detail to allow the Administrator and the Town to verify the Acquisition Price of the Acquisition Improvement.

Determination of Acquisition Price/Town Inspection. Upon submittal of a complete (as reasonably determined by Town) Request for Payment, the Town shall determine the Acquisition Price (or in the case of a reimbursement, the reimbursement amount, which hereinafter is included in the term "**Acquisition Price**") to be paid for the acquisition from Developer of the Acquisition Improvements. The Acquisition Price shall include the actual cost of construction (or payment) thereof as determined by the contract prices as set forth in contracts and purchase orders entered into by Developer with its contractors, and suppliers, in accordance with standards and procedures therefore as prescribed by the Administrator.

The Town and Administrator shall have thirty (30) days from receipt of a Request for Payment to review and determine the Acquisition Price.

Further, Developer may submit a Request for Payment in advance of bond issuance, however no payment of the Acquisition Price shall be made prior to bond issuance unless funds are available from the collection of Special Taxes, as determined by the Town.

The Developer shall not submit more than one (1) Request for Payment every 30 days. Upon determination of the Acquisition Price, the Administrator shall promptly notify Developer in writing of such Acquisition Price within fifteen (15) business days. In the event that the Director or Administrator, during such time period, finds that the supporting paperwork submitted by the Developer fails to demonstrate the required relationship between the subject Actual Cost and eligible work, the Administrator shall advise the Developer that the determination of the Actual Cost (or the ineligible portion thereof) has been disallowed and shall request further documentation from the Developer. Once the Developer delivers the further documentation, the Director and Administrator shall have twenty (20) business days to review the additional documentation. If the further documentation is still not adequate, the Administrator shall notify the Developer in writing within such twenty (20) business day period and may revise the Actual Cost Certificate to delete any disallowed items and the determination shall be final and conclusive. If only a portion of the Actual Cost requires further documentation, the Administrator shall include the Actual Costs that do not require further documentation in the determination of the Acquisition Price.

Upon determination of the Acquisition Price, the Administrator shall prepare a Disbursement Request Form as shown in Exhibit D for review and approval by the Director. The Director shall finalize and approve the Disbursement Request Form within fifteen (15) business days after determination of the Acquisition Price.

Conditions Precedent to Payment of Acquisition Price/Town Inspection. Payment to the Developer or its designee of the Acquisition Price for an Acquisition Improvement from an Acquisition and Project Fund shall in every case be conditioned first upon the determination of the Director that the Acquisition Improvement satisfies all Town regulations and ordinances and is otherwise constructed as if it had been constructed under the direction and supervision, or under the authority of the Town. Prior to execution of this Agreement, the Acquisition Improvements described in Exhibit B hereto have been bid, contracted and constructed. At such time as the Acquisition Improvements are ready for acceptance by the Town, and a Request for Payment has been submitted and the Acquisition Price determined for them, payment of the Acquisition Price shall be further conditioned upon satisfaction of the following additional conditions precedent if requested by the Administrator or the Town:

(a) The Developer shall have provided the Town with the lien releases or other similar documentation satisfactory to the Director as evidence that none of the property (including any rights-of-way or other easements necessary for the operation and maintenance of the Acquisition Improvement, to the extent not already publicly owned) comprising the Acquisition Improvement, and the property which is subject to the Special Taxes of the CFD, is subject to any prospective mechanics lien claim respecting the Acquisition Improvements.

(b) The Developer shall be current in the payment of all due and payable general property taxes, and all Special Taxes of the CFD, on property owned by the Developer or under option to the Developer within the CFD.

(c) The Developer shall have provided the Town with Title Documents needed to provide the Town with title to the site, right-of-way, or easement upon which the subject Acquisition Improvement is situated. All such Title Documents shall be in a form acceptable to the Town and shall convey Acceptable Title. The Developer shall provide a policy of title insurance as of the date of transfer in a form acceptable to the Director and the Town Attorney insuring the Town as to the interests acquired in connection with the acquisition of any interest for which such a policy of title insurance is not required by another agreement between the Town and the Developer. Each title insurance policy required hereunder shall be in the amount equal to the Acquisition Price. The amount paid to the Developer or its designee upon satisfaction of the foregoing conditions precedent shall be the Acquisition Price less all Installment Payments paid previously with respect to the Acquisition Improvement.

5.7. Payment of Acquisition Price. Within ten (10) business days after receipt of a complete Disbursement Request Form, the Authority, through the Trustee, shall authorize payment from the Available Amount of the Acquisition Price then due to Developer.

Payments to Developer shall be payable solely from the Available Amount. The amount to be paid to Developer shall be a reimbursement for actual costs incurred as determined by the Administrator and the Town in accordance with this Agreement and shall not exceed the Developer's cost thereof as reasonably determined by the Administrator in consultation with the Town to be eligible under the Act to be part of the Acquisition Price of the Acquisition Improvement. All portions of the Acquisition Improvement not acquired with the Available Amount shall nonetheless be constructed by the Developer, to the extent required by the Development Documents. In the event the Available Amount is insufficient to pay the eligible Acquisition Price, any shortfall shall be the responsibility of the Developer, however Developer may request that all or any portion of such shortfall be reimbursed from additional series of Bonds for the District if and when such additional Bonds are issued or additional Special Tax proceeds are available, and in such event the deferred amount will be eligible for reimbursement from proceeds of such future Bonds or Special Tax proceeds, to the extent funds are available as determined by the Town and without granting the Developer any priority for such funds over other uses of the funds.

5.8. Disbursement Request Form. Upon a determination by the Director to pay the Acquisition Price of an Acquisition Improvement as provided in Sections 5.6 – 5.7 hereof, the Director shall, within ten business days after such determination, cause a Disbursement Request Form substantially in the form attached hereto as Exhibit D to be submitted to the Authority Trustee, and the Authority Trustee shall make payment directly to the Town or its designee or the Developer or its designee, as appropriate, of the amount pursuant to the applicable Authority Trust Agreement. The

Authority, the Town and the Developer acknowledge and agree that the Authority Trustee shall make payment strictly in accordance with the Disbursement Request Form and shall not be required to determine whether or not the Acquisition Improvement has been completed or what the Acquisition Price may be with respect to the Acquisition Improvement. The Authority Trustee shall be entitled to rely on the executed Disbursement Request Form on its face without any further duty of investigation.

5.9. Limitation on Obligations. In no event shall the Authority be required to pay the Developer or its designee more than the Available Amount (available from time to time).

5.10. Audit. The Town and the Authority shall have the right, during normal business hours and upon the giving of ten days' written notice to the Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer (for which the Developer seeks reimbursement pursuant to this Agreement) in constructing the Acquisition Improvements.

6. Indemnity and Insurance.

6.1. Indemnification. Developer agrees to indemnify, defend and hold the Town and Authority, including elective and appointed boards, commissions, officers, agents, employees and consultants (each an "**Indemnified Party**" and collectively "**Indemnified Parties**"), harmless from and against any and all claims, liabilities, losses, damages or injuries of any kind (collectively, "**Claims**") arising out of Developer's, or Developer's contractors', subcontractors', agents' or employees', acts, omissions, or operations under this Agreement, including, but not limited to, the construction by the Developer of any Acquisition Improvement, whether such acts, omissions, or operations are by Developer or any of Developer's contractors, subcontractors, agents or employees, except such Claims which are caused by the sole negligence or willful misconduct of an Indemnified Party. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees, and related costs or expenses, and the reimbursement of Town and Authority, its elected officials, officers, employees, and/or agents for all legal expenses and costs incurred by each of them. Developer shall defend the Town as required by California Civil Code Section 2778, and with counsel reasonably acceptable to the Town and Authority. Developer shall have no right to seek reimbursement from Town or Authority for the costs of defense.

The aforementioned indemnity shall apply regardless of whether or not Town has approved plans and/or specifications for the Acquisition Improvements and regardless of whether any insurance, workers compensation, disability or other employee benefit acts or terms required under this Agreement are applicable to any Claims. The Town does not and shall not waive any of its rights under this indemnity provision because of its acceptance of the bonds or insurance required under the provisions of this Agreement. Developer's obligations to indemnify the Town and Authority shall survive the expiration or termination of this Agreement. Developer agrees to obtain executed indemnity agreements in favor of the Town with provisions identical to those set forth here in this section from each and every construction contractor involved by, for, with or on behalf of Developer in the performance of this Agreement. In the event Developer fails to obtain such indemnity obligations from others as required here, Developer agrees to be fully responsible according to the terms of this section. Failure of Town to monitor compliance with these requirements imposes no additional obligations on Town and will in no way act as a waiver of any rights hereunder.

6.2. Insurance. For an Acquisition Improvement, Developer shall maintain insurance in amount and substance as required by the Town under any Development Documents applicable to such Acquisition Improvement.

7. Breach of Agreement: Opportunity to Cure: Remedies.

7.1. Notice of Breach and Default. The occurrence of any of the following constitutes a breach and default of this Agreement:

(1) Developer refuses or fails to complete any Acquisition Improvement within the time set forth in the applicable Development Documents or abandons an Acquisition Improvement.

(2) Developer assigns the Agreement to an entity which is not an owner of Developer, wholly owned subsidiary of Developer, or entirely under common ownership with Developer without

the prior written consent of Town, which may be withheld or conditioned in Town's sole discretion.

(3) Developer is adjudged bankrupt or makes a general assignment for the benefit of creditors, or a receiver is appointed in the event of Developer's insolvency.

(4) Developer or Developer's contractors, subcontractors, agents or employees, fail to comply with any terms or conditions of this Agreement to which the Developer or Developer's contractors, subcontractors, agents, or employees are subject.

(5) Any delay in the construction of an Acquisition Improvement or repairs as set forth in the applicable Development Documents, which in the reasonable opinion of the Director, endangers public or private property. Any such assertion of opinion of the Town shall be final.

(6) Developer fails to perform any obligation under this Agreement. As to this subsection (6) only, the Town must serve written notice of breach and default upon Developer (and any surety that has provided bonds with respect to an Acquisition Improvement). Developer shall have 30 days to cure the breach and default described in the written notice of breach and default.

7.2. Breach of Agreement; Performance by Town. If the Town gives Developer notice under Section 7.1 and Developer fails to cure the breach and default described in the written notice prior to the expiration of the applicable cure period, a "**Developer Event of Default**" shall be deemed to have occurred. In the event of the occurrence and continuation of a Developer Event of Default, the Town may exercise the remedies described in Section 7.1 and in Section 7.3 below, including the right of the Town to proceed to complete the Acquisition Improvement by contract or other method the Town considers advisable, at the sole expense of Developer, however Town is under no financial or performance obligation to complete the Acquisition Improvement. Where funds are currently available from the collection of Special Taxes said funds shall be used first for completion of the Acquisition Improvements in the event that the Town elects to complete the Acquisition Improvement. In the event of the occurrence and continuance of a Developer Event of Default, (i) Developer, immediately upon demand, shall pay the costs and charges related to the Acquisition Improvement and any subsequent repairs, provided, upon such payment, Developer shall be entitled to payment for the Acquisition Improvement from the Available Amount, (ii) Town, without liability for doing so, may take possession of and utilize in completing the Acquisition Improvement and repairs, if any, such materials and other property belonging to Developer as may be on or about the Property and necessary for completion of the Acquisition Improvement, and (iii) the Town may draw upon any surety bonds required by the applicable Development Documents.

7.3. Remedies. It is acknowledged by the parties that the Town would not have entered into this Agreement if it were to be liable in damages under or with respect to this Agreement or the application thereof, other than for the payment to the Developer of any (i) moneys owing to the Developer hereunder, or (ii) moneys paid by the Developer pursuant to the provisions hereof which are misappropriated or improperly obtained, withheld or applied by the Town.

In general, upon the occurrence and continuation of a Developer Event of Default the Town may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that the Town shall not be liable in damages to the Developer or to any assignee or transferee of the Developer other than for the payments to the Developer specified in the preceding paragraph. Subject to the foregoing, the Developer covenants not to sue for or claim any damages for any alleged breach of, or dispute which arises out of, this Agreement.

8. Miscellaneous.

8.1. Compliance with Laws. Developer shall fully comply with all federal, state, and local laws, ordinances, and regulations in the performance of this Agreement. Developer shall, at its own cost and expense, obtain all necessary permits and licenses for each Acquisition Improvement, give all necessary notices, pay all fees and taxes required by law and make any and all deposits legally required by those public utilities that will serve the development on the Project. Copies and/or proof of payment of said permits, licenses, notices, fee and tax payments and deposits shall be furnished to the Director upon request.

8.2. Cooperation. The Town, the Authority and the Developer agree to cooperate with respect to the completion of the financing of the Acquisition Improvements by the Authority through the levy of the CFD Special Taxes and issuance of Bonds. The Town, the Authority, and the Developer agree to meet in good faith to resolve any differences on future matters which are not specifically covered by this Agreement.

8.3. [Reserved]

8.4. Notices. Formal written notices, demands, correspondence and communications between Town and Developer shall be sufficiently given if: (a) personally delivered; or (b) dispatched by next day delivery by a reputable carrier such as Federal Express to the offices of Town and Developer indicated below, provided that a receipt for delivery is provided; or (c) if dispatched by first class mail, postage prepaid, to the offices of Town and Developer indicated below. Such written notices, demands, correspondence and communications may be sent in the same manner to such persons and addresses as either party may from time-to-time designate by next day delivery or by mail as provided in this section.

Town: Town of Truckee
10183 Truckee Airport Road
Truckee, CA 96161
Fax: 530-582-7710
Attn: Jen Callaway

Authority: California Municipal Finance Authority
2111 Palomar Airport Road, Suite 320
Carlsbad, CA 92011
Attn: Edward J. Becker

Administrator: Francisco & Associates
5927 Balfour Court, Suite 109
Carlsbad, CA 92008
Attn: Ed Espinoza

Developer: J-MAR, LLC, a Delaware limited liability company
PO Box 217
Truckee, CA 96160
Attn: Art Chapman

Notices delivered by deposit in the United States mail as provided above shall be deemed to have been served two (2) business days after the date of deposit if addressed to an address within the State of California, and three (3) business days if addressed to an address within the United States but outside the State of California.

8.5. Attorney Fees. Should any legal action or arbitration be brought by either party because of breach of this Agreement or to enforce any provision of this Agreement, the prevailing party shall be entitled to all costs of suit; reasonable attorney fees, arbitration costs and such other costs as may be determined by the court or arbitrator.

8.6. Entire Agreement. The terms and conditions of this Agreement constitute the entire agreement among Authority, Town, and Developer with respect to the matters addressed in this Agreement. This Agreement may not be altered, amended or modified without the written consent of all parties hereto.

8.7. Conflict with Other Agreements. Nothing contained herein shall be construed as releasing the Developer from any condition of development or requirement imposed by any other agreement between the Town and the Developer or any Member of Developer.

8.8. Several Obligations. Each Member of Developer agrees that it shall be severally responsible for all obligations of the Developer under Sections 5.4 and 6.1 hereof.

8.9. Assignment. The obligations and rights of the parties to this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, but, those rights and obligations shall not be assignable, transferable or delegable, without the written consent of the other parties hereto, and any attempted assignment, transfer or delegation thereof which is not made pursuant to the terms hereof shall be void. Any assignment shall be contingent on Developer providing a written assignment and assumption agreement to Town and Authority immediately upon such assignment.

8.10. Time is of the Essence. Time is of the essence of this Agreement and of each and every term and condition hereof.

8.11. Severability. If any provision of this Agreement is held, to any extent, invalid, the remainder of this Agreement shall not be affected, except as necessarily required by the invalid provision, and shall remain in full force and effect.

8.12. Waiver or Modification. Any waiver or modification of the provisions of this Agreement must be in writing and signed by the authorized representative(s) of each party. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of the party's right to insist upon and demand strict compliance by the other party with the terms of this Agreement.

8.13. Relationship of the Parties. Neither Developer nor the Authority nor either's contractors, subcontractors, agents, officers, or employees are agents, partners, joint ventures or employees of Town and the Developer's relationship to the Town, if any, arising herefrom is strictly that of an independent contractor. Developer's contractors and subcontractors are exclusively and solely under the control and dominion of Developer. Further, there are no intended third-party beneficiaries of any right or obligation assumed by the parties.

8.14. Binding upon Heirs, Successors and Assigns. The terms, covenants and conditions of this Agreement shall be binding upon all heirs, successors and permitted assigns of the parties hereto; provided, however, that this Agreement shall not be binding upon a purchaser or transferee of any portion of the Property unless this Agreement has been assigned and assumed pursuant to Section 8.9, in which event this Agreement shall remain binding upon purchaser or transferee.

8.15. Governing Law; Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of California, without reference to choice of law provisions. Any legal actions under this Agreement shall be brought only in the Superior Court for the Town of Nevada, State of California.

8.16. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original.

8.17. Interpretation. This Agreement shall be construed according to its fair meaning, and not strictly for or against any party. No presumptions or rules of interpretation based upon the identity of the party preparing or drafting the Agreement, or any part thereof, shall apply to the interpretation of this Agreement.

8.18. Headings. Section headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants or conditions contained in this Agreement.

8.19. Authority. Each party executing this Agreement on behalf of a party represents and warrants that such person is duly and validly authorized to do so on behalf of the entity it purports to bind and if such party is a partnership, corporation or trustee, that such partnership, corporation or trustee has full right and authority to enter into this Agreement and perform all of its obligations

hereunder.

8.20. Singular and Plural: Gender. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine

8.21. Sole Agreement. This Agreement, including all exhibits hereto, constitutes the sole agreement of the parties and supersedes all oral negotiations and prior writings with respect to the subject matter hereof.

IN WITNESS WHEREOF, Town, Authority, and Developer have executed this Agreement as of the Effective Date.

TOWN OF TRUCKEE, a municipal corporation

By: _____

Name:

Title:

J-MAR 1, LLC, a Delaware limited liability company

By: _____

Name:

Title:

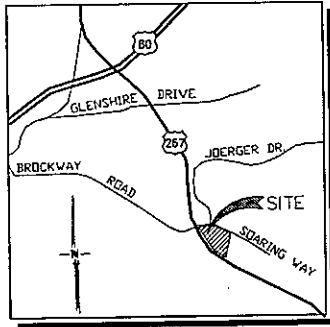
CALIFORNIA MUNICIPAL FINANCE AUTHORITY, a
joint exercise of powers authority

By: _____

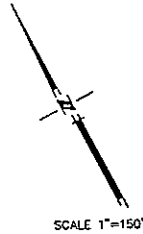
Name:

Title:

EXHIBIT A
MAP OF THE CFD BOUNDARY



VICINITY MAP
N.T.S.



SCALE 1"=150'

PROPOSED BOUNDARIES OF
AND FUTURE ANNEXATION AREA OF
CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2021-3
(TOWN OF TRUCKEE - SOARING RANCH)

NEVADA COUNTY, STATE OF CALIFORNIA

CLERK'S MAP FILING STATEMENT

FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF DIRECTORS OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY THIS 15th DAY OF January 2021.

[Signature]
SECRETARY

CLERK'S MAP CERTIFICATE

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF AND FUTURE ANNEXATION AREA OF CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2021-3 (TOWN OF TRUCKEE-SOARING RANCH), COUNTY OF NEVADA, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY, AT A REGULAR MEETING THEREOF, HELD ON THE 15th DAY OF January, 2021, BY ITS RESOLUTION NO. 21-025

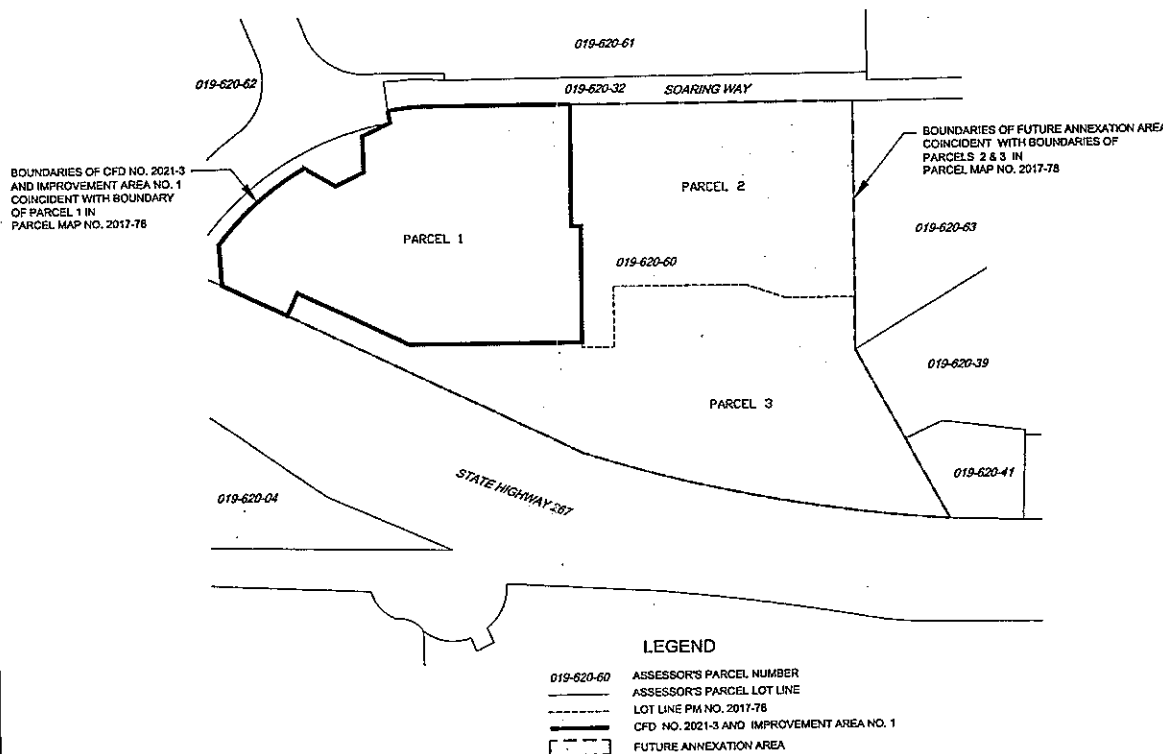
[Signature]
SECRETARY

RECORDER'S STATEMENT

FILED THIS 26th DAY OF January, 2021, AT THE HOUR OF 10:44 O'CLOCK A M, IN BOOK 3 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 1 THEREOF IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF NEVADA, STATE OF CALIFORNIA.

FEE \$0.00
FILE NO. 2021-0002576

NEVADA COUNTY RECORDER
Gregory J. Diaz
DEPUTY
Angie Miller



LEGEND

- 019-620-60 ASSESSOR'S PARCEL NUMBER
- ASSESSOR'S PARCEL LOT LINE
- LOT LINE PM NO. 2017-78
- CFD NO. 2021-3 AND IMPROVEMENT AREA NO. 1
- FUTURE ANNEXATION AREA

GCG
GOODWIN CONSULTING GROUP

Map 1

Ass't 3/1

EXHIBIT B

**DESCRIPTION OF ACQUISITION IMPROVEMENTS
AND ESTIMATED COSTS**

Unless specifically excluded in the Agreement, the District shall be authorized to finance all or a portion of the costs of the acquisition, construction and improvement of facilities authorized to be financed under the Act, including, but not limited to, the following:

Item	Phase	Cost
Traffic Roundabout (Joerger Drive and Soaring Way)	I	\$ 1,827,096
Class I Trails (SR 267 Spurs & Joerger Drive)	I	\$ 1,825,574
Striping	I	\$ 24,921
	Total Improvements	\$ 3,677,592

EXHIBIT C

ACTUAL COST CERTIFICATE

Pursuant to the Acquisition Agreement, dated as of _____, 2023 (“Acquisition Agreement”), by and between the _____ a _____ (“Developer”), the California Municipal Finance Authority (“Authority”), and the Town of Truckee, California (“Town”), the Developer hereby requests (a) payment of the Acquisition Price of the Acquisition Improvements, described in Attachment 1 hereto. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Acquisition Agreement.

In connection with this Actual Cost Certificate the undersigned hereby represents and warrants to the Town as follows:

1. The undersigned is an authorized representative of the Developer, qualified to execute this certificate on behalf of the Developer and knowledgeable as to the matters set forth herein.

2. The Developer has submitted or submits herewith to the Director and the Administrator Record Drawings at the completion of construction and acceptance by the Town of the Acquisition Improvements, for each of the Acquisition Improvements described in Attachment 1, and such drawings, as applicable, are true, correct and complete representations of the Acquisition Improvements listed in Attachment 1.

3. Each of the Acquisition Improvements described in Attachment 1 has been constructed in accordance with the approved improvement plans (“Plans”), and in accordance with all applicable Town standards and the requirements of the Acquisition Agreement, and the Plans, and none of the Acquisition Improvements described in Attachment 1 has been the subject of any prior Payment Request.

4. The true and correct Actual Cost of each of the Authorized Facilities is set forth in Attachment 1 hereto.

5. The Developer has submitted or submits herewith to the Director and the Administrator a copy of each construction contract for each of the Acquisition Improvements described in Attachment 1, a copy of the bid notice for each such contract, a copy of each change order applicable to each such contract, all change orders having been approved by the Director, or his designee, and construction quantities certified by the engineer of record.

6. The Developer has submitted or submits herewith to the Director and the Administrator invoices, receipts, worksheets and other evidence of costs for each of the Acquisition Improvements described in Attachment 1 which are in sufficient detail to allow the Director and Administrator to verify the Actual Cost of such Acquisition Improvements.

7. The Developer has submitted or submits herewith to the Director and the Administrator evidence that each of the invoices, receipts, worksheets and other evidence of costs referred to in the preceding paragraph, has been paid in full, which evidence is in the form of copies of cancelled checks or such other form as the Administrator has approved in writing.

8. There has not been filed with or served upon the Developer notice of any lien, right to lien or attachment upon, or claim affecting the right to receive, the payment of the Acquisition Price for each of the Acquisition Improvement described in Attachment 1 which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by operation of law.

9. The Developer has submitted or submits herewith to the Director and the Administrator copies of unconditional or conditional (providing for release upon payment) lien releases from the General Contractor for all work with respect to each Acquisition Improvements described in Attachment 1. In the case of a Payment Request for a completed Acquisition Improvement including the release of prior held retention, the Developer submits herewith to the Director and the Administrator copies of unconditional or conditional (providing for release upon payment) lien releases from all contractors, subcontractors and materialmen in addition to a recorded Notice of Completion for said Acquisition Improvement,

10. The representations and warranties of the Developer set forth in the Acquisition Agreement are true and correct on and as of the date hereof with the same force and effect as if made on and as of the date hereof.

11. The Developer represents that it has satisfied the conditions specified in the Acquisition Agreement for the payment of the Acquisition Price.

I hereby declare under penalty of perjury that the above representations and warranties are true and correct.

J-MAR 1, LLC
a Delaware limited liability company

By: _____

Name: _____

Title: _____

ATTACHMENT 1

Acquisition Improvement	Actual Cost
<i>[Insert detailed description of Acquisition Improvement to be acquired]</i>	
Total	

EXHIBIT D

DISBURSEMENT REQUEST FORM

To: _____
Attention: _____
Fax: _____
Phone: _____
E-mail: _____

Re: CMFA CFD No. 2021-3 (Town of Truckee – Soaring Ranch)

The undersigned, a duly authorized officer of the Town of Truckee (“Town”) hereby requests a withdrawal from the Acquisition and Project Fund for Improvement Area No. [] as follows:

Request Date: [Insert Date of Request]
Name of Developer: _____
Withdrawal Amount: [Insert Acquisition Price]
Acquisition Improvements: [Insert Description of Acquisition Improvement(s)]
Payment Instructions: [Insert Wire Instructions or Payment Address for Developer or Developer’s designee as provided by the Developer]

The undersigned hereby certifies as follows:

The Withdrawal is being made in accordance with a permitted use of the monies pursuant to the Acquisition Agreement and the Withdrawal is not being made for the purpose of reinvestment.

None of the items for which payment is requested have been reimbursed previously from this or any other Acquisition and Project Fund.

If the Withdrawal Amount is greater than the funds held in the Acquisition and Project Fund, the Authority Trustee is authorized to pay the amount of such funds and to pay remaining amount(s) as funds are subsequently deposited in the Acquisition and Project Fund, should that occur.

For Acquisition Improvements: The amounts being disbursed pursuant to this request are being used to finance or refinance certain public infrastructure and facilities (“Acquisition Improvements”). The Town will own, and for the entire useful life of such Acquisition Improvements reasonably expects to own, all such Acquisition Improvements, except those facilities identified in Government Code Section 53313.5(e). To the extent any of such Acquisition Improvements are sold to an entity that is not a state or local government agency, the Town will seek the advice and approval of bond counsel to the Authority prior to any such sale. The Town will not allow any of such Acquisition Improvements to be used (for example, by lease or other contract) in the trade or business of any nongovernmental persons (other than in their roles as members of the general public) except as permitted pursuant to Government Code Section 53313.5(e).

All such Acquisition Improvements will be used in the performance of essential governmental functions of the Town or another state or local government agency. The average expected useful life of such Acquisition Improvements is at least 5 years. The representations and covenants contained in this paragraph are intended to support the conclusion that the interest paid on the bonds issued to finance the Acquisition Improvements is excluded from gross income for federal income tax purpose under Section 103 of the Internal Revenue Code of 1986 (“Code”).

TOWN OF TRUCKEE

By: _____

Name:

Title:

EXHIBIT E

BIDDING, CONTRACTING AND CONSTRUCTION REQUIREMENTS FOR ACQUISITION IMPROVEMENTS

With respect to construction contracts awarded after approval of the Agreement, the Developer shall solicit three (3) bids for each contract.

No contractor or subcontractor may be listed on a bid proposal for the public Acquisition Improvements unless registered with the Department of Industrial Relations pursuant to Labor Code Section 1725.5. No contractor or subcontractor may work on the public Acquisition Improvements unless registered with the Department of Industrial Relations pursuant to Labor Code Section 1725.5. These contractor registration requirements must be adhered to since construction of the public Acquisition Improvements is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

An authorized representative of the Town and the Administrator shall be provided a copy of the tabulation of bid results upon request.

Contract(s) for the construction of the public Acquisition Improvements shall be awarded to the qualified contractor(s) submitting the lowest responsible bid(s), as determined by the Developer. Developer shall not award a contract to a contractor that is in conflict of interest with the Developer or the Town pursuant to Government Code Section 1090.

The contractor to whom a contract is awarded shall be required to pay not less than the prevailing rates of wages pursuant to Labor Code Sections 1770, 1773 and 1773.1. A current copy of applicable wage rates shall be on file in the Office of the Clerk of the Town, as required by Labor Code Section 1773.2.