

\$ \_\_\_\_\_  
COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(RIVERWALK VISTA)  
OF THE CITY OF RIVERSIDE  
SPECIAL TAX BONDS  
(IMPROVEMENT AREA NO. 2), SERIES 2016A

\$ \_\_\_\_\_  
COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(RIVERWALK VISTA)  
OF THE CITY OF RIVERSIDE  
SPECIAL TAX BONDS  
(IMPROVEMENT AREA NO. 2), SERIES 2016B

**BOND PURCHASE AGREEMENT**

\_\_\_\_\_, 2016

Community Facilities District No. 2006-1 (Riverwalk Vista) of the City of Riverside  
Riverside, California

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Bond Purchase Agreement (the “Purchase Agreement”) with the City of Riverside (the “City”), for itself and acting on behalf of Community Facilities District No. 2006-1 of Riverside Unified District (the “District”) which, upon acceptance, will be binding upon the City and upon the Underwriter. This offer is made subject to acceptance of it by the City on the date hereof, and if not accepted will be subject to withdrawal by the Underwriter upon notice delivered to the City at any time prior to the acceptance hereof by the City.

The City, acting for itself and on behalf of the District, acknowledges and agrees that: (i) the primary role of the Underwriter is to purchase securities for resale to investors in an arms-length commercial transaction between the City, acting for itself and on behalf of the District, and the Underwriter and that the Underwriter has financial and other interests that differ from those of the City or the District, (ii) the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the City or the District or any other person or entity and has not assumed any advisory or fiduciary responsibility to the City or the District with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City and District on other matters), (iii) the only obligations the Underwriter has to the City and District with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement, except as otherwise provided by applicable rules and regulations of the SEC or the rules of the Municipal Securities Rulemaking Board (the “MSRB”), and (iv) the City, acting for itself and on behalf of the District, has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein. The City, acting for itself and on behalf of the District, acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB.

1. Purchase, Sale and Delivery of the Bonds.

(a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter agrees to purchase from the City, and the City agrees to sell to the Underwriter, all (but not less than all) of the (i) Community Facilities District No. 2006-1 (Riverwalk Vista) of the City of Riverside Special Tax Bonds (Improvement Area No. 2), Series 2016A, and (ii) Community Facilities District No. 2006-1 (Riverwalk Vista) of the City of Riverside Special Tax Bonds (Improvement Area No. 2), Series 2016B (collectively, the "Bonds") in the aggregate principal amount specified in Exhibit A hereto. The Bonds shall be dated the Closing Date (hereinafter defined), and bear interest from said date (payable semiannually on March 1 and September 1 in each year, commencing [September 1, 2016]) at the rates per annum and maturing on the dates and in the amounts set forth in Exhibit A hereto. The purchase price for the Bonds shall be the amount specified as such in Exhibit A hereto.

(b) The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable and subject to redemption as provided in, the Fiscal Agent Agreement by and between the City and U.S. Bank National Association, as fiscal agent (the "Fiscal Agent"), dated as of \_\_\_\_\_, 2016, (the "Fiscal Agent Agreement"), approved by Resolution No. \_\_\_\_\_ adopted by the City Council (the "City Council") of the City of Riverside as the legislative body of the District, on \_\_\_\_\_, 2016 (the "Resolution of Issuance"). The Bonds and interest thereon will be payable from a special tax (the "Special Tax") levied and collected on the taxable land within Improvement Area No. 2 of the District ("Improvement Area No. 2") in accordance with Resolution No. 21402 adopted by the City Council on May 22, 2007 (the "Resolution of Formation"). Proceeds of the sale of the Bonds will be used in accordance with the Fiscal Agent Agreement and the Mello-Roos Community Facilities Act of 1982, as amended (Sections 53311 *et seq.* of the Government Code of the State of California) (the "Law"), to acquire certain public improvements described in the Resolution of Formation. The Resolution of Issuance, the Resolution of Formation and Resolution Nos. 21317, 21318, 21319, 21350, 21380, 21403, 21404, 21405, 22263, and 22282 and Ordinance No. 7295 are collectively referred to herein as the "District Resolutions."

(c) At or prior to the acceptance hereof by the City, the City shall cause to be delivered to the Underwriter a certificate (the "Rule 15c2-12 Certificate"), in substantially the form attached hereto as Exhibit B, with only such changes therein as shall have been accepted by the Underwriter.

It shall be a condition precedent to the execution and implementation of this Purchase Agreement that the City shall have received a Letter of Representations from Richmond, in substantially the form attached hereto as Exhibit C, addressed to the City, the District and the Underwriter in connection with the printing of the Preliminary Official Statement dated the date of the Preliminary Official Statement.

(d) Subsequent to its receipt of the Rule 15c2-12 Certificate deeming the Preliminary Official Statement for the Bonds, dated \_\_\_\_\_, 2016 which Preliminary Official Statement, together with the cover page and all appendices thereto, is herein collectively referred to as the "Preliminary Official Statement", final for purposes of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), the Underwriter has distributed copies of the Preliminary Official Statement. The City, acting for itself and on behalf of the District, hereby ratifies the use by the Underwriter of the Preliminary Official Statement and authorizes the Underwriter to use and distribute the final Official Statement dated the date hereof (including all information previously

permitted to have been omitted by Rule 15c2-12, and any supplements and amendments thereto as have been approved by the City as evidenced by the execution and delivery of such document by an officer of the City (the "Official Statement"), the Fiscal Agent Agreement, the Continuing Disclosure Certificate of the City (the "Continuing Disclosure Certificate"), this Purchase Agreement, any other documents or contracts to which the City or the District is a party, and all information contained therein, and all other documents, certificates and statements furnished by the City to the Underwriter in connection with the transactions contemplated by this Purchase Agreement, in connection with the offer and sale of the Bonds by the Underwriter. The Underwriter hereby agrees to deliver a copy of the Official Statement to the MSRB through the Electronic Municipal Marketplace Access website of the MSRB on or before the Closing Date and otherwise to comply with all applicable statutes and regulations in connection with the offering and sale of the Bonds, including, without limitation, MSRB Rule G-32 and Rule 15c2-12.

(e) At 8:00 A.M., Pacific Daylight Time, on \_\_\_\_\_, 2016, or at such earlier time or date as shall be agreed upon by the Underwriter and the City (such time and date being herein referred to as the "Closing Date"), the City will deliver (i) to the Depository Trust Company in New York, New York, the Bonds in definitive form (all Bonds being in book-entry form registered in the name of Cede & Co. and having the CUSIP numbers assigned to them printed thereon), duly executed by the officers of the City, as provided in the Fiscal Agent Agreement, and (ii) to the Underwriter, at the offices of Bond Counsel, or at such other place as shall be mutually agreed upon by the City and the Underwriter, the other documents herein mentioned; and the Underwriter shall accept such delivery and pay the purchase price of the Bonds in immediately available funds (such delivery and payment being herein referred to as the "Closing"). Notwithstanding the foregoing, the Underwriter may, in its discretion, accept delivery of the Bonds in temporary form upon making arrangements with the City which are satisfactory to the Underwriter relating to the delivery of the Bonds in definitive form.

2. Representations, Warranties and Agreements of the City. The City represents, warrants and covenants to and agrees with the Underwriter that:

(a) The City is a municipal corporation and charter city duly organized and validly existing under the laws of the State of California and has duly authorized the formation of the District pursuant to the Resolution of Formation and the Law. The City Council, as the legislative body of the District, has duly adopted the District Resolutions, and has caused to be recorded in the real property records of the County of Riverside recorded on May 30, 2007, a Notice of Special Tax Lien (the "Notice of Special Tax Lien" and with the District Resolutions, the "Formation Documents"). Each of the Formation Documents remains in full force and effect as of the date hereof and has not been amended. The District is duly organized and validly existing as a community facilities district under the laws of the State of California. The City has, and at the Closing Date will have, as the case may be, full legal right, power and authority (i) to execute, deliver and perform its obligations under this Purchase Agreement and the Continuing Disclosure Certificate, and to carry out all transactions contemplated by each of such agreements, (ii) to issue, sell and deliver the Bonds to the Underwriter pursuant to the Resolution of Issuance and the Fiscal Agent Agreement as provided herein, and (iii) to carry out, give effect to and consummate the transactions contemplated by the Formation Documents and by the Fiscal Agent Agreement, this Purchase Agreement, and the Continuing Disclosure Certificate (collectively, the "District Documents") and the Official Statement;

(b) The City has complied, and will at the Closing Date be in compliance, in all material respects, with the Formation Documents and the District Documents, and any immaterial compliance

by the City, if any, will not impair the ability of the City to carry out, give effect to or consummate the transactions contemplated by the foregoing. From and after the date of issuance of the Bonds, the City will continue to comply with the covenants of the City contained in the District Documents;

(c) The City Council has duly and validly: (i) adopted the District Resolutions, (ii) called, held and conducted in accordance with all requirements of the Law an election within Improvement Area No. 2 to approve the levy of the Special Tax within Improvement Area No. 2 and the issuance of the Bonds and recorded the Notice of Special Tax Lien which established a continuing lien on the land within Improvement Area No. 2 securing the Special Tax, (iii) authorized and approved the execution, delivery and due performance of the Bonds and the District Documents, (iv) authorized the preparation, delivery and distribution of the Preliminary Official Statement and the Official Statement, and (v) authorized and approved the performance by the City of its obligations contained in, and the taking of any and all action as may be necessary to carry out, give effect to and consummate the transactions contemplated by, each of the District Documents (including, without limitation, the collection of the Special Tax), the Bonds and the Official Statement and at the Closing Date, the Formation Documents will be in full force and effect and the District Documents and the Bonds will constitute the valid, legal and binding obligations of the City and the District and (assuming due authorization, execution and delivery by other parties thereto, where necessary) will be enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and to the application of equitable principles if equitable remedies are sought;

(d) To the best of the City's knowledge, neither the District nor the City is in breach of or default under any applicable law or administrative rule or regulation of the State of California (the "State") or the United States, or of any department, division, agency or instrumentality thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, fiscal agent agreement, contract, agreement or other instrument to which the District or the City is a party or is otherwise subject or bound, a consequence of which could be to materially and adversely affect the performance by the District or the City of its obligations under the Bonds, the Formation Documents or the District Documents, and compliance with the provisions of each thereof will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State or the United States, or of any department, division, agency or instrumentality thereof, or under any applicable court or administrative decree or order, or a material breach of or default under any loan agreement, note, resolution, trust agreement, contract, agreement or other instrument to which the District or the City, as the case may be, is a party or is otherwise subject or bound;

(e) Except for compliance with the blue sky or other states securities law filings, as to which the City makes no representations, all approvals, consents, authorizations, elections and orders of or filings or registrations with any State governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the City of its obligations hereunder, or under the Formation Documents or the District Documents, have been obtained and are in full force and effect;

(f) The Special Tax constituting the security for the Bonds has been duly and lawfully authorized and may be levied under the Law, the State Constitution and the applicable laws of the State, and such Special Tax, when levied, will constitute a valid and legally binding continuing lien on the properties on which it has been levied;

(g) The City shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter. Until the date which is twenty-five (25) days after the “end of the underwriting period” (as hereinafter defined), if any event shall occur of which the City is aware, as a result of which it may be necessary to supplement the Official Statement in order to make the statements in the Official Statement, in light of the circumstances existing at such time, not misleading, the City shall forthwith notify the Underwriter of any such event of which it has knowledge and shall cooperate fully in furnishing any information available to it for any supplement to the Official Statement necessary, in the Underwriter’s opinion, so that the statements therein as so supplemented will not be misleading in light of the circumstances existing at such time and the City shall promptly furnish to the Underwriter a reasonable number of copies of such supplement. As used herein, the term “end of the underwriting period” means the later of such time as (i) the City delivers the Bonds to the Underwriter, or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the “end of the underwriting period” shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be written notice delivered to the City at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the “end of the underwriting period”;

(h) The Fiscal Agent Agreement creates a valid pledge of the Special Taxes and the moneys in the Special Tax Fund, the Bond Fund, and the Reserve Fund established pursuant to the Fiscal Agent Agreement, including the investments thereof, subject in all cases to the provisions of the Fiscal Agent Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein. Until such time as moneys have been set aside in an amount sufficient to pay all then outstanding Bonds at maturity or to the date of redemption if redeemed prior to maturity, plus unpaid interest thereon to maturity or to the date of redemption if redeemed prior to maturity, and premium, if any, the City will faithfully perform and abide by all of the covenants, undertakings and provisions contained in the Fiscal Agent Agreement;

(i) Except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body is pending or, to the best knowledge of the City, threatened (i) which would materially adversely affect the ability of either the City or the District to perform its obligations under the Bonds, the Formation Documents or the District Documents, or (ii) seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Fiscal Agent Agreement, or the collection or application of the Special Tax pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Formation Documents, the District Documents, or any action contemplated by any of said documents, or (iii) in any way contesting the completeness or accuracy of the Preliminary Official Statement or the powers or authority of the City or the District with respect to the Bonds, the Formation Documents, the District Documents, or any action of the City or the District contemplated by any of said documents; nor is there any action pending or, to the best knowledge of the City, threatened against the City or the District which alleges that interest on the Bonds is not excludable from gross income for federal income tax purposes or is not exempt from California personal income taxation;

(j) The City 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 for the Underwriter 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; provided, however, the City shall not be required to register as a dealer or a broker of securities or to consent to service of process in connection with any blue sky filing;

(k) Any certificate signed by any official of the City authorized to do so shall be deemed a representation and warranty to the Underwriter as to the statements made therein;

(l) The City will apply the proceeds of the Bonds in accordance with the Fiscal Agent Agreement and as described in the Official Statement;

(m) The information contained in the Preliminary Official Statement was as of the date thereof, and the information contained in the Official Statement as of its date and on the Closing Date shall be, true and correct in all material respects and such information does not and shall not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (provided that no view is expressed as to information under the caption “IMPROVEMENT AREA NO. 2—Richmond” and “—Tri Pointe and Development within Improvement Area No. 2”);

(n) The Preliminary Official Statement heretofore delivered to the Underwriter has been deemed final by the City as of its date, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of Rule 15c2-12. The City hereby covenants and agrees that, within seven (7) business days from the date hereof, the City shall cause a final printed form of the Official Statement to be delivered to the Underwriter in a quantity mutually agreed upon by the Underwriter and the City so that the Underwriter may comply with paragraph (b)(4) of Rule 15c2-12 and Rules G-12, G-15, G-32 and G-36 of the Municipal Securities Rulemaking Board;

(o) Based on a review of its prior undertakings, and except as otherwise disclosed in the Preliminary Official Statement, the City is, and has always been, in material compliance with respect to all reporting obligations in the last five years that it has undertaken under Rule 15c2-12 for all indebtedness issued by the City;

(p) Except as otherwise disclosed in the Preliminary Official Statement, the Formation Documents have not been amended, terminated, rescinded or modified;

(q) The City shall not voluntarily undertake any course of action inconsistent with satisfaction of the requirements applicable to the City as set forth in this Purchase Agreement;

(r) The City shall cooperate with the Underwriter in the qualification of the Bonds for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Underwriter may designate;

(s) The City shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exemption from state income taxation or the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

3. Conditions to the Obligations of the Underwriter. The obligations of the Underwriter to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations and warranties on the part

of the City contained herein, as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the City made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the City of its obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions:

(a) At the Closing Date, the Formation Documents and the District Documents shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and there shall have been taken in connection therewith, with the issuance of the Bonds and with the transactions contemplated thereby and by this Purchase Agreement, all such actions as, in the opinion of Best Best & Krieger LLP, Bond Counsel for the City, and Stradling Yocca Carlson & Rauth, a Professional Corporation, counsel to the Underwriter, shall be necessary and appropriate;

(b) The information contained in the Official Statement will, as of the Closing Date and as of the date of any supplement or amendment thereto pursuant to Section 2(g) hereof, be true, correct and complete in all material respects and will not, as of the Closing Date or as of the date of any supplement or amendment thereto pursuant to Section 2(m) hereof, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(c) Between the date hereof and the Closing Date, 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 have been materially adversely affected, in the judgment of the Underwriter (evidenced by a written notice to the City terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds), by reason of any of the following:

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

(2) legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America, or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Fiscal Agent Agreement is not exempt from qualification under or other requirements of the

Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds, or of the Bonds, including any or all underwriting arrangements, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws, rules or regulations as amended and then in effect;

(3) any amendment to the federal or California Constitution or action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the City or the District, its property, income, securities (or interest thereon), the validity or enforceability of the Special Tax or the ability of the City to construct or acquire the improvements as contemplated by the Formation Documents, the District Documents or the Official Statement;

(4) any event occurring, or information becoming known, which, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or the Official Statement, or results in the Preliminary Official Statement or the Official Statement containing any untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(5) the declaration of war or the escalation of, or engagement in, military hostilities by the United States or the occurrence of any other national or international emergency or calamity relating to the effective operation of the government of, or the financial community in, the United States;

(6) the declaration of a general banking moratorium by federal, State of New York or State of California authorities, or the general suspension of trading on any national securities exchange 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 the New York Stock Exchange or other national securities exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission (the "SEC") or any other governmental authority having jurisdiction;

(7) the imposition by the New York Stock Exchange or 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, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(8) the entry of an order by a court of competent jurisdiction which order, in the reasonable opinion of the Underwriter, materially and adversely affects proposed development of property within Improvement Area No. 2;

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

(10) there shall have been any material adverse change in the affairs of the City or the District that in the Underwriter's reasonable judgment will materially adversely affect the market for the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds;



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

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

(13) the commencement of any action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body described in Section 2(i).

(d) On the Closing Date, the Underwriter shall have received counterpart originals or certified copies of the following documents, in each case satisfactory in form and substance to the Underwriter:

(1) The Formation Documents and the District Documents, together with a certificate dated as of the Closing Date of the City Clerk to the effect that each Formation Document is a true, correct and complete copy of the one duly adopted by the City Council;

(2) The Official Statement;

(3) An unqualified approving opinion for the Bonds, dated the Closing Date and addressed to the City, of Best Best & Krieger LLP, Bond Counsel for the City, in the form attached to the Preliminary Official Statement as Appendix C, and an unqualified letter of such counsel, dated the Closing Date and addressed to the Underwriter, to the effect that such approving opinion addressed to the District may be relied upon by the Underwriter to the same extent as if such opinion was addressed to it;

(4) A supplemental opinion, dated the Closing Date and addressed to the Underwriter, of Best Best & Krieger LLP, Bond Counsel for the City, to the effect that (i) the District Documents have been duly authorized, executed and delivered by the City, and, assuming such agreements constitute a valid and binding obligation of the other parties thereto, constitute the legally valid and binding agreements of the City enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditor's rights or remedies and may be subject to general principles of equity (regardless of whether such enforceability is considered in equity or at law); (ii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Fiscal Agent Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended; (iii) the information contained in the Official Statement on the cover and under the captions "INTRODUCTION," "THE BONDS," "SOURCES OF PAYMENT FOR THE BONDS," "CONTINUING DISCLOSURE," "LEGAL MATTERS—Legal Opinions" and Appendices D, E and F thereof (except that no opinion or belief need be expressed as to any financial or statistical data contained in the Official Statement), insofar

as it purports to summarize or replicate certain provisions of the Law, the Bonds, the Continuing Disclosure Certificate and the Fiscal Agent Agreement and the exclusion from gross income for federal income tax purposes and exemption from State of California personal income taxes of interest on the Bonds present a fair and accurate summary of such provisions; and (iv) the Special Tax has been duly and validly authorized in accordance with the provisions of the Law and, except as the same may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights, by equitable principles and by the exercise of judicial discretion in appropriate cases, a lien to secure payment of the Special Taxes has been imposed on all nonexempt property in Improvement Area No. 2;

(5) A letter, dated the Closing Date and addressed to the Underwriter, of Stradling Yocca Carlson & Rauth, a Professional Corporation, counsel to the Underwriter, to the effect that without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of their participation in conferences with representatives of the City, Bond Counsel, representatives of the Underwriter, TRI Pointe Homes, Inc., a Delaware corporation, and Richmond American Homes of Maryland, Inc., a Delaware corporation ("Richmond"), and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Official Statement as of its date and as of the Closing Date contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no opinion or belief need be expressed as to any financial or statistical data contained in the Official Statement);

(6) A certificate or certificates, dated the Closing Date and signed by an authorized officer of the City, ratifying the use and distribution by the Underwriter of the Preliminary Official Statement and the Official Statement in connection with the offering and sale of the Bonds; and certifying that (i) the representations and warranties of the City contained in Section 2 hereof are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) to the best of his or her knowledge, no event has occurred since the date of the Official Statement affecting the matters contained therein which should be disclosed in the Official Statement for the purposes for which it is to be used in order to make the statements and information contained in the Official Statement not misleading in any material respect, and the Bonds, the Formation Documents and the District Documents conform as to form and tenor to the descriptions thereof contained in the Official Statement; and (iii) the City has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied under the Formation Documents, the District Documents and the Official Statement at or prior to the Closing Date;

(7) An opinion, dated the Closing Date and addressed to the Underwriter, of the City Attorney, to the effect that (i) to the best of his or her knowledge and except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body is pending or threatened, as to which the City is or would be a party, which would materially adversely affect the ability of the City or the District to perform its obligations under the Bonds, the Formation Documents or the District Documents, or which seeks to restrain or enjoin the issuance, sale and delivery of the Bonds or exclusion from gross income for federal income tax purposes or State of California personal income taxes of interest on the Bonds, or the application of the proceeds thereof in accordance with the Fiscal Agent Agreement, or the collection or application of the Special Tax to pay the principal of and interest on the Bonds, or

which in any way contests or affects the validity or enforceability of the Bonds, the Formation Documents or the District Documents or the accuracy of the Official Statement, or any action of the City contemplated by any of said documents; (ii) the City is duly organized and validly existing as a public entity under the laws of the State of California and the District is duly organized and validly existing as a community facilities district under the laws of the State of California, and the City has full legal right, power and authority to issue the Bonds and to perform all of its obligations under the Formation Documents and the District Documents; (iii) the City has obtained all approvals, consents, authorizations, elections and orders of or filings or registrations with any State governmental authority, board, agency or commission having jurisdiction which constitute a condition precedent to the levy of the Special Tax, the issuance of the Bonds or the performance by the City of its obligations thereunder or under the Fiscal Agent Agreement, except that no opinion need be expressed regarding compliance with blue sky or other securities laws or regulations, whatsoever; (iv) the City Council has duly and validly adopted the Formation Documents at meetings of the City Council which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Formation Documents are now in full force and effect and have not been amended; (v) the City has duly authorized, executed and delivered the District Documents and the Bonds and has duly authorized the preparation and delivery of the Official Statement, and (vi) the District Documents and the Bonds constitute legal, valid and binding agreements of the City and the District, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and to the application of equitable principles if equitable remedies are sought and to the limitations on legal remedies against public agencies in the State of California;

(8) One or more certificates dated the Closing Date from Albert A. Webb Associates addressed to the City and the Underwriter to the effect that (i) the amount of the Special Taxes that could be levied in each Fiscal Year on all Assessor's Parcels (as defined in the Rates and Method of Apportionment of Special Tax) of Developed Property in Improvement Area No. 2 that are not delinquent in the payment of any Special Taxes then due and owing is at least one hundred ten percent (110%) of the total Annual Debt Service for each such Fiscal Year on the proposed Bonds, plus the Administrative Expenses in the amount of \$30,000, and (ii) all information supplied by them for use in the Official Statement is true and correct as of the date of the Official Statement and as of the Closing Date;

(9) A letter dated the Closing Date from Kitty Siino & Associates, Inc. (the "Appraiser") addressed to the Underwriter and the City to the effect that it has prepared the appraisal report (the "Appraisal") with respect to the property located within Improvement Area No. 2 and that (a) the Appraisal, set forth in Appendix B to the Official Statement, may be included in the Preliminary Official Statement and the Official Statement, (b) neither the Appraisal in Appendix B nor the information in the Official Statement referring to the Appraisal contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, and (c) no events or occurrences have been ascertained by it or have come to its attention that would materially change the opinion set forth in the Appraisal;

(10) A certificate of the City dated the Closing Date, in a form acceptable to Bond Counsel, that the Bonds are not arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended;

(11) A certificate of the Fiscal Agent and an opinion of counsel to the Fiscal Agent dated the Closing Date and addressed to the City and the Underwriter to the effect that the Fiscal Agent has authorized the execution and delivery of the Fiscal Agent Agreement and that the Fiscal Agent Agreement is a valid and binding obligation of the Fiscal Agent enforceable in accordance with its terms;

(12) The Continuing Disclosure Certificate, dated as of \_\_\_\_\_, 2016 (the “Richmond Continuing Disclosure Certificate”), executed by Richmond in the form included in Appendix E to the Official Statement.

(13) A certificate of Richmond addressed to the City, the District and the Underwriter, dated the Closing Date, in the form attached to this Purchase Agreement as Appendix A to Exhibit C;

(14) A negative assurance letter regarding Richmond’s disclosure in the Official Statement from counsel to Richmond addressed to the Underwriter in form and substance acceptable to the Underwriter;

(15) An opinion of counsel to Richmond addressed to the Underwriter and in form and substance acceptable to the Underwriter as to the due authorization, execution, delivery, validity and enforceability of the Developer Continuing Disclosure Certificate.

(16) A certificate from TRI Pointe Homes, Inc. to the effect that the information in the Official Statement under the heading “IMPROVEMENT AREA NO. 2—TRI Pointe Development within Improvement Area No. 2” does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading,

(17) Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the statements and information contained in the Preliminary Official Statement and the Official Statement, of the City’s representations and warranties contained herein and the due performance or satisfaction by the City at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the City and the District in connection with the transactions contemplated hereby and by the Official Statement;

(18) Written confirmation from the Special Tax Consultant in a form acceptable to the Underwriter that, other than as disclosed in the Official Statement, the City and its community facilities districts have timely filed materially complete continuing disclosure reports with respect to City’s continuing disclosure requirements relating to Rule 15c2-12 in each of the last five fiscal years; and

(19) G-17 letter from the Underwriter acknowledged by the City.

(20) Specimen Bonds; and

(21) Evidence that Internal Revenue Service Form 8038 has been executed by the City and will be filed with the Internal Revenue Service.

If the City shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds contained in this Purchase Agreement, or if the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriter nor the City shall be under any further obligation hereunder, except that the respective obligations of the City and the Underwriter set forth in Section 5 and Section 6 hereof shall continue in full force and effect.

4. Conditions of the City's Obligations. The City's obligations hereunder are subject to the Underwriter's performance of its obligations hereunder, and are also subject to the following conditions:

(a) As of the Closing Date, no litigation shall be pending or, to the knowledge of the duly authorized officer of the City executing the certificate referred to in Section 3(c)(6) hereof, threatened, to restrain or enjoin the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bonds, the Formation Documents, the District Documents or the existence or powers of the City; and

(b) As of the Closing Date, the City shall receive the approving opinion of Bond Counsel referred to in Section 3(c)(3) hereof, dated as of the Closing Date.

5. Expenses. Whether or not the Bonds are delivered to the Underwriter as set forth herein:

(a) The Underwriter shall be under no obligation to pay, and the City shall pay or cause to be paid (out of any legally available funds of the District) all expenses incident to the performance of the City's obligations hereunder, including, but not limited to, the cost of printing, engraving and delivering the Bonds to the Underwriter, the cost of preparation, printing, distribution and delivery of the Fiscal Agent Agreement, the Preliminary Official Statement, the Official Statement and all other agreements and documents contemplated hereby (and drafts of any thereof) in such reasonable quantities as requested by the Underwriter (excluding the fees and disbursements of the Underwriter's counsel); and the fees and disbursements of the Fiscal Agent for the Bonds, Bond Counsel, and any accountants, engineers or any other experts or consultants the City has retained in connection with the Bonds; and

(b) The City shall be under no obligation to pay, and the Underwriter shall pay, any fees of the California Debt and Investment Advisory Commission, the cost of preparation of any "blue sky" or legal investment memoranda and this Purchase Agreement; expenses to qualify the Bonds for sale under any "blue sky" or other state securities laws; and all other expenses incurred by the Underwriter in connection with its public offering and distribution of the Bonds (except those specifically enumerated in paragraph (a) of this section), including the fees and disbursements of its counsel and any advertising expenses.

6. Notices. Any notice or other communication to be given to the City under this Purchase Agreement may be given by delivering the same in writing to the City at 92522 Main Street, Riverside, California 92522, Attention: Finance Director; and any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated, One Montgomery Street, 35th Floor, San Francisco, California 94104, Attention: Sara Brown.

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

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

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

10. No Prior Agreements. This Purchase Agreement supersedes and replaces all prior negotiations, agreements and understandings between the parties hereto in relation to the sale of Bonds for the City.

11. Governing Law. This Purchase Agreement shall be governed by the laws of the State of California.

12. Counterparts. This Purchase Agreement may be executed simultaneously in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

Very truly yours,

STIFEL, NICOLAUS & COMPANY,  
INCORPORATED

By: \_\_\_\_\_  
Managing Director

ACCEPTED:

CITY OF RIVERSIDE

By: \_\_\_\_\_  
Finance Director

Time of execution: \_\_\_\_\_ p.m. on \_\_\_\_\_, 2016

**EXHIBIT A**

**MATURITY SCHEDULE**

**COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(RIVERWALK VISTA)  
OF THE CITY OF RIVERSIDE  
SPECIAL TAX BONDS  
(IMPROVEMENT AREA NO. 2), SERIES 2016A**

<i>Maturity Date</i> <i>(September 1)</i>	<i>Principal</i> <i>Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>
--	-----------------------------------	----------------------	--------------	--------------

The purchase price of the Bonds shall be \$\_\_\_\_\_, which is the principal amount thereof (\$\_\_\_\_\_) [plus/less] net original issue [premium/discount] of \$\_\_\_\_\_ and less Underwriter's discount of \$\_\_\_\_\_.



**COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(RIVERWALK VISTA)  
OF THE CITY OF RIVERSIDE  
SPECIAL TAX BONDS  
(IMPROVEMENT AREA NO. 2), SERIES 2016B**

<i>Maturity Date (September 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>
--	-----------------------------	----------------------	--------------	--------------

The purchase price of the Bonds shall be \$\_\_\_\_\_, which is the principal amount thereof (\$\_\_\_\_\_) [plus/less] net original issue [premium/discount] of \$\_\_\_\_\_ and less Underwriter's discount of \$\_\_\_\_\_.

**OPTIONAL REDEMPTION,  
MANDATORY REDEMPTION FROM SPECIAL TAX PREPAYMENTS  
AND MANDATORY SINKING FUND REDEMPTION**

***Optional Redemption.*** The Bonds are subject to redemption prior to their stated maturity dates on any Interest Payment Date, as selected among maturities by the City (and by lot within a maturity), in integral multiples of \$5,000, at the option of the City from moneys derived by the City from any source, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

<i>Redemption Dates</i>	<i>Redemption Price</i>
_____ through _____	103%
_____ and _____	102
_____ and _____	101
_____ and any Interest Payment Date thereafter	100

***Mandatory Redemption From Special Tax Prepayments.*** The Bonds are subject to mandatory redemption prior to their stated maturity dates on any Interest Payment Date, pro rata among all maturities (and by lot within any one maturity), in integral multiples of \$5,000, from moneys derived by the City from Special Tax Prepayments, at redemption prices (expressed as percentages of the principal amounts of the Bonds to be redeemed), together with accrued interest to the date of redemption, as follows:

<i>Redemption Dates</i>	<i>Redemption Price</i>
_____ through _____	103%
_____ and _____	102
_____ and _____	101
_____ and any Interest Payment Date thereafter	100

***Mandatory Sinking Fund Redemption.*** The outstanding Bonds maturing on September 1, \_\_\_\_\_ are subject to mandatory sinking fund redemption, in part, on September 1, \_\_\_\_\_, and at maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date of redemption, without premium, and from sinking payments as follows:

**Bonds Maturing September 1, \_\_\_\_\_**

***Sinking Fund Redemption Date  
(September 1)***

***Sinking Fund Payments***

(Maturity)

The amounts in the foregoing schedule shall be reduced by the City pro rata among redemption dates, in order to maintain substantially level Debt Service, as a result of any prior or partial optional or mandatory redemption of the Bonds.

**EXHIBIT B**

\$ \_\_\_\_\_  
COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(RIVERWALK VISTA)  
OF THE CITY OF RIVERSIDE  
SPECIAL TAX BONDS  
(IMPROVEMENT AREA NO. 2), SERIES 2016A

\$ \_\_\_\_\_  
COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(RIVERWALK VISTA)  
OF THE CITY OF RIVERSIDE  
SPECIAL TAX BONDS  
(IMPROVEMENT AREA NO. 2), SERIES 2016B

**RULE 15c2-12 CERTIFICATE**

The undersigned hereby certifies and represents that he is the Finance Director of the City of Riverside (the "City"), and, as such, is duly authorized to execute and deliver this certificate and further hereby certifies that:

(1) this certificate is being delivered in connection with the sale and issuance of the Community Facilities District No. 2006-1 (Riverwalk Vista) of the above-captioned bonds (the "Bonds") in order to enable the underwriter of the Bonds to comply with Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended (the "Rule");

(2) in connection with the sale and issuance of the Bonds, there has been prepared a Preliminary Official Statement dated \_\_\_\_\_, 2016 setting forth information concerning the Bonds, the City, and Improvement Area No. 2 of Community Facilities District 2006-1 of the City of Riverside (the "Preliminary Official Statement"); and

(3) except for the Permitted Omissions, the Preliminary Official Statement is deemed final within the meaning of the Rule. As used herein, the term "Permitted Omissions" refers to the offering price(s), interest rates(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters, all as set forth in the Rule.

IN WITNESS WHEREOF, I have hereunto set my hand as of \_\_\_\_\_, 2016.

CITY OF RIVERSIDE

By: \_\_\_\_\_  
Its: Finance Director

**EXHIBIT C**

**FORMS OF LETTER OF REPRESENTATIONS AND  
CLOSING CERTIFICATE OF RICHMOND**

\$ \_\_\_\_\_  
**COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(RIVERWALK VISTA)  
OF THE CITY OF RIVERSIDE  
SPECIAL TAX BONDS  
(IMPROVEMENT AREA NO. 2), SERIES 2016A**

\$ \_\_\_\_\_  
**COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(RIVERWALK VISTA)  
OF THE CITY OF RIVERSIDE  
SPECIAL TAX BONDS  
(IMPROVEMENT AREA NO. 2), SERIES 2016B**

**LETTER OF REPRESENTATIONS OF RICHMOND**

\_\_\_\_\_, 2016

City of Riverside  
92522 Main Street  
Riverside, CA 92522

Community Facilities District No. 2006-1  
of the City of Riverside  
92522 Main Street  
Riverside, CA 92522

Stifel, Nicolaus & Company, Incorporated  
One Montgomery Street, 35th Floor  
San Francisco, CA 94014

Ladies and Gentlemen:

Reference is made to the above-captioned bonds (the “Bonds”) and to the Bond Purchase Agreement to be entered into in connection therewith (the “Purchase Agreement”). This Letter of Representations (the “Letter of Representations”) is delivered pursuant to and in satisfaction of Section 3(d)(13) of the Purchase Agreement. Capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Purchase Agreement.

The undersigned certifies that he is familiar with the facts herein certified and is authorized and qualified to certify the same as an authorized officer or representative of Richmond American Homes of Maryland, Inc., a Delaware corporation (the “Developer”), and the undersigned, on behalf of the Developer, further certifies as follows:

1. The Developer is duly organized and validly existing under the laws of the State of Delaware, qualified to transact business in the State of California and has all requisite right, power and authority: (i) to execute and deliver this Letter of Representations; and (ii) to undertake all of the transactions on its part described in the Preliminary Official Statement.

2. As set forth in the Preliminary Official Statement, certain property within Improvement Area No. 2 (the “Improvement Area”) of Community Facilities District No. 2006-1 of

the City of Riverside (the “Community Facilities District”) is held in the name of the Developer (herein the “Property”). The undersigned, on behalf of the Developer, makes the representations herein with respect to all such Property. Except as otherwise described in the Preliminary Official Statement, the Developer is and the Developer’s expectation as of the date of this Letter of Representations is that the Developer shall remain the party responsible for the development of the Property.

3. Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned,<sup>1</sup> the Developer and its Affiliates<sup>2</sup> have not violated any applicable law or administrative regulation of the State of California or the United States of America, or any agency or instrumentality of either, which violation could reasonably be expected to materially and adversely affect the Developer’s ability to pay Special Taxes due with respect to the Property.

4. Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, (a) the Developer and its Affiliates are not in breach of or in default under any applicable judgment or decree or any loan agreement, option agreement, development agreement, indenture, fiscal agent agreement, bond or note (collectively, the “Material Agreements”) to which the Developer or its Affiliates are a party or otherwise subject, which breach or default could reasonably be expected to materially and adversely affect the Developer’s ability to develop the Property as proposed in the Preliminary Official Statement or to pay the Special Taxes due with respect to the Property and (b) no event has occurred and is continuing that with the passage of time or giving of notice, or both, would constitute such a breach or default.

5. Except as described in the Preliminary Official Statement, there is no material indebtedness of the Developer or its Affiliates that is secured by an interest in the Property. Neither the Developer nor, to the Actual Knowledge of the Undersigned, any of its Affiliates is in default on any obligation to repay borrowed money, which default is reasonably likely to materially and adversely affect the Developer’s ability to develop the Property as proposed in the Preliminary Official Statement or to pay the Special Taxes due with respect to the Property.

6. Except as set forth in the Preliminary Official Statement, no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, regulatory agency, public board or body is pending against the Developer (with proper service of process or proper notice to the

---

<sup>1</sup> As used in this Letter of Representations, the phrase “Actual Knowledge of the Undersigned” shall mean the knowledge of the undersigned as of the date hereof obtained from interviews with such current officers and responsible employees of the Developer and its Affiliates as the undersigned has determined are likely, in the ordinary course of their respective duties, to have knowledge of the matters set forth herein. The undersigned has not conducted any extraordinary inspection or inquiry other than such inspections or inquiries as are prudent and customary in connection with the ordinary course of the Developer’s current business and operations.

<sup>2</sup> “Affiliate” means, with respect to a Person (i) any other Person directly, or indirectly through one or more intermediaries, controlling, controlled by or under common control with such Person, and (ii) for whom information, including financial information or operating data, concerning such Person referenced in clause (i) is material to an evaluation of the Community Facilities District and the Bonds (i.e., information relevant to the Developer’s development plans with respect to its Property and the payment of its Special Taxes, or such Person’s assets or funds that would materially affect the Developer’s ability to develop its Property as described in the Preliminary Official Statement or to pay its Special Taxes). “Person” means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof. For purposes hereof, the term “control” (including the terms “controlling,” “controlled by” or “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

Developer having been accomplished) or, to the Actual Knowledge of the Undersigned, is pending against any current Affiliate (with proper service of process to such Affiliate having been accomplished) or to the Actual Knowledge of the Undersigned is threatened in writing against the Developer or any such Affiliate (a) to restrain or enjoin the collection of Special Taxes or other sums pledged or to be pledged to pay the principal of and interest on the Bonds (e.g., the Reserve Fund established under the Fiscal Agent Agreement), (b) to restrain or enjoin the development of the Property as proposed in the Preliminary Official Statement, (c) in any way contesting or affecting the validity of the Special Taxes, or (d) which if successful, is reasonably likely to materially and adversely affect the Developer's ability to complete its development planned within the Improvement Area as described in the Preliminary Official Statement or to pay the Special Tax or *ad valorem* tax obligations on its Property when due.

7. As of the date of the Preliminary Official Statement, solely with respect to information contained therein with respect to the Developer, its Affiliates, the proposed development of the Property, ownership of the Property, the Developer's development plan, the Developer's financing plan, the Developer's lenders, if any, and contractual arrangements of the Developer or any Affiliates (including, if material to the Developer's development plan or the Developer's financing plan, other loans of such Affiliates) as set forth under the captions "INTRODUCTION—Improvement Area No. 2" (as to the second paragraph only and only as to the information regarding the Developer's property), and "IMPROVEMENT AREA NO. 2—Richmond" is true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

8. The Developer covenants that, while the Bonds or any refunding obligations related thereto are outstanding, the Developer and its Affiliates which it controls will not bring any action, suit, proceeding, inquiry or investigation at law or in equity, before any court, regulatory agency, public board or body, that in any way seeks to challenge or overturn the formation of the Community Facilities District or Improvement Area, to challenge the adoption of the Ordinance of the Community Facilities District levying Special Taxes within Improvement Area No. 2, to invalidate the Community Facilities District, Improvement Area No. 2 or any of the Bonds or any refunding bonds related thereto, or to invalidate the special tax liens imposed under Section 3115.5 of the Streets and Highways Code based on recordation of the notices of special tax lien relating thereto. The foregoing covenant shall not prevent the Developer in any way from bringing any other action, suit or proceeding including, without limitation, (a) an action or suit contending that the Special Tax has not been levied in accordance with the methodologies contained in the Community Facilities District's Rates and Method of Apportionment of Special Taxes for Improvement Area No. 2 pursuant to which the Special Taxes are levied, (b) an action or suit with respect to the application or use of the Special Taxes levied and collected or (c) an action or suit to enforce the obligations of the City and/or the Community Facilities District under the District Resolutions, the Fiscal Agent Agreement, or any other agreements among the Developer, the City, and/or the Community Facilities District or to which the Developer is a beneficiary.

9. Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, the Developer is not aware that any other public debt secured by a tax or assessment on the Property exists or is in the process of being authorized or any assessment districts or community facilities districts have been or are in the process of being formed that include any portion of the Property.

10. To the Actual Knowledge of the Undersigned, neither it nor any Affiliate has been delinquent to any material extent in the payment of any *ad valorem* property tax, special assessment or special tax on property included within the boundaries of a community facilities district or an assessment district that (a) would have caused a draw on a reserve fund relating to such assessment district or community facilities district or (b) resulted in a foreclosure action being commenced.

11. The Developer consents to the issuance of the Bonds. The Developer acknowledges and agrees that the proceeds of the Bonds will be used as described in the Preliminary Official Statement.

12. The Developer intends to comply with the provision of the Mello-Roos Community Facilities District Act of 1982, as amended, relating to the Notice of Special Tax described in Government Code Section 53341.5 in connection with the sale of the Property, or portions thereof.

13. To the Actual Knowledge of the Undersigned, the Developer is able to pay its bills as they become due and no legal proceedings are pending against the Developer (with proper service of process to the Developer having been accomplished) or, to the Actual Knowledge of the Undersigned, threatened in writing in which the Developer may be adjudicated as bankrupt or discharged from any and all of its debts or obligations, or granted an extension of time to pay its debts or obligations, or be allowed to reorganize or readjust its debts, or be subject to control or supervision of the Federal Deposit Insurance Corporation.

14. To the Actual Knowledge of the Undersigned, Affiliates of the Developer are able to pay their bills as they become due and no legal proceedings are pending against any Affiliates of the Developer (with proper service of process to such Affiliate having been accomplished) or to the Actual Knowledge of the Undersigned, threatened in writing in which the Affiliates of the Developer may be adjudicated as bankrupt or discharged from any or all of their debts or obligations, or granted an extension of time to pay their debts or obligations, or be allowed to reorganize or readjust their debts or obligations, or be subject to control or supervision of the Federal Deposit Insurance Corporation.

15. The Developer has not filed for, nor is the Developer aware of, current proceedings for the reassessment of the assessed value of the Property, other than in connection with the sale of homes to individual homebuyers.

16. Based upon its current development plans, including, without limitation, its current budget and subject to economic conditions and risks generally inherent in the development of real property, and except as disclosed in the Preliminary Official Statement including in the sections entitled "RISK FACTORS" and "IMPROVEMENT AREA NO. 2—Richmond—*Financing Plan*" the Developer anticipates that it will have sufficient funds to complete the development of the Property as described in the Preliminary Official Statement and to pay Special Taxes levied against the Property when due and does not anticipate that the City or the Community Facilities District will be required to resort to a draw on the Reserve Fund for payment of principal of or interest on the Bonds due to the Developer's nonpayment of Special Taxes. However, neither the Developer nor its Affiliates are obligated to make any additional capital contribution or loan to the Developer at any time, and the Developer reserves the right to change its development plan and financing plan for the Property at any time without notice.

17. An appraisal of the taxable properties within the Improvement Area, dated January 11, 2016 (the "Appraisal Report"), was prepared by Kitty Siino & Associates, Inc. (the "Appraiser"). The Appraisal Report estimates the market value of the taxable properties within the Improvement Area as of December 1, 2015 (the "Date of Value"). To Actual Knowledge of the Undersigned, all information submitted by, or on behalf of and authorized by, the Developer to the Appraiser, was true and correct in all material respects as of the date provided.

18. Solely as to the limited information described in Paragraph 7 above concerning the Developer, its Affiliates, the proposed development of the Property, ownership of the Property, the Developer's development plan, the Developer's financing plan, the Developer's lenders, if any, and contractual arrangements of the Developer or any Affiliates (including, if material to the Developer's development plan or the Developer's financing plan, other loans of such Affiliates) as set forth under the captions "INTRODUCTION—Improvement Area No. 2" (as to the second paragraph only), and "IMPROVEMENT AREA NO. 2—Richmond" and the Developer's compliance with Rule 15c2-12 adopted by the Securities and Exchange Commission as set forth under the caption "CONTINUING DISCLOSURE" (excluding therefrom information which is identified as having been provided by a source other than the Developer), the Developer agrees to indemnify and hold harmless, to the extent permitted by law, the City, the Community Facilities District, and their officials and employees, and each Person, if any, who controls any of the foregoing within the meaning of Section 15 of the Securities Act of 1933, as amended, or of Section 20 of the Securities Exchange Act of 1934, as amended, against any and all losses, claims, damages or liabilities, joint or several, to which such indemnified party may become subject under any statute or at law or in equity or otherwise and shall reimburse any such indemnified party for any reasonable legal or other expense reasonably incurred by it in connection with investigating any such claim against it and defending any such action, insofar as such losses, claims, damages, liabilities or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact or the omission or alleged omission of a material fact by the Developer in the above-referenced information in the Preliminary Official Statement as of its date, necessary to make the statements made by the Developer contained therein, in light of the circumstances under which they were made not misleading. This indemnity provision shall not be construed as a limitation on any other liability which the Developer may otherwise have to any indemnified party, *provided* that in no event shall the Developer be obligated for double indemnification, or for the negligence or willful misconduct of an indemnified party.

19. If between the date hereof and the Closing Date any event relating to or affecting the Developer, its Affiliates, the proposed development of the Property, ownership of the Property, the Developer's development plan, the Developer's financing plan, the Developer's lenders, if any, and contractual arrangements of the Developer or any Affiliates (including, if material to the Developer's development plan or the Developer's financing plan, other loans of such Affiliates) shall occur of which the undersigned has actual knowledge and which the undersigned believes would cause the information under the sections of the Preliminary Official Statement indicated in Paragraph 7 hereof, to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the undersigned shall notify the City, the Community Facilities District and the Underwriter and if in the opinion of the City Attorney or the Underwriter such event requires the preparation and publication of a supplement or amendment to the Preliminary Official Statement, the Developer shall reasonably cooperate with the City and the Community Facilities District in the preparation of an amendment or supplement to the Preliminary Official Statement in form and substance satisfactory to the City Attorney and to the Underwriter.



20. For the period through 25 days after the “End of the Underwriter Period” as defined in the Purchase Agreement, if any event relating to or affecting the Developer, its Affiliates, the proposed development of the Property, ownership of the Property, the Developer’s development plan, the Developer’s financing plan, the Developer’s lenders, if any, and contractual arrangements of the Developer or any Affiliates (including, if material to the Developer’s development plan or the Developer’s financing plan, other loans of such Affiliates) shall occur as a result of which it is necessary, in the opinion of the Underwriter or the City Attorney, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, the Developer shall reasonably cooperate with the City and the Underwriter in the preparation of an amendment or supplement to the Official Statement in form and substance satisfactory to the Underwriter and counsel to the Community Facilities District which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading.

21. The Developer agrees to deliver a Closing Certificate dated the date of issuance of the Bonds at the time of issuance of the Bonds in substantially the form attached as Appendix A.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; EXECUTION PAGE FOLLOWS]

22. On behalf of the Developer, I have reviewed the contents of this Letter of Representations and have met with counsel to the Developer for the purpose of discussing the meaning of its contents.

RICHMOND AMERICAN HOMES OF  
MARYLAND, INC.,  
a Delaware corporation

By: \_\_\_\_\_

\_\_\_\_\_,  
Authorized Representative

## APPENDIX A

### CLOSING CERTIFICATE

\$ \_\_\_\_\_  
COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(RIVERWALK VISTA)  
OF THE CITY OF RIVERSIDE  
SPECIAL TAX BONDS  
(IMPROVEMENT AREA NO. 2), SERIES 2016A

\$ \_\_\_\_\_  
COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(RIVERWALK VISTA)  
OF THE CITY OF RIVERSIDE  
SPECIAL TAX BONDS  
(IMPROVEMENT AREA NO. 2), SERIES 2016B

### CLOSING CERTIFICATE OF RICHMOND

\_\_\_\_\_, 2016

City of Riverside  
92522 Main Street  
Riverside, CA 92522

Community Facilities District No. 2006-1  
of the City of Riverside  
92522 Main Street  
Riverside, CA 92522

Stifel, Nicolaus & Company, Incorporated  
One Montgomery Street, 35th Floor  
San Francisco, CA 94014

Ladies and Gentlemen:

Reference is made to the above-captioned bonds (the “Bonds”) and to the Bond Purchase Agreement, dated \_\_\_\_\_, 2016 (the “Purchase Agreement”), entered into in connection therewith. This certificate is delivered by Richmond American Homes of Maryland, Inc., a Delaware corporation (the “Developer”) pursuant to the Purchase Agreement. Capitalized terms used herein that are not defined herein shall have the meanings ascribed to such terms in the Letter of Representations (defined below). A copy of a Letter of Representations (the “Letter of Representations”), dated \_\_\_\_\_, 2016, delivered by the Developer, is attached hereto as Appendix A.

The undersigned certifies that he is familiar with the facts herein certified and is authorized and qualified to certify the same as an authorized officer or representative of the Developer, and the undersigned, on behalf of the Developer, further certifies as follows:

1. The Developer has received the final Official Statement relating to the Bonds. Each statement, representation and warranty made in the Letter of Representations is true and correct in all material respects on and as of the date hereof with the same effect as if made on the date hereof, except that all references therein to the Preliminary Official Statement shall be deemed to be references to the final Official Statement.

2. To the Actual Knowledge of the Undersigned, no event has occurred since the date of the Preliminary Official Statement affecting the statements and information described in Paragraph 7 of the Letter of Representations relating to the Developer, its Affiliates, the proposed development of the Property, ownership of the Property, the Developer's development plan, the Developer's financing plan, the Developer's lenders, if any, and contractual arrangements of the Developer or any Affiliates (including, if material to the Developer's development plan or the Developer's financing plan, other loans of such Affiliates) which should be disclosed in the Official Statement for the purposes for which it is to be used in order to make such statements and information contained in the Official Statement not misleading in any material respect.

RICHMOND AMERICAN HOMES OF  
MARYLAND, INC.  
a Delaware corporation

By: \_\_\_\_\_

\_\_\_\_\_,  
Authorized Representative