This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 30, 2026

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

In the opinion of Jones Hall LLP, San Mateo, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS" herein.

$18,245,000*
CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03 (IMPROVEMENTS)
IMPROVEMENT AREA NO. 2
SPECIAL TAX BONDS, SERIES 2026

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

This Official Statement describes bonds that are being issued by the City of Sacramento (the "City") with respect to Improvement Area No. 2 ("Improvement Area No. 2") of the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements), City of Sacramento, County of Sacramento, State of California (the "District"). The City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2 Special Tax Bonds, Series 2026 (the "2026 Bonds") are being issued by the City to (a) pay the cost and expense of the acquisition and construction of certain authorized facilities and to finance certain governmental fees required in connection with the development within the District; (b) fund a deposit to the reserve fund securing the 2026 Bonds and the 2024 Bonds (as defined herein) to the extent described herein; (c) pay costs of issuance of the 2026 Bonds; and (d) fund capitalized interest on a portion of the 2026 Bonds accruing through December 1, 2027.

The 2026 Bonds are authorized to be issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (Section 53311 *et seq.* of the Government Code of the State of California), and pursuant to a Master Indenture, dated as of December 1, 2024, as supplemented by a First Supplemental Indenture dated as of December 1, 2024, and by a Second Supplemental Indenture dated as of October 1, 2026, each by and between the City and U.S. Bank Trust Company, National Association, as trustee (the "Trustee") (collectively, the "Indenture").

The 2026 Bonds are special limited obligations of the City and are payable solely from the proceeds of Net Special Tax Revenues (as defined in this Official Statement) received from the Special Tax (as defined in this Official Statement) levied on taxable parcels within Improvement Area No. 2 and from certain other funds pledged under the Indenture, all as further described in this Official Statement. The Special Tax will be levied according to the second amended and restated rate and method of apportionment approved by the City Council of the City and the qualified electors within Improvement Area No. 2. See "SOURCES OF PAYMENT FOR THE BONDS." Special taxes levied on taxable parcels in Improvement Area No. 1 of the District are not pledged to and are not available to pay debt service on the 2026 Bonds.

The 2026 Bonds are payable from Net Special Tax Revenues on a parity with the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2 Special Tax Bonds, Series 2024, which are currently outstanding in the aggregate principal amount of $36,885,000 (the "2024 Bonds").

The 2026 Bonds will be issued in fully registered form and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases of the 2026 Bonds may be made in integral multiples of $5,000 and will be in book-entry form only. Purchasers of 2026 Bonds will not receive certificates representing their beneficial ownership of the 2026 Bonds but will receive credit balances on the books of their respective nominees. Interest on the 2026 Bonds will be payable semi-annually on each March 1 and September 1, commencing March 1, 2027. The 2026 Bonds will not be transferable or exchangeable except for transfer to another nominee of DTC or as otherwise described in this Official Statement. Principal of and interest on the 2026 Bonds will be paid by the Trustee to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial owners of the 2026 Bonds. See "THE BONDS — General Provisions" and APPENDIX H — "BOOK-ENTRY ONLY SYSTEM."

NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY OF SACRAMENTO, THE STATE OF CALIFORNIA, OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE 2026 BONDS. EXCEPT FOR THE NET SPECIAL TAX REVENUES, NO OTHER REVENUES OR TAXES ARE PLEDGED TO THE PAYMENT OF THE 2026 BONDS. THE 2026 BONDS ARE NOT GENERAL OBLIGATIONS OF THE CITY BUT ARE SPECIAL LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE NET SPECIAL TAX REVENUES AND CERTAIN OTHER AMOUNTS HELD UNDER THE INDENTURE AS MORE FULLY DESCRIBED IN THIS OFFICIAL STATEMENT.

The 2026 Bonds are subject to optional redemption, extraordinary redemption from Special Tax prepayments and mandatory sinking fund redemption prior to maturity as set forth in this Official Statement. See "THE BONDS — Redemption."

THE 2026 BONDS ARE NOT RATED BY ANY RATING AGENCY, AND INVESTMENT IN THE 2026 BONDS INVOLVES SIGNIFICANT RISKS THAT ARE NOT APPROPRIATE FOR CERTAIN INVESTORS. CERTAIN EVENTS COULD AFFECT THE ABILITY OF THE CITY TO PAY THE PRINCIPAL OF AND INTEREST ON THE 2026 BONDS WHEN DUE. SEE THE SECTION OF THIS OFFICIAL STATEMENT ENTITLED "SPECIAL RISK FACTORS" FOR A DISCUSSION OF CERTAIN RISK FACTORS THAT SHOULD BE CONSIDERED, IN ADDITION TO THE OTHER MATTERS SET FORTH HEREIN, IN EVALUATING THE INVESTMENT QUALITY OF THE 2026 BONDS.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of this issue. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE
(See Inside Cover Page)

The 2026 Bonds are offered when, as and if issued and accepted by the Underwriter, subject to approval as to their validity by Jones Hall LLP, Bond Counsel to the City, and subject to certain other conditions. Stradling Yocca Carlson & Rauth LLP, Newport Beach, California is serving as Disclosure Counsel to the City with respect to the 2026 Bonds. Certain legal matters will be passed on for the City by the Office of the City Attorney, for the Underwriter by Best Best & Krieger, LLP Riverside, California, as counsel to the Underwriter, and for the Trustee by its counsel. It is anticipated that the 2026 Bonds in book-entry form will be available for delivery through the facilities of DTC on or about October 22, 2026.

RAYMOND JAMES®

Dated: October __, 2026

* Preliminary, subject to change.

$18,245,000*
CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03 (IMPROVEMENTS)
IMPROVEMENT AREA NO. 2
SPECIAL TAX BONDS, SERIES 2026

MATURITY SCHEDULE

Base *CUSIP No.*†: 786071

$_____
Serial Bonds

Maturity Date (September 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*	*CUSIP No.*†
	$	%	%		

$_____Term Bonds

$_____ ___% Term Bonds due September 1, 20__, Yield: ____% Price: _____ CUSIP No.† ___

$_____ ___% Term Bonds due September 1, 20__, Yield: ____% Price: _____ CUSIP No.† ___

---

* *Preliminary, subject to change.*

† *CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright(c) 2026 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the City, the Underwriter or their agents or counsel assumes responsibility for the accuracy of such numbers.*

CITY OF SACRAMENTO

CITY COUNCIL

Kevin McCarty, Mayor
Karina Talamantes, Vice Mayor, District 3
Eric Guerra, Mayor Pro Tem, District 6
Lisa Kaplan, District 1
Roger Dickinson, District 2
Phil Pluckebaum, District 4
Caity Maple, District 5
Rick Jennings II, District 7
Mai Vang, District 8

ADMINISTRATIVE OFFICERS

Maraskeshia Smith, City Manager
Leyne Milstein, Assistant City Manager
Ryan Moore, Assistant City Manager
Megan Van Voorhis, Interim Assistant City Manager
John Colville, City Treasurer
Gustavo L. Martinez, City Attorney
Farishta Ahrary, City Auditor
Mindy Cuppy, City Clerk

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San Mateo, California

Disclosure Counsel

Stradling Yocca Carlson & Rauth LLP
Newport Beach, California

Municipal Advisor

Fieldman, Rolapp & Associates, Inc.
Irvine, California

Trustee

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

Special Tax Consultant

Goodwin Consulting Group, Inc.
Sacramento, California

Appraiser

Smith & Associates, Inc.
Folsom, California

Market Absorption Consultant

The Gregory Group
Folsom, California

Appraisal Reviewer

BBG, Inc.
Sacramento, California

Except where otherwise indicated, all information contained in this Official Statement has been provided by the City. No dealer, broker, salesperson or other person has been authorized by the City, the Trustee or the Underwriter to give any information or to make any representations in connection with the offer or sale of the 2026 Bonds other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City, the Trustee or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the 2026 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers or owners of the 2026 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described in this Official Statement, are intended solely as such and are not to be construed as representations of fact. This Official Statement, including any supplement or amendment to this Official Statement, is intended to be deposited with the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at www.emma.msrb.org.

The information set forth in this Official Statement which has been obtained from third party sources is believed to be reliable, but such information is not guaranteed as to accuracy or completeness by the City. The information and expressions of opinion in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or any other parties described in this Official Statement since the date of this Official Statement. All summaries of the Indenture or other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is made by this Official Statement to such documents on file with the City for further information. While the City maintains an internet website for various purposes, none of the information on that website is incorporated by reference herein or intended to assist investors in making any investment decision or to provide any continuing information with respect to the 2026 Bonds or any other bonds or obligations of the City. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

> *The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.*

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget" or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information under the caption "THE DISTRICT AND IMPROVEMENT AREA NO. 2" and "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2."

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

THE 2026 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. THE 2026 BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

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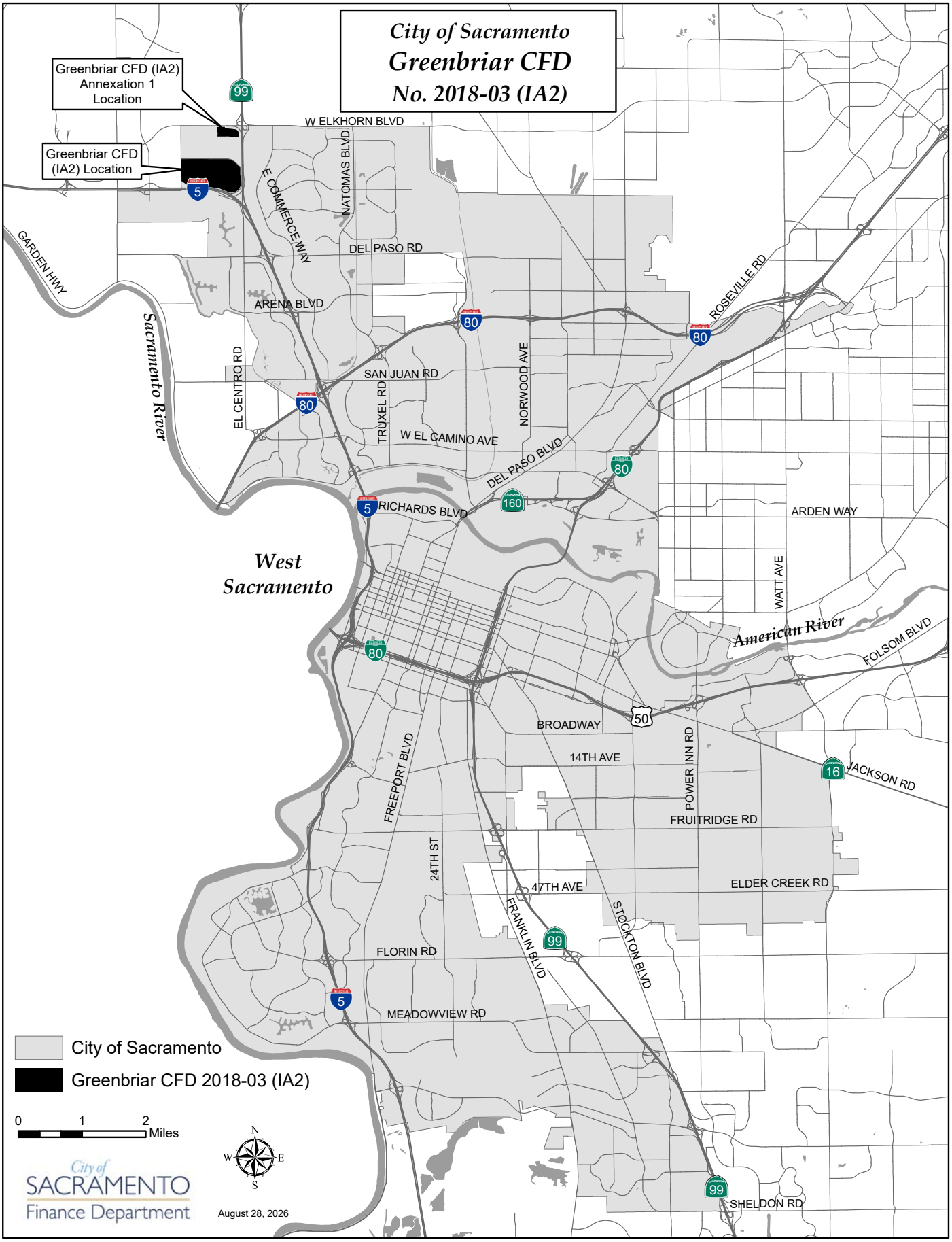
City of Sacramento
Greenbriar CFD
No. 2018-03 (IA2)
Greenbriar CFD (IA2) Annexation 1 Location
Greenbriar CFD (IA2) Location
W ELKHORN BLVD
NATOMAS BLVD
E COMMERCE WAY
DEL PASO RD
GARDEN HWY
ARENA BLVD
ROSEVILLE RD
Sacramento River
EL CENTRO RD
SAN JUAN RD
TRUXEL RD
NORWOOD AVE
W EL CAMINO AVE
DEL PASO BLVD
RICHARDS BLVD
ARDEN WAY
West Sacramento
WATT AVE
American River
FOLSOM BLVD
BROADWAY
14TH AVE
POWER INN RD
JACKSON RD
FREEPORT BLVD
FRUITRIDGE RD
24TH ST
47TH AVE
ELDER CREEK RD
FRANKLIN BLVD
STOCKTON BLVD
FLORIN RD
MEADOWVIEW RD
SHELDON RD
City of Sacramento
Greenbriar CFD 2018-03 (IA2)
0 1 2 Miles
N
W
E
S
City of SACRAMENTO Finance Department
August 28, 2026

City of Sacramento
Greenbriar CFD No. 2018-03 (IA2)

City of SACRAMENTO Finance Department

M.Dobyns | 8/28/2026

Greenbriar CFD IA2 Boundary

City Boundary

April 2025 Aerial Photo

0 500 1,000 1,500 2,000 Feet

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$18,245,000*
CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03 (IMPROVEMENTS)
IMPROVEMENT AREA NO. 2
SPECIAL TAX BONDS, SERIES 2026

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, the table of contents and the appendices (collectively, the "Official Statement"), is to provide certain information concerning the issuance by the City of Sacramento (the "City") of the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2 Special Tax Bonds, Series 2026 (the "2026 Bonds") in the aggregate principal amount of $18,245,000*. The 2026 Bonds are being issued by the City with respect to Improvement Area No. 2 ("Improvement Area No. 2") of the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements), City of Sacramento, County of Sacramento, State of California (the "District"). The proceeds of the 2026 Bonds will be used to (a) pay the cost and expense of the acquisition and construction of certain authorized facilities and to finance certain governmental fees benefiting the District; (b) fund a deposit to the reserve fund securing the 2026 Bonds and the 2024 Bonds (as defined below); (c) pay costs of issuance of the 2026 Bonds; and (d) fund capitalized interest on a portion of the 2026 Bonds accruing through December 1, 2027. See "THE FINANCING PLAN — Estimated Sources and Uses of Funds."

The 2026 Bonds are authorized to be issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (Section 53311 *et seq*. of the Government Code of the State of California) (the "Act"), and pursuant to a Master Indenture, dated as of December 1, 2024 (the "Master Indenture"), as supplemented by a First Supplemental Indenture dated as of December 1, 2024 (the "First Supplemental Indenture"), and by a Second Supplemental Indenture dated as of October 1, 2026 (the "Second Supplemental Indenture" and together with the Master Indenture, and the First Supplemental Indenture, the "Indenture") each between the City and U.S. Bank Trust Company, National Association, as trustee (the "Trustee").

The 2026 Bonds are secured under the Indenture by a pledge of and lien upon the Net Special Tax Revenues on a parity with the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2 Special Tax Bonds, Series 2024, which are currently outstanding in the aggregate principal amount of $36,885,000 (the "2024 Bonds"). "Net Special Tax Revenues" are the proceeds of the Special Tax levied on taxable parcels within Improvement Area No. 2, less the Priority Administrative Expenses (as such terms are defined in this Official Statement), and all amounts held in the Special Tax Fund, the Bond Redemption Fund, and the Bond Reserve Fund, as provided in the Indenture. See "SOURCES OF PAYMENT FOR THE BONDS." The 2026 Bonds and the 2024 Bonds are referred to collectively herein as the "Bonds." ***Special taxes levied on taxable parcels in Improvement Area No. 1 of the District are not pledged to and are not available to pay debt service on the 2026 Bonds.***

The 2026 Bonds are being issued and delivered pursuant to the provisions of the Act and the Indenture. The 2026 Bonds are being sold pursuant to a Bond Purchase Contract between the Underwriter and the City. See "THE 2026 BONDS — General Provisions" and "UNDERWRITING."

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement and the documents summarized or described in this Official Statement. A full review should be made of the entire Official Statement. The sale and delivery of 2026 Bonds to potential investors is made only by means of the entire Official Statement. All capitalized terms used in this Official Statement and not defined shall have

* *Preliminary, subject to change.*

the meaning set forth in APPENDIX E — "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE — Definitions."

Northlake, the District and Improvement Area No. 2

General. The District is generally coterminous with the boundaries of a new master-planned community that was initially named "Greenbriar" and has since been marketed as "Northlake." Northlake is located on the southwestern corner of West Elkhorn Boulevard and State Highway 99. The Northlake project is located in an area of the City known as "North Natomas" and is approximately nine miles from downtown Sacramento and approximately four miles from the Sacramento International Airport.

Northlake is located to the north and east of the near-completed master planned communities of Westlake and Natomas Creek and directly adjacent to the east of the Sacramento Metro Air Park. The Sacramento Metro Air Park is an approximately 1,800-acre site that has been and continues to be developed for commercial and industrial uses. Based on current plans, Northlake will be included along the route of a light rail line that is proposed to be extended from downtown Sacramento to the Sacramento International Airport. The current expectation is that the light rail line will have a station along the major arterial roadway (Shore Vista Way (formerly Meister Way)) that traverses and bisects Northlake from east to west, and will then continue on to the Sacramento International Airport. The construction and operation of the light rail extension along Shore Vista Way will be the responsibility of the Sacramento Regional Transit District and not the City. No assurances can be made that such light rail extension will be constructed.

Northlake is currently planned to include approximately 2,314 single family homes, approximately 300-520 multifamily residences and approximately 40,000 square feet of commercial and retail space. Similar to the Westlake development located to the south, the Northlake development includes several acres of man-made lakes with certain homes to be situated on lakefront lots. The District consists of approximately 577 acres and is generally coterminous with the Northlake development, however two parcels within the Northlake project area are not within the boundaries of the District.

The District is divided into two improvement areas. The first phase of Northlake is generally coterminous with Improvement Area No. 1. Development in Improvement Area No. 1 is fully built-out with all 1,137 planned homes conveyed to individual homeowners. The development in Improvement Area No. 1 was undertaken through an arrangement between affiliates of the Developer (as defined below) and Lennar Homes (as defined below) that is similar to the development arrangement for Improvement Area No. 2 described herein. ***The property in Improvement Area No. 1 is not subject to the levy of the Special Tax and is not security for the 2026 Bonds.***

The development within Improvement Area No. 2 is planned for 1,177 market-rate for-sale homes, a TK-8 school (which is complete and first opened for enrollment in the 2024-25 school year), and multi-family residential and commercial developments. The school site, the multi-family residential and commercial development sites are not expected to be subject to the Special Tax levy. Improvement Area No. 2 is also planned to include commercial development totaling 1.5 acres, three parks totaling approximately 6.4 acres, open space and trails and approximately 21 acres of man-made lakes.

Formation and Change Proceedings. The District was formed by the City pursuant to the Act. The Act was enacted by the California legislature to provide an alternative method of financing certain public capital facilities and services, especially in developing areas of the State. Any local agency (as defined in the Act) may establish a community facilities district to provide for and finance the cost of eligible public facilities, development-related fees, and services. Subject to approval by two-thirds of the votes cast at an election and compliance with the other provisions of the Act, a legislative body of a local agency may issue bonds for a community facilities district and may levy and collect a special tax within such district to repay such indebtedness.

Pursuant to the Act, on October 23, 2018, the City Council adopted Resolution No. 2018-0410 (the "Resolution of Intention"), stating its intention to form the District, to designate two improvement areas therein (Improvement Area No. 1 and Improvement Area No. 2), and to authorize the levy of a special tax on the taxable property within each of the improvement areas within the District. On October 23, 2018, the City Council also adopted Resolution No. 2018-0411, stating its intention to incur bonded indebtedness in an aggregate principal amount not to exceed $50,000,000 with respect to Improvement Area No. 2 for the purpose of financing the acquisition, construction, expansion, improvement, or rehabilitation of certain authorized facilities to serve the area within the District and its neighboring areas. See "THE DISTRICT AND IMPROVEMENT AREA NO. 2 — Description of Authorized Facilities."

On November 27, 2018, the City Council adopted Resolution No. 2018-0459 establishing the District and Improvement Area No. 1 and Improvement Area No. 2 therein. On November 27, 2018, an election was held within Improvement Area No. 2 at which the landowners eligible to vote approved the issuance of bonds for Improvement Area No. 2 in an amount not to exceed $50,000,000.

Subsequent to the formation of the District, the City received a petition from the Developer to amend the rate and method of special tax for Improvement Area No. 2 that was approved at the November 27, 2018 election with an Amended and Restated Rate and Method of Apportionment (the "First Amended Rate and Method") and to increase the authorized bonded indebtedness for Improvement Area No. 2 from $50,000,000 to $67,000,000. On October 26, 2021, the City Council adopted Resolution No. 2021-0321, to initiate the process to approve the First Amended Rate and Method and to increase the authorized bonded indebtedness for Improvement Area No. 2. On November 30, 2021, the City Council adopted Resolution No. 2021-0349, calling an election for December 1, 2021, on the propositions to approve the First Amended Rate and Method and increase the authorized bonded indebtedness for Improvement Area No. 2 from $50,000,000 to $67,000,000, which propositions were unanimously approved by the Developer, as the sole qualified landowner elector within Improvement Area No. 2.

Subsequent to the change proceedings described in the preceding paragraph, the City received a petition from the owners of property to further amend the First Amended Rate and Method with a Second Amended and Restated Rate and Method of Apportionment for Improvement Area No. 2 (the "Second Amended Rate and Method") and to annex certain property to Improvement Area No. 2. On November 28, 2023, the City Council adopted Resolution No. 2023-0379, to initiate the process to approve the Second Amended Rate and Method and to annex certain property to Improvement Area No. 2. On February 27, 2024, the City Council adopted Resolution No. 2024-0063, calling an election for March 5, 2024, on the propositions to amend the First Amended Rate and Method and annex certain property to Improvement Area No. 2, which propositions were unanimously approved by the Developer and The Greenbriar Project Owner, LLC, as the qualified landowner electors within Improvement Area No. 2 (including the property to be annexed).

On March 19, 2024, the City Council adopted Ordinance No. 2024-0004 (the "Ordinance") which authorizes the levy of a special tax pursuant to the Second Amended Rate and Method approved at the March 5, 2024 election, a copy of which is attached hereto as APPENDIX A. A Second Amendment to Notice of Special Tax Lien (the "Second Notice") was recorded in the office of the Clerk Recorder's Office of the County of Sacramento (the "County") on March 14, 2024 as Document No. 202403140563. The Second Notice identified two parcels that were originally in Improvement Area No. 1 (and were subsequently removed therefrom) that were annexed to Improvement Area No. 2 and subject to the Special Tax for Improvement Area No. 2. A Third Amendment to Notice of Special Tax Lien (the "Third Notice") was recorded in the office of the Clerk Recorder's office of the County on March 14, 2024 as Document No. 202403140564. The Third Notice identified the entire list of all parcels subject to the Special Tax for Improvement Area No. 2.

Any special taxes levied within Improvement Area No. 1 of the District are not pledged to the payment of the 2026 Bonds.

Property Ownership and Development Status

The proposed development within Improvement Area No. 2 is the second and final phase of the Northlake master-planned community. The entity serving as master developer within Improvement Area No. 2 is Greenbriar Phase 2, LLC, a Delaware limited liability company (the "Developer"). The Developer is a wholly-owned subsidiary of Greenbriar Investor, LLC, which is a joint venture entity formed by affiliates of Integral Communities and Lennar Homes of California, LLC, a California limited liability company ("Lennar Homes").

The Developer is responsible for the on-site and off-site backbone infrastructure necessary to complete the planned development within the District and Improvement Area No. 2 therein. As of August 15, 2026, other than the Shore Vista Way Overcrossing improvement described below, such backbone infrastructure was substantially complete and the Developer expects to complete all backbone infrastructure necessary to achieve buildout within Improvement Area No. 2 by the end of the fourth quarter of 2026. The Developer has obtained all discretionary approvals required in order to complete the planned development within Improvement Area No. 2.

The Developer is required to construct a State Route 99 overcrossing that would connect Shore Vista Way (which bisects Northlake from east to west) to East Commerce Way, located offsite to the east of Northlake. To date, the Developer has satisfied the financial and development milestone conditions with respect to the overcrossing required by the development agreement for Northlake, as currently amended. The completion of the overcrossing is not a condition to the issuance of building permits and certificates of occupancy for the homes within Improvement Area No. 2. See "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2 — *Entitlements and Mitigation Measures* — Transportation Development Impact Fees/Shore Vista Way Overcrossing."

As further described herein, the Developer has entered into an agreement with Lennar Homes for Lennar Homes to acquire all of the property within Improvement Area No. 2 that is planned for residential homes in phased takedowns. Pursuant to such agreement as may be amended, the Developer is required to substantially complete all in-tract infrastructure for the lots prior to the time Lennar Homes acquires such lots. As of August 15, 2026, the Developer has substantially completed the in-tract infrastructure for approximately 948 lots within Improvement Area No. 2, including for the 629 lots that Lennar Homes had acquired as of such date. The Developer expects to substantially complete the in-tract infrastructure for all residential lots by the end of 2027, and in any event, prior to the times necessary in order for the Developer to meet the takedown schedule agreed to with Lennar Homes. See "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2 — Acquisition of Lots by Lennar Homes."

The development within Improvement Area No. 2 is planned for 1,177 market-rate for-sale homes, a TK-8 school (which is complete and first opened for enrollment in the 2024-25 school year), and multi-family residential and commercial developments. The school site and the multi-family residential and commercial development sites are not expected to be subject to the Special Tax levy.

As of June 1, 2026, Lennar Homes had obtained 646 building permits within Improvement Area No. 2, consisting of building permits for 33 completed model homes and 613 production homes (439 of which have been completed and conveyed to individual homeowners as of such date). Lennar Homes currently plans to commence construction on additional production homes based on the take down schedule described under "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2 – Acquisition of Lots by Lennar Homes — *Takedown Schedule.*" Lennar Homes has reviewed the absorption schedule set forth under "— Market Absorption Study" and expects that its pace of home sales will be generally in line with such schedule. Lennar Homes currently expects to complete and convey all 1,177 planned homes within Improvement Area No. 2 to individual homeowners by the first quarter of 2030.

Development within Improvement Area No. 2 has progressed since June 1, 2026. Between June 2, 2026 and August 15, 2026, Lennar Homes obtained 64 additional building permits for a total of 710 building permits. As of such date, Lennar Homes had completed and conveyed 481 homes to individual homeowners within Improvement Area No. 2. See "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2" and "PROPERTY OWNERSHIP."

Forward Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as a "plan," "expect," "estimate," "project," "budget" or similar words. Such forward-looking statements include, but are not limited to certain statements contained in the information under the captions "THE DISTRICT AND IMPROVEMENT AREA NO. 2," "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2" and APPENDIX B-1 — "APPRAISAL REPORT AND UPDATE APPRAISAL REPORT."

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVES KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

Sources of Payment for the Bonds

General. The Bonds and any bonds issued and secured by and payable from the Net Special Tax Revenues on a parity with the Bonds (the "Parity Bonds"), which may be issued for purposes of funding additional eligible facilities or to refund Outstanding Bonds and any Parity Bonds , are limited obligations of the City, and the interest on and principal of and redemption premiums, if any, on the Bonds and any Parity Bonds are payable solely from Net Special Tax Revenues which are derived from the Special Tax to be levied annually against the Taxable Property in Improvement Area No. 2, and, subject to the conditions set forth in the Indenture, amounts held in the Special Tax Fund, the Bond Redemption Fund and the Bond Reserve Fund. As described in this Official Statement, the Special Tax will be collected along with *ad valorem* property taxes on the tax bills mailed by the County. Although the Special Tax constitutes a lien on the property subject to taxation in Improvement Area No. 2, it does not constitute a personal indebtedness of the owners of such property. There is no assurance that such owners will be financially able to pay the annual Special Tax or that they will pay such taxes even if they are financially able to do so. See "SOURCES OF PAYMENT FOR THE BONDS" and "SPECIAL RISK FACTORS."

Limited Obligations. Except for Net Special Tax Revenues, no other revenues or taxes are pledged to the payment of the Bonds and any Parity Bonds. The Bonds and any Parity Bonds are not general obligations of the City but are special limited obligations of the City payable solely from the Net Special Tax Revenues and other amounts held under the Indenture as more fully described herein.

Special Tax. As used in this Official Statement, the terms: (1) "Special Tax" means the taxes which have been authorized pursuant to the Act to be levied against Taxable Land (as defined in the Indenture) within Improvement Area No. 2 under and pursuant to the Act and in accordance with the Second Amended Rate and Method; (2) "Net Special Tax Revenues" means the proceeds of the Special Tax less the Priority Administrative Expenses; and (3) "Priority Administrative Expenses" means (i) for Fiscal Year 2026-27,

$20,600, and (ii) for each subsequent Fiscal Year, an amount equal to the preceding Fiscal Year's Priority Administrative Expenses plus 3% of such amount. See "SOURCES OF PAYMENT FOR THE BONDS — Special Tax" and APPENDIX A — "SECOND AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX." Under the Indenture, the City will pledge to pay debt service on the Bonds and any Parity Bonds from the Net Special Tax Revenues received by or on behalf of the City and any other amounts held in the Special Tax Fund, the Bond Redemption Fund, and the Bond Reserve Fund, as provided in the Indenture.

The Net Special Tax Revenues are the primary security for the repayment of the Bonds and any Parity Bonds. In the event that the Special Tax is not paid when due, the only sources of funds available to pay the debt service on the Bonds and any Parity Bonds are amounts held by the Treasurer in the Special Tax Fund and the amounts held in the Bond Reserve Fund, and the Bond Redemption Fund held by the Trustee under the Indenture. See "SOURCES OF PAYMENT FOR THE BONDS."

Foreclosure Covenant. The City will covenant in the Indenture to, annually on or before October 1 of each year review the public records of the County of Sacramento relating to the collection of the Special Tax in order to determine the amount of the Special Tax collected in the prior Fiscal Year, and on the basis of such review the City will, not later than the succeeding December 1, institute foreclosure proceedings as authorized by the Act against (a) all parcels that are delinquent in the payment of two installments of such Special Tax in such Fiscal Year and (b) all parcels that are delinquent in the payment of such Special Tax if the total amount so collected is less than ninety-five percent (95%) of the total amount of the Special Tax levied in such Fiscal Year, in each case to enforce the lien of all such delinquent installments of such Special Tax and will diligently prosecute and pursue such foreclosure proceedings to judgement and sale provided, that any actions taken to enforce delinquent Special Tax liens shall be taken only consistent with Sections 53356.1 through 53356.7, both inclusive, of the Government Code of the State of California.

The City is not obligated to enforce the lien of any delinquent installment of the Special Tax for any Fiscal Year in which the City has received 100% of the amount of the installment from the County under the Teeter Plan (as defined below). The County's policy is that any new taxing entity or special assessment district that includes its levy on the County's secured tax roll is qualified to be under the County's Teeter Plan. Improvement Area No. 2 is currently included in the County's Teeter Plan. See "SOURCES OF PAYMENT FOR THE BONDS — Teeter Plan" and "SPECIAL RISK FACTORS — Teeter Plan Termination."

See "SOURCES OF PAYMENT FOR THE BONDS — Special Tax —*Foreclosure Covenant*." There is no assurance that the Taxable Property within Improvement Area No. 2 can be sold for the appraised or assessed values described in this Official Statement and in the Appraisal Report, or for a price sufficient to provide monies to pay the principal of and interest on the Bonds in the event of a default in payment of the Special Tax by current or future landowners within Improvement Area No. 2. See "SPECIAL RISK FACTORS — Property Values" and APPENDIX B-1 — "APPRAISAL REPORT AND UPDATE APPRAISAL REPORT."

NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY OF SACRAMENTO, THE STATE OF CALIFORNIA, OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. EXCEPT FOR THE NET SPECIAL TAX REVENUES, NO OTHER REVENUES OR TAXES ARE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE CITY BUT ARE SPECIAL LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE NET SPECIAL TAX REVENUES AND CERTAIN OTHER AMOUNTS HELD UNDER THE INDENTURE AS MORE FULLY DESCRIBED IN THIS OFFICIAL STATEMENT.

Parity Bonds and Additional Liens. Under the terms of the Indenture, the City may issue Parity Bonds secured by Net Special Tax Revenues on a parity with the Bonds if certain conditions are met, which Parity Bonds may be issued for purposes of funding additional eligible facilities or to refund outstanding

Bonds and any Parity Bonds. See "SOURCES OF PAYMENT FOR THE BONDS — Issuance of Parity Bonds." Parity Bonds may be issued by means of a supplemental indenture and without any requirement for the consent of any Holders. Other taxes and/or special assessments with liens equal in priority to the continuing lien of the Special Tax have been levied and may also be levied in the future on the property within Improvement Area No. 2, which could adversely affect the ability and willingness of the landowners to pay the Special Tax when due. See "SPECIAL RISK FACTORS — Parity Taxes and Special Assessments."

Appraisal Report

An MAI appraisal (the "Appraisal Report") of Taxable Property and existing improvements within Improvement Area No. 2 was prepared by Smith & Associates, Inc., Folsom, California (the "Appraiser"). The Appraisal Report has a date of value of June 29, 2026 (the "Date of Value"). See APPENDIX B-1 — "APPRAISAL REPORT AND UPDATE APPRAISAL REPORT." The Appraisal Report provides an estimated aggregate of market value for the Taxable Property within Improvement Area No. 2. As further described herein, Multi-Family Property, other than Taxable Multi-Family Property, and the property in Improvement Area No. 2 planned to be classified as Non-Residential Property, are expected to be classified as Exempt Property (as such terms are defined in the Second Amended Rate and Method) and not be subject to the Special Tax levy. As a result, only the Villages planned for the 1,177 for-sale single family residential homes are included in the appraised value of the Taxable Property. As of the Date of Value, the Appraiser estimates that the aggregate market value of the Taxable Property (as defined in the Second Amended Rate and Method) within Improvement Area No. 2 was not less than $410,401,553.

The Appraiser has prepared an Update Appraisal Report dated August 12, 2026. In the Update Appraisal Report, the Appraiser concludes that the value of the appraised properties as of August 12, 2026 is not less than the conclusion of value for such property set forth in the Appraisal Report.

The Appraisal Report is based upon a variety of assumptions and limiting conditions that are described in APPENDIX B-1. The City makes no representations as to the accuracy of the Appraisal Report. See "THE DISTRICT AND IMPROVEMENT AREA NO. 2 — Property Values" and "— Value-To-Lien Ratios." There is no assurance that any property within Improvement Area No. 2 can be sold for the estimated values set forth in the Appraisal Report or that any parcel can be sold for a price sufficient to provide monies to pay the Special Tax for that parcel in the event of a default in payment of the Special Tax by the landowner. See "THE DISTRICT AND IMPROVEMENT AREA NO. 2," "SPECIAL RISK FACTORS — Property Values" and APPENDIX B-1 — "APPRAISAL REPORT AND UPDATE APPRAISAL REPORT."

Description of the 2026 Bonds

The 2026 Bonds will be issued and delivered as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to actual purchasers of the 2026 Bonds (the "Beneficial Owners") in integral multiples of $5,000, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described in Appendix H. Beneficial Owners will not be entitled to receive physical delivery of the 2026 Bonds. In the event that the book-entry-only system described herein is no longer used with respect to the 2026 Bonds, the 2026 Bonds will be registered and transferred in accordance with the Indenture. See APPENDIX H — "BOOK-ENTRY ONLY SYSTEM."

Principal of, premium, if any, and interest on the 2026 Bonds are payable by the Trustee to DTC. Disbursement of such payments to DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants. In the event that the book-entry only system is no longer used with respect to the 2026 Bonds, the Beneficial Owners will become the registered owners of the 2026 Bonds and will be paid principal and interest by the Trustee, all as provided in the Indenture.

The 2026 Bonds are subject to optional redemption, extraordinary redemption, and mandatory sinking fund redemption as described herein. See "THE 2026 BONDS — Redemption." For more complete descriptions of the 2026 Bonds and the basic documentation pursuant to which they are being sold and delivered, see "THE 2026 BONDS" and APPENDIX E — "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

Professionals Involved in the Offering

U.S. Bank Trust Company, National Association, will serve as Trustee under the Indenture. Raymond James & Associates, Inc. is the underwriter (the "Underwriter") of the 2026 Bonds. The validity of the 2026 Bonds and certain other legal matters are subject to the approving opinion of Jones Hall LLP, Bond Counsel to the City in connection with the issuance of the 2026 Bonds. Stradling Yocca Carlson & Rauth LLP is serving as Disclosure Counsel to the City with respect to the 2026 Bonds. Certain legal matters will be passed on for the City by the Office of the City Attorney, for the Underwriter by Best Best & Krieger LLP, Riverside, California, as counsel to the Underwriter and for the Trustee by its counsel. Other professional services have been performed by Smith & Associates, Inc., Folsom, California, as the Appraiser, The Gregory Group, Folsom, California as Market Absorption Consultant, Fieldman, Rolapp & Associates, Inc., Irvine, California as municipal advisor to the City, Goodwin Consulting Group, Inc., Sacramento, California, as Special Tax Consultant, and BBG, Inc., Sacramento, California, as the appraisal reviewer.

For information concerning respects in which certain of the above-mentioned professionals, advisors, counsel and consultants may have a financial or other interest in the offering of the 2026 Bonds, see "FINANCIAL INTERESTS."

Continuing Disclosure

The City has agreed to provide, or cause to be provided, pursuant to Rule 15c2-12 adopted by the Securities and Exchange Commission (the "Rule") certain financial information and operating data on an annual basis (the "City Reports"). The City has further agreed to provide, in a timely manner, notice of certain events with respect to the Bonds (the "Listed Events"). These covenants have been made in order to assist the Underwriter in complying with the Rule. The City Reports will be filed with the Electronic Municipal Market Access System ("EMMA") of the Municipal Securities Rulemaking Board (the "MSRB") available on the Internet at http://emma.msrb.org. Notices of Listed Events will also be filed with the MSRB. Within the last five years, the City and certain related entities have failed to comply in certain respects with prior continuing disclosure undertakings. See "CONTINUING DISCLOSURE."

The Underwriter does not consider the Developer or Lennar Homes to be an "obligated person" with respect to the 2026 Bonds for purposes of the Rule. However, to assist in the marketing of the 2026 Bonds, the Developer and Lennar Homes have agreed to provide, or cause to be provided on EMMA, updated information with respect to the development within Improvement Area No. 2 of the District (the "Developer Reports" and together with the City Reports, the "Reports"), on a semi-annual basis and notices of certain events.

See "CONTINUING DISCLOSURE" and APPENDIX F and APPENDIX G for a description of the specific nature of the annual reports to be filed by the City, the semi-annual reports to be filed by the Developer and Lennar Homes, notices of Listed Events and the forms of the continuing disclosure undertakings pursuant to which such Reports are to be made.

2026 Bond Holders' Risks

Certain events could affect the ability of the City to collect the Special Tax in an amount sufficient to pay the principal of and interest on the 2026 Bonds when due. See the section of this Official Statement entitled "SPECIAL RISK FACTORS" for a discussion of certain factors which should be considered, in addition to other matters set forth herein, in evaluating an investment in the 2026 Bonds. The 2026 Bonds are

not rated by any nationally recognized rating agency. The purchase of the 2026 Bonds involves significant risks, and the 2026 Bonds may not be appropriate investments for certain investors. See "SPECIAL RISK FACTORS."

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

Brief descriptions of the 2026 Bonds and the Indenture are included in this Official Statement. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Indenture, the 2026 Bonds and the constitution and laws of the State as well as the proceedings of the City Council, are qualified in their entirety by references to such documents, laws and proceedings, and with respect to the 2026 Bonds, by reference to the Indenture.

Copies of the Indenture, the Appraisal Report and other documents and information are available for inspection and (upon request and payment to the City of a charge for copying, mailing and handling) for delivery from the City Treasurer's Office at 915 I Street, Historic City Hall, 3rd Floor, Sacramento, California 95814.

THE FINANCING PLAN

Authorized Facilities and Fees

A portion of the proceeds of the 2026 Bonds will be applied to finance the costs of the acquisition and construction of certain facilities and may also be applied to finance governmental fees authorized under the Act which facilities and fees relating to the costs of such facilities, include without limitation, water, sewer and storm drain improvements, roadways and traffic improvements, landscaping and park improvements, and school facilities, in addition to other improvements authorized under the Acquisition Agreement described below. See "THE DISTRICT AND IMPROVEMENT AREA NO. 2 — Description of Authorized Facilities."

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Estimated Sources and Uses of Funds

The following table sets forth the expected sources and uses of 2026 Bond proceeds.

Sources of Funds:	
Principal Amount of 2026 Bonds	$ _____
[Plus/Less] Original Issue [Premium/Discount]	_____
Total Sources	**$ _____**
Uses of Funds:	
Acquisition and Construction Fund	$
Bond Redemption Fund[(1)]	
Costs of Issuance[(2)]	
Bond Reserve Fund[(3)]	_____
Total Uses	**$ _____**

(1) Amount represents capitalized interest on a portion of the 2026 Bonds accruing through December 1, 2027.
(2) Includes City administrative costs, Underwriter's Discount, Bond Counsel, Disclosure Counsel, Special Tax Consultant, municipal advisor and Trustee fees, appraisal costs, printing costs and other issuance costs.
(3) Such amount of 2026 Bond proceeds, together with approximately $3,258,789.39 on deposit in the Bond Reserve Fund, will equal the Required Bond Reserve as of the date of issuance of the 2026 Bonds.
Source: The Underwriter.

THE 2026 BONDS

General Provisions

The 2026 Bonds will be dated as of their date of delivery and will bear interest at the rates per annum, payable semi-annually on each March 1 and September 1, commencing on March 1, 2027 (each, an "Interest Payment Date"), and will mature in the amounts and on the dates, all as set forth on the inside cover page of this Official Statement. The interest accruing on a portion of the 2026 Bonds through December 1, 2027 is being funded from capitalized interest.

Interest will be calculated on the basis of a 360-day year composed of twelve 30-day months. Interest on any 2026 Bond will be payable from the Interest Payment Date next preceding the date of authentication of that 2026 Bond, unless it is authenticated on a day during the period from the 16th day of the month next preceding an Interest Payment Date to such Interest Payment Date, both dates inclusive, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on a day on or before the 15th day of the month next preceding the first Interest Payment Date, in which event it shall bear interest from its date; provided, that if at the time of authentication of any 2026 Bond interest is then in default on any Outstanding 2026 Bonds, such 2026 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding 2026 Bonds.

Payment of interest on the 2026 Bonds due on or before the maturity or prior redemption thereof shall be made only to the person whose name appears in the registration books required to be kept by the Trustee pursuant to the Indenture as the registered owner thereof at the close of business as of the Record Date, meaning the 15th day of the month next preceding any Interest Payment Date. Such interest will be paid by check of the Trustee mailed by first class mail to such registered owner at his address as it appears on such books, except that in the case of a Holder of $1,000,000 or more in aggregate principal amount of Outstanding 2026 Bonds, payment shall be made at such Holder's option by federal wire transfer of immediately available funds according to written instructions provided by such Holder to the Trustee at least 15 days before such Interest Payment Date to an account in a bank or trust company or savings bank that is a member of the Federal Reserve System and that is located in the United States of America.

Payment of the principal of and redemption premiums, if any, on the 2026 Bonds shall be made only to the person whose name appears in the registration books required to be kept by the Trustee pursuant to the

Indenture as the registered owner thereof, such principal and redemption premiums, if any, to be paid only on the surrender of the 2026 Bonds at the Principal Corporate Trust Office of the Trustee at maturity or on redemption prior to maturity.

The 2026 Bonds will be issued as fully registered bonds without coupons and will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository of the 2026 Bonds. Ownership interests in the 2026 Bonds may be purchased in book-entry form only in denominations of $5,000 and any integral multiple thereof. So long as DTC is the securities depository all payments of principal and interest on the 2026 Bonds will be made to DTC and will be paid to the Beneficial Owners in accordance with DTC's procedures and the procedures of DTC's Participants. See APPENDIX H — "BOOK-ENTRY ONLY SYSTEM."

Redemption

Optional Redemption. The 2026 Bonds maturing on or after September 1, 20__, are subject to optional redemption by the City before their respective stated maturity dates, as a whole or in part on any date on or after September 1, 20__, from any source of available funds, upon mailed notice as provided in the Indenture, at the following redemption prices (expressed as a percentage of the principal amount of 2026 Bonds or portions thereof called for redemption), together with accrued interest thereon to the date of redemption:

Redemption Dates	***Redemption Price***
September 1, 20__, through and including August 31, 20__	103%
September 1, 20__, through and including August 31, 20__	102
September 1, 20__, through and including August 31, 20__	101
September 1, 20__ and any date thereafter	100

Extraordinary Redemption from Special Tax Prepayments. The 2026 Bonds are subject to extraordinary redemption by the City before their respective stated maturity dates, as a whole or in part on any Interest Payment Date on or after March 1, 20__, solely from prepayments of the Special Tax, upon mailed notice as provided in the Indenture, at the following redemption prices (expressed as a percentage of the principal amount of 2026 Bonds or portions thereof called for redemption), together with accrued interest to the date of redemption:

Redemption Dates	***Redemption Price***
Any Interest Payment Date from March 1, 20__ through and including March 1, 20__	103%
September 1, 20__ and March 1, 20__	102
September 1, 20__ and March 1, 20__	101
September 1, 20__, and any Interest Payment Date thereafter	100

See the caption "SPECIAL RISK FACTORS—Potential Early Redemption of 2026 Bonds from Prepayments or Community Facilities District Bond Proceeds" for a discussion of the potential for a lower than expected yield on the 2026 Bonds as a result of a special mandatory redemption from prepayment of the Special Tax.

Mandatory Sinking Fund Redemption. The 2026 Bonds maturing on September 1, 20__, are subject to mandatory redemption by the City before their stated maturity date in part on each September 1, as set forth in the schedule below, solely from Sinking Fund Account Payments established under the Indenture for that purpose, upon mailed notice as provided in the Indenture, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date of redemption, without premium, as follows (except that if any of the 2026 Bonds maturing on September 1, 20__ have been optionally or extraordinarily

redeemed, the amounts of the Sinking Fund Account Payments therefor shall be reduced proportionately by the principal amount of all such 2026 Bonds so optionally or extraordinarily redeemed):

Sinking Fund Redemption Date (September 1)	***Sinking Fund Payments***
	$
(maturity)	

The 2026 Bonds maturing on September 1, 20__, are subject to mandatory redemption by the City before their stated maturity date in part on each September 1, as set forth in the schedule below, solely from Sinking Fund Account Payments established under the Indenture for that purpose, upon mailed notice as provided in the Indenture, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date of redemption, without premium, as follows (except that if any of the 2026 Bonds maturing on September 1, 20__ have been optionally or extraordinarily redeemed, the amounts of the Sinking Fund Account Payments therefor shall be reduced proportionately by the principal amount of all such 2026 Bonds so optionally or extraordinarily redeemed):

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

Selection of Bonds for Redemption. If less than all of the 2026 Bonds outstanding are to be redeemed at the option of the City at any one time, the City will select the maturity date or dates of the Bonds to be redeemed. If less than all of the 2026 Bonds of any one maturity date are to be redeemed at any one time, the Trustee shall select the 2026 Bonds or the portions thereof of such maturity date to be redeemed in integral multiples of $5,000 in any manner that the Trustee deems appropriate.

Notice of Redemption. When 2026 Bonds are to be redeemed under the Indenture the Trustee shall give notice of the redemption of such 2026 Bonds. The notice of redemption must state the date of the notice, the 2026 Bonds to be redeemed, the date of issue of the 2026 Bonds, the redemption date, the redemption price, the place of redemption (being the address of the Principal Corporate Trust Office of the Trustee), the CUSIP number (if any) of the maturity or maturities and, if less than all of any such maturity, the numbers of the 2026 Bonds of such maturity to be redeemed and, in the case of 2026 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. The notice must further state that interest on the 2026 Bonds to be redeemed or the portions thereof will not accrue from and after the date of redemption and that all 2026 Bonds must be surrendered for redemption at the Principal Corporate Trust Office of the Trustee so designated. If any 2026 Bond chosen for redemption is not redeemable in whole, the notice must state that the 2026 Bond is to be redeemed in part only and that upon presentation of the 2026 Bond for redemption there will be issued in lieu of the unredeemed portion of principal a new 2026 Bond or 2026 Bonds of the same series and maturity date of authorized denominations equal in aggregate principal amount to the unredeemed portion.

At least 20 days but no more than 90 days before the redemption date, the Trustee shall mail a copy of such notice by first-class mail, postage prepaid, to (a) the Holders of all 2026 Bonds selected for redemption at their addresses appearing on the register maintained by the Trustee in accordance with the Indenture, and (b) to the securities information services selected by the City in accordance with the Indenture. Neither the failure to receive any such notice nor any immaterial defect in such notice will affect the sufficiency or validity of the proceedings for redemption.

Notwithstanding anything to the contrary contained in the Indenture, with respect to any notice of optional or extraordinary redemption of 2026 Bonds, unless, upon the giving of such notice, such 2026 Bonds are deemed to have been paid within the meaning of the Indenture, such notice will state that such redemption is conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2026 Bonds to be redeemed, and that if such amounts are not received the notice will be of no force and effect and the City will not be required to redeem such 2026 Bonds. In the event that any such notice of redemption contains such a condition and such amounts are not so received, the redemption will not be made and the Trustee will within a reasonable time thereafter give notice to the effect that such amounts were not so received and such redemption was not made, such notice to be given by the Trustee in the same manner, and to the same parties, as the notice of redemption was given. Such failure to redeem such 2026 Bonds shall not constitute an Event of Default under the Indenture.

Notwithstanding anything to the contrary contained in the Indenture, any notice of optional or extraordinary redemption of 2026 Bonds may be rescinded by written notice given to the Trustee by the City no later than two Business Days before the date specified for redemption. The Trustee will give notice of such rescission as soon thereafter as practicable in the same manner, and to the same parties, as notice of such redemption was given.

Effect of Redemption. If notice of redemption is given as provided in the Indenture and the money necessary for the payment of the principal of, and any redemption premiums, if any, and interest to the redemption date on, the 2026 Bonds or portions thereof so called for redemption is held by the Trustee, then on the redemption date the 2026 Bonds called for redemption or portions thereof will become due and payable, and from and after the redemption date interest on those 2026 Bonds or such portions thereof will cease to accrue and the Holders of such 2026 Bonds shall have no rights in respect thereof except to receive payment of the principal or such portions thereof and the redemption premiums, if any, thereon and the interest accrued thereon to the redemption date.

DEBT SERVICE SCHEDULE

The following table presents the semi-annual debt service on the Bonds (including sinking fund redemption), assuming there are no optional or extraordinary redemptions. See "SOURCES OF PAYMENT FOR THE BONDS" and "THE 2026 BONDS — Redemption." The 2026 Bonds have been structured such that the projected annual Net Special Tax Revenues, assuming no delinquencies, if the Special Tax is levied at the Maximum Special Tax Rates on 1,177 Taxable Parcels of Developed Property in Improvement Area No. 2, at buildout, would produce not less than 110% annual coverage on annual Debt Service on the Bonds. At buildout, the City expects to levy the Special Tax at such rates to meet the Special Tax Requirement, which may be less than the Maximum Special Tax rates.

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Date	*2024 Bonds Debt Service*	*2026 Bonds Principal*	*2026 Bonds Interest*	*2026 Bonds Total Debt Service*	*Total Bonds Aggregate Debt Service*
3/1/2027	$ 922,125.00				
9/1/2027	1,072,125.00				
3/1/2028	918,375.00				
9/1/2028	1,113,375.00				
3/1/2029	913,500.00				
9/1/2029	1,158,500.00				
3/1/2030	907,375.00				
9/1/2030	1,207,375.00				
3/1/2031	899,875.00				
9/1/2031	1,254,875.00				
3/1/2032	891,000.00				
9/1/2032	1,306,000.00				
3/1/2033	880,625.00				
9/1/2033	1,360,625.00				
3/1/2034	868,625.00				
9/1/2034	1,418,625.00				
3/1/2035	854,875.00				
9/1/2035	1,479,875.00				
3/1/2036	839,250.00				
9/1/2036	1,539,250.00				
3/1/2037	821,750.00				
9/1/2037	1,606,750.00				
3/1/2038	802,125.00				
9/1/2038	1,672,125.00				
3/1/2039	780,375.00				
9/1/2039	1,745,375.00				
3/1/2040	756,250.00				
9/1/2040	1,821,250.00				
3/1/2041	729,625.00				
9/1/2041	1,894,625.00				
3/1/2042	700,500.00				
9/1/2042	1,980,500.00				
3/1/2043	668,500.00				
9/1/2043	2,063,500.00				
3/1/2044	633,625.00				
9/1/2044	2,153,625.00				
3/1/2045	595,625.00				
9/1/2045	2,245,625.00				
3/1/2046	554,375.00				
9/1/2046	2,344,375.00				
3/1/2047	509,625.00				
9/1/2047	2,444,625.00				
3/1/2048	461,250.00				
9/1/2048	2,556,250.00				
3/1/2049	408,875.00				
9/1/2049	2,663,875.00				
3/1/2050	352,500.00				
9/1/2050	2,782,500.00				
3/1/2051	291,750.00				
9/1/2051	2,906,750.00				
3/1/2052	226,375.00				
9/1/2052	3,036,375.00				
3/1/2053	156,125.00				
9/1/2053	3,171,125.00				
3/1/2054	80,750.00				
9/1/2054	3,310,750.00				
3/1/2055	--				
9/1/2055	--				
3/1/2056	--				
9/1/2056	--				
Total	$73,736,250.00				

Source: The Underwriter.

SOURCES OF PAYMENT FOR THE BONDS

Limited Obligations

The Bonds are payable from and secured by Net Special Tax Revenues and by amounts on deposit in the Special Tax Fund, the Bond Redemption Fund and the Bond Reserve Fund. The Bonds are not secured by monies on deposit in the Expense Fund, the Rebate Fund or the Acquisition and Construction Fund established by the Indenture.

The Indenture defines the terms: (1) "Special Tax" to mean the special tax authorized to be levied and collected annually on all Taxable Land in Improvement Area No. 2 in accordance with the Second Amended Rate and Method under and pursuant to the Act; (2) "Net Special Tax Revenues" to mean the proceeds of the Special Tax less the Priority Administrative Expenses; and (3) "Priority Administrative Expenses" to mean (i) for Fiscal Year 2026-27, $20,600, and (ii) for each subsequent Fiscal Year, an amount equal to the preceding Fiscal Year's Priority Administrative Expenses plus 3% of such amount. See APPENDIX E — "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE — Definitions."

The City is legally authorized and has covenanted in the Indenture to cause the levy and collection of the Special Tax in an amount determined according to the Second Amended Rate and Method. See "SOURCES OF PAYMENT FOR THE BONDS — Special Tax" and "SPECIAL RISK FACTORS — Proposition 218" below. The Second Amended Rate and Method apportions the total amount of the Special Tax to be collected among the Taxable Property in Improvement Area No. 2. See "—Special Tax" and APPENDIX A — "SECOND AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX."

Although the Special Tax will be levied against Taxable Property within Improvement Area No. 2, it does not constitute a personal indebtedness of the property owners. There is no assurance that the property owners will be able to pay the Special Tax or that they will pay it even if able to do so. See "SPECIAL RISK FACTORS" herein.

NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY OF SACRAMENTO, THE STATE OF CALIFORNIA, OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. EXCEPT FOR THE NET SPECIAL TAX REVENUES, NO OTHER REVENUES OR TAXES ARE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE CITY BUT ARE SPECIAL LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE NET SPECIAL TAX REVENUES AND CERTAIN OTHER AMOUNTS HELD UNDER THE INDENTURE AS MORE FULLY DESCRIBED IN THIS OFFICIAL STATEMENT.

Special Tax

Authorization and Pledge. In accordance with the provisions of the Act, the City established the District and designated Improvement Area No. 2 therein on November 27, 2018, for the purpose of financing the various public improvements and governmental fees required in connection with the proposed development within the District. In connection with certain change proceedings with respect to Improvement Area No. 2, on December 1, 2021, an election was held within Improvement Area No. 2 at which the landowners eligible to vote approved the issuance of bonds for the District with respect to Improvement Area No. 2 in an amount not to exceed $67,000,000, secured by special taxes levied on property within Improvement Area No. 2 to finance the facilities and fees. On March 5, 2024, the landowners within Improvement Area No. 2 also voted to approve the Second Amended Rate and Method which authorized the Special Tax to be levied to repay indebtedness of the District with respect to Improvement Area No. 2, including the Bonds.

The City will covenant in the Indenture, so long as any Bonds are Outstanding, to annually levy the Special Tax against all Taxable Land in Improvement Area No. 2 in accordance with the Second Amended Rate and Method and, subject to the limitations in the Second Amended Rate and Method and the Act, make provision for the collection of the Special Tax in amounts which will be sufficient, together with the money then on deposit in the Bond Redemption Fund, after making reasonable allowances for contingencies and errors in the estimates, to yield proceeds equal to the amounts required for compliance with the agreements, conditions, covenants and terms contained in the Indenture, and which in any event will be sufficient to pay the interest on and principal of and Sinking Fund Account Payments for and redemption premiums, if any, on the Bonds as they become due and payable and to replenish the Bond Reserve Fund and to pay all current Expenses as they become due and payable in accordance with the provisions and terms of the Indenture.

The Special Tax is collected in the same manner as *ad valorem* property taxes for the County and, except as otherwise provided in the Indenture or by the Act, is subject to the same penalties and the same collection procedure, sale, and lien priority in case of delinquency as is provided for *ad valorem* property taxes. See APPENDIX A — "SECOND AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX."

Flow of Funds. Under the Indenture, except as described below, all proceeds of the Special Tax are to be deposited in the Special Tax Fund, which is being established under the Indenture and is held and maintained in trust by the City Treasurer. The City agrees in the Indenture to deposit all proceeds of the Special Tax in the Special Tax Fund when and as received and to transfer all amounts in the Special Tax Fund into the following funds in the following order of priority:

(1) to the Expense Fund (maintained by the Treasurer) a sum equal to the Priority Administrative Expenses,

(2) to the Bond Redemption Fund (maintained by the Trustee) to pay debt service payments on all Outstanding Bonds and any Parity Bonds,

(3) to the Bond Reserve Fund (maintained by the Trustee) to the extent necessary to replenish the Bond Reserve Fund to the Required Bond Reserve and to any other reserve fund established for a Series of Parity Bonds, on a pro rata basis,

(4) to the Expense Fund a sum equal to the amount required by the City for the payment of budgeted Expenses during the twelve-month period beginning on such date, or to reimburse the City for the payment of unbudgeted Expenses during the prior twelve-month period, in either case, to the extent such Expenses were not already funded or reimbursed by Priority Administrative Expenses, and

(5) to the Community Facilities Fund to be used and withdrawn by the City for the benefit of the District in accordance with the Act

Promptly after receipt of any proceeds of the Special Tax in a Fiscal Year, the Treasurer will, from the money in the Special Tax Fund, transfer to and deposit in the Expense Fund a sum equal to the Priority Administrative Expenses for such Fiscal Year.

At least one Business Day prior to the first day of each March and September, the Treasurer will, from the then remaining money in the Special Tax Fund, transfer to the Trustee for deposit in the Bond Redemption Fund an amount equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds and Parity Bonds on such March 1 and September 1. At least one Business Day prior to the first day in September in each year, the Treasurer will, from the then remaining money in the Special Tax Fund, transfer to the Trustee for deposit in the Bond Redemption Fund an amount equal to the aggregate amount of principal becoming due and payable on all Outstanding Serial Bonds on that September 1, plus the aggregate of the

Sinking Fund Account Payments required by the Indenture to be made on that September 1 into the Sinking Fund Account.

All of the aforesaid payments shall be made without priority of any payment over any other payment, and in the event that the money in the Bond Redemption Fund on any March 1 or September 1 is not equal to the amount of interest becoming due on all Bonds and Parity Bonds on such date, or in the event that the money in the Bond Redemption Fund on any September 1 is not equal to the amount of principal of the Bonds and Parity Bonds becoming due on such date plus the amount of the Sinking Fund Account Payments becoming due on such date, as the case may be, then such money shall be applied pro rata in such proportion as such interest and principal and Sinking Fund Account Payments bear to each other.

No deposit needs to be made into the Bond Redemption Fund if the amount of money contained in the Bond Redemption Fund is at least equal to the amount required by the Indenture to be deposited in the Bond Redemption Fund at the times and in the amounts described above.

Notwithstanding anything to the contrary in the Indenture, as soon as practicable after the receipt by the City of any prepayment of the Special Tax, the Treasurer shall (i) deposit any component thereof representing the "Remaining Facilities Amount" (as defined in the Second Amended Rate and Method) in the Acquisition and Construction Fund, (ii) deposit any component thereof representing the "Administrative Fees and Expenses" (as defined in the Second Amended Rate and Method) in the Expense Fund, and (iii) transfer to the Trustee for deposit in the Bond Redemption Fund, any remaining amounts, for the extraordinary redemption of Bonds or Parity Bonds pursuant to the terms of any Supplemental Indenture. The respective amounts of the deposits and transfers described in clauses (i), (ii) and (iii) will be determined by the Treasurer.

The Special Tax levied in any fiscal year may not exceed the maximum rates authorized pursuant to the Second Amended Rate and Method. See APPENDIX A — "SECOND AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX" hereto. There is no assurance that the Special Tax proceeds will, in all circumstances, be adequate to pay the principal of and interest on the Bonds when due. See the caption "*Limitation on Special Tax Levy*" below and "SPECIAL RISK FACTORS — Insufficiency of Special Tax" herein.

For additional details on the flow of funds under the Indenture, see APPENDIX E – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

Second Amended Rate and Method of Apportionment of Special Tax. The City is legally authorized and will covenant to cause the levy of the Special Tax in an amount determined according to a methodology, i.e., the Second Amended Rate and Method which the City Council and the electors within Improvement Area No. 2 have approved. The Second Amended Rate and Method apportions the total amount of the Special Tax to be collected among the Taxable Property in the Improvement Area No. 2 as more particularly described below.

The following is a synopsis of the provisions of the Second Amended Rate and Method for Improvement Area No. 2, which should be read in conjunction with the complete text of the Second Amended Rate and Method which is attached as APPENDIX A — "SECOND AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX." The definitions of the capitalized terms used under this caption "—*Second Amended Rate and Method of Apportionment of Special Tax*" are as set forth in APPENDIX A. This section provides only a summary of the Second Amended Rate and Method, and is qualified by more complete and detailed information contained in the entire Second Amended Rate and Method attached as APPENDIX A.

Classification of Parcels. On or about July 1 of each Fiscal Year, the Administrator shall identify the Special Tax Requirement for the Fiscal Year. The Administrator shall also determine the following for each Assessor's Parcel: (1) the current Assessor's Parcel Number for the Assessor's Parcel; (2) whether it is

Developed Property, Final Map Property, Undeveloped Property, Anticipated Park/School Site Property, Taxable HOA Property, Taxable Multi-Family Property, Taxable Welfare Exemption Property, Taxable Public Property, or Exempt Property; (3) for Developed Property, whether an Assessor's Parcel is Single Family Residential Property or Non-Residential Property; and (4) for Single Family Residential Property, within which Village each Assessor's Parcel is located and the number of Residential Units on the Assessor's Parcel.

In addition, the Administrator shall, on an ongoing basis, monitor Tentative Map revisions, Final Maps, and condominium plans to determine if there are any proposed changes to the Expected Land Uses that would reduce the Expected Maximum Special Tax Revenues for a Village. If the Expected Maximum Special Tax Revenues will be reduced pursuant to a proposed Land Use Change, the Administrator shall apply the steps set forth in the Second Amended Rate and Method and described below.

In any Fiscal Year, if the Administrator determines that: (1) a Final Map or other map for an Assessor's Parcel within Improvement Area No. 2 was recorded after January 1 of the prior Fiscal Year (or on any other date after which the County Assessor will not incorporate the newly created parcels into the then-current tax roll); (2) because of the date the map was recorded, the County Assessor does not yet recognize the new parcels created by the map; and (3) that one or more of the newly created parcels is in a different Development Class from other parcels created by the map, then the Administrator shall calculate the Special Tax for the property affected by recordation of the map by determining the Special Tax that applies separately to the property within each Development Class and then applying the sum of the individual Special Taxes to the Assessor's Parcel that was subdivided by recordation of the map.

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement to be collected in that Fiscal Year. The City shall then levy the Special Tax according to the following steps:

Step 1. The Special Tax will be levied Proportionately on Developed Property up to 100% of the Maximum Special Tax for each Assessor's Parcel until the amount levied is equal to the Special Tax Requirement before applying Capitalized Interest that is available under the Indenture.

Step 2. If additional revenue is needed after Step 1 to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax will be levied Proportionately on Final Map Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Final Map Property.

Step 3. If additional revenue is needed after Step 2 to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax will be levied Proportionately on Undeveloped Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Undeveloped Property.

Step 4. If additional revenue is needed after Step 3 to meet the Special Tax Requirement, the Special Tax will be levied Proportionately on Anticipated Park/School Site Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Anticipated Park/School Site Property.

Step 5. If additional revenue is needed after Step 4 to meet the Special Tax Requirement, the Special Tax will be levied Proportionately on Taxable Multi-Family Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Taxable Multi-Family Property.

Step 6. If additional revenue is needed after Step 5, the Special Tax will be levied Proportionately on Taxable Welfare Exemption Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Taxable Welfare Exemption Property

Step 7. If additional revenue is needed after Step 6 to meet the Special Tax Requirement, the Special Tax will be levied Proportionately on Taxable HOA Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Taxable HOA Property.

Step 8. If additional revenue is needed after Step 7 to meet the Special Tax Requirement, the Special Tax will be levied Proportionately on Taxable Public Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Taxable Public Property.

Maximum Special Tax Rates. The Maximum Special Tax rates for Developed Property and Final Map Property is the greater of (i) the Special Tax rates set forth in Table 1 below (which rates will increase by two percent each Fiscal Year from the amount in effect in the previous Fiscal Year), or, (ii) the Maximum Special Tax determined pursuant to Section D as described under "— *Changes to Maximum Special Tax Rates*" below.

The Maximum Special Tax for Undeveloped Property, Anticipated Park/School Site Property, Taxable Multi-Family Property, Taxable HOA Property, Taxable Welfare Exemption Property, and Taxable Public Property is $32,994 per Acre for Fiscal Year 2026-27, which amount shall increase on each July 1 by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

Changes to Maximum Special Tax Rates. The Expected Maximum Special Tax Revenues were calculated based on the Expected Land Uses at the time the change proceedings for Improvement Area No. 2 were completed on March 12, 2024. The Expected Maximum Special Tax Revenues for each Village at such time are set forth in Attachment 1 to the Second Amended Rate and Method (see Appendix A). Attachment 1 is subject to modification upon the occurrence of Land Use Changes. The Administrator shall review Final Maps, Tentative Map revisions, and other changes to land uses proposed within Improvement Area No. 2 and compare the revised land uses to the Expected Land Uses to evaluate the impact on the Expected Maximum Special Tax Revenues.

If a Land Use Change is proposed or identified, the Administrator shall take the following steps:

Step 1: By reference to Attachment 1 to the Second Amended Rate and Method (which shall be updated by the Administrator each time a Land Use Change has been processed according to the Second Amended Rate and Method or a partial prepayment has been made), the Administrator shall identify the Expected Maximum Special Tax Revenues prior to the Land Use Change.

Step 2: The Administrator shall calculate the Expected Maximum Special Tax Revenues that could be collected from Taxable Property in Improvement Area No. 2 after the Land Use Change.

Step 3: If the revenues calculated in Step 2 are (i) higher than determined in Step 1 or (ii) less than those calculated in Step 1, but the reduction in Expected Maximum Special Tax Revenues does not reduce debt service coverage on Outstanding Bonds below the Required Coverage, no further action is needed, and the Administrator shall update Attachment 1 to the Second Amended Rate and Method to show the revised Expected Maximum Special Tax Revenues.

If the revenues calculated in Step 2 are less than those calculated in Step 1, and the Administrator determines that the reduction in Expected Maximum Special Tax Revenues would reduce debt service coverage on Outstanding Bonds below the Required Coverage, one of the following shall occur:

3.a. The landowner requesting the Land Use Change (the "Requesting Landowner") may make a prepayment in an amount that will ensure that the reduced Expected Maximum Special Tax Revenues are sufficient to provide Required Coverage, as determined pursuant to Section H of the Second Amended Rate and Method. If the Requesting Landowner notifies the Administrator that he/she would like to remedy the reduction by making a prepayment, such prepayment must be made

by the earlier of (i) 30 days from the date of delivery of the prepayment estimate or (ii) the date of issuance of any Building Permits for any Assessor's Parcel owned by the Requesting Landowner that was Final Map Property or Undeveloped Property at the time the Administrator prepared the prepayment estimate, or

3.b. If a prepayment is not received, the Base Special Tax for each Assessor's Parcel of Taxable Property in the area affected by the Land Use Change shall be increased proportionately until the Expected Maximum Special Tax Revenues for the area affected by the Land Use Change are the same as it was prior to the Land Use Change.

If multiple Land Use Changes are proposed simultaneously by a single landowner (which may include approval of multiple Final Maps at one time), the Administrator may consider the combined effect of all the Land Use Changes to determine if there is a reduction in Expected Maximum Special Tax Revenues. If there is a reduction, the Administrator shall increase the Maximum Special Tax proportionately in all of the Final Maps being proposed by the landowner until the aggregate amount that can be levied within the Final Maps is equal to the amount that could have been levied prior to the proposed Land Use Changes. If Land Use Changes are proposed simultaneously by multiple landowners, the Administrator shall consider the proposed Land Use Changes individually.

Notwithstanding the foregoing, once a certificate of occupancy has been issued for a Residential Unit on an Assessor's Parcel, the Maximum Special Tax for the Assessor's Parcel cannot be increased because of subsequent Land Use Changes that may occur within the area in which the Assessor's Parcel is located.

Table 1 below shows the Expected Maximum Special Tax Revenues at buildout within Improvement Area No. 2 (i.e., assuming building permits have been issued for all 1,177 planned residential units), based on the Fiscal Year 2026-27 Base Special Tax rates for Developed Property and assuming no Land Use Changes. If no Land Use Changes occur, the Base Special Tax rates for Developed Property will be those set forth in Table 1 below, which increase by 2% per Fiscal Year.

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TABLE 1
IMPROVEMENT AREA NO. 2 OF
CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03
(IMPROVEMENTS)
EXPECTED LAND USES AND
EXPECTED MAXIMUM SPECIAL TAX REVENUES AT BUILDOUT

Village	*Residential Units* [1]	*Fiscal Year 2026-27 Special Tax Rates* [2]	*Fiscal Year 2026-27 Expected Maximum Special Tax Revenues at Buildout*
Village 1	104	$2,356 per Residential Unit	$ 245,035
Village 2	89	2,356 per Residential Unit	209,694
Village 3	11	3,055 per Residential Unit	33,605
Village 4	68	2,683 per Residential Unit	182,438
Village 5	61	2,683 per Residential Unit	163,658
Village 6	54	3,055 per Residential Unit	164,970
Village 7	26	3,334 per Residential Unit	86,692
Village 8	88	3,055 per Residential Unit	268,839
Village 9	53	3,334 per Residential Unit	176,719
Village 10	59	3,334 per Residential Unit	196,725
Village 11	44	2,683 per Residential Unit	118,048
Village 12	60	3,388 per Residential Unit	203,305
Village 13	50	3,388 per Residential Unit	169,421
Village 14	54	2,942 per Residential Unit	158,888
Village 15	29	2,942 per Residential Unit	85,329
Village 16	34	2,942 per Residential Unit	100,041
Village 17	46	2,942 per Residential Unit	135,349
Village 18	59	3,694 per Residential Unit	217,961
Village 19	49	3,694 per Residential Unit	181,018
Village 14/20	139	1,865 per Residential Unit	259,206
Total	**1,177**		**$ 3,356,943**

(1) Based on the expected land uses within each Village provided by the Developer.
(2) The Special Tax rates per residential unit shown above increases at 2.0% per annum. The Special Tax rates shown reflect an increase of the Special Tax rates from the base year of Fiscal Year 2021-22 included in Section C and Attachment 1 of the Second Amended Rate and Method.
Source: Goodwin Consulting Group, Inc.

Transfer of Expected Maximum Special Tax Revenues from One Village to Another. The Expected Maximum Special Tax Revenues were determined for each Village based on the Expected Land Uses within that Village. If the expected number of Residential Units is transferred from one Village to another, the City may, in its sole discretion, allow for a corresponding transfer of Expected Maximum Special Tax Revenues between the Villages. Such a transfer shall only be allowed if: (1) all adjustments are agreed to in writing by the affected property owners and the City; and (2) there is no reduction in the total Expected Maximum Special Tax Revenues as a result of the transfer.

Exemptions. The Special Tax will not be levied in any Fiscal Year on: (1) Exempt Property, except Taxable Public Property, Taxable Multi-Family Property, Taxable Non-Residential Property, Taxable Welfare Exemption Property, and Taxable HOA Property; or (2) Prepayment Parcels that have fully prepaid the Special Tax obligation.

Notwithstanding the foregoing, if a Special Tax has been levied on an Assessor's Parcel in any Fiscal Year, and the entire Assessor's Parcel subsequently meets the criteria to be categorized as Exempt Property, the Assessor's Parcel shall remain subject to the Special Tax levy, unless the First Bond Sale has yet to occur,

in which case such property shall be categorized as Public Property, HOA Property, or Multi-Family Property, as the case may be, and the Administrator shall recalculate the Expected Maximum Special Tax Revenues based on the corresponding change in revenues.

Prepayment of Annual Special Tax. The Special Tax obligation for an Assessor's Parcel may be prepaid in full, or in part, provided that the terms set forth under the Second Amended Rate and Method are satisfied. The Prepayment Amount is calculated as specified in Section H of the Second Amended Rate and Method attached as APPENDIX A.

Limitation on Special Tax Levy. Pursuant to Section 53321(d) of the Government Code, the Special Tax levied against any Assessor's parcel for which an occupancy permit for private residential use has been issued shall not be increased as a consequence of delinquency or default by the owner of any other Assessor's parcel within Improvement Area No. 2 by more than 10% above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults. As a result, it is possible that the City may not be able to increase the tax levy to the Maximum Special Tax in all years. However, subject to the limitations on the City's ability to levy the necessary amount of the Special Tax as imposed by Section 53321(d) of the Government Code, the City can levy the Special Tax on all Taxable Property to make-up all or a portion of any shortfall in the Special Tax levy, subject to the maximum Special Tax rate on such Taxable Property.

Collection of Special Tax. The Special Tax is levied and collected by the Tax Collector of the County in the same manner and at the same time as *ad valorem* property taxes. The City may, however, collect the Special Tax at a different time or in a different manner if necessary to meet its financial obligations with respect to Improvement Area No. 2 of the District.

Although the Special Tax constitutes a lien on Taxable Property (as defined in the Second Amended Rate and Method) within Improvement Area No. 2, it does not constitute a personal indebtedness of the owners of property within Improvement Area No. 2. In addition to the obligation to pay the Special Tax, properties in Improvement Area No. 2 are subject to other assessments and special taxes as set forth under Table 2 below. These other special taxes and assessments are on parity with the lien for the Special Tax. Moreover, other liens for taxes and assessments could come into existence in the future in certain situations without the consent or knowledge of the City or the landowners in Improvement Area No. 2. See "SPECIAL RISK FACTORS — Parity Taxes and Special Assessments." There is no assurance that property owners will be financially able to pay the Special Tax or that they will pay such taxes even if financially able to do so. See "SPECIAL RISK FACTORS" below.

Foreclosure Covenant. The proceeds of delinquent amounts of the Special Tax received following a judicial foreclosure sale of parcels within Improvement Area No. 2 resulting from a landowner's failure to pay the Special Tax when due, up to the amount of the delinquent Special Tax lien, are included within the Net Special Tax Revenues pledged to the payment of principal and interest on the Bonds under the Indenture, except any payment of the Special Tax on tax-defaulted parcels, including all delinquent parcels and redemption penalties, fees and costs and the proceeds collected from the sale of property pursuant to the foreclosure provisions of the Indenture, so long as the County has paid to the City the Special Tax levied for a tax-defaulted parcel pursuant to the Teeter Plan established by the County. See "— Teeter Plan" below.

Pursuant to Section 53356.1 of the Act, in the event of any delinquency in the payment of any Special Tax or receipt by the City of the Special Tax in an amount which is less than the Special Tax levied, the City Council of the City may order that the Special Tax be collected by a superior court action to foreclose the lien within specified time limits. In such an action, the real property subject to the unpaid amount may be sold at a judicial foreclosure sale. Under the Act, the commencement of judicial foreclosure following the nonpayment of a Special Tax is not mandatory.

However, the City will covenant in the Indenture to, annually on or before October 1 of each year review the public records of the County relating to the collection of the Special Tax in order to determine the amount of the Special Tax collected in the prior Fiscal Year, and on the basis of such review the City will, not later than the succeeding December 1, institute foreclosure proceedings as authorized by the Act against (a) all parcels that are delinquent in the payment of two installments of such Special Tax in such Fiscal Year and (b) all parcels that are delinquent in the payment of such Special Tax if the total amount so collected is less than ninety-five percent (95%) of the total amount of the Special Tax levied in such Fiscal Year, in each case to enforce the lien of all such delinquent installments of such Special Tax and will diligently prosecute and pursue such foreclosure proceedings to judgement and sale provided, that any actions taken to enforce delinquent Special Tax liens shall be taken only consistent with Sections 53356.1 through 53356.7, both inclusive, of the Government Code of the State of California.

However, the City is not obligated to enforce the lien of any delinquent installment of the Special Tax for any Fiscal Year in which the City has received 100% of the amount of the installment from the County under the Teeter Plan (as defined below).

If foreclosure is necessary and other funds (including amounts in the Bond Reserve Fund) have been exhausted, debt service payments on the Bonds could be delayed until the foreclosure proceedings have ended with the receipt of any foreclosure sale proceeds. Judicial foreclosure actions are subject to the normal delays associated with court cases and may be further slowed by bankruptcy actions, involvement by agencies of the federal government and other factors beyond the control of the City. See "SPECIAL RISK FACTORS — Bankruptcy and Foreclosure" herein. Moreover, no assurances can be given that the real property subject to foreclosure and sale at a judicial foreclosure sale will be sold or, if sold, that the proceeds of such sale will be sufficient to pay any delinquent Special Tax installment. See "SPECIAL RISK FACTORS — Property Values" herein. Although the Act authorizes the City to cause such an action to be commenced and diligently pursued to completion, the Act does not impose on the City any obligation to purchase or acquire any lot or parcel of property sold at a foreclosure sale if there is no other purchaser at such sale. The Act provides that, in the case of a delinquency, the Special Tax will have the same lien priority as is provided for *ad valorem* property taxes.

Bond Reserve Fund

The Bond Reserve Fund currently secures the 2024 Bonds. The City has elected to have the 2026 Bonds be secured by the Bond Reserve Fund on parity with 2024 Bonds. In order to secure the payment of principal of and interest on the Bonds, the City is required, upon delivery of the 2026 Bonds, to deposit in the Bond Reserve Fund an amount equal to the Required Bond Reserve and thereafter to maintain in the Bond Reserve Fund an amount equal to the Required Bond Reserve.

The Indenture provides that the amount to be maintained in the Bond Reserve Fund as the Required Bond Reserve shall, as of any date of calculation, with respect to the Bonds and any Series of Parity Bonds (unless otherwise specified in a Supplemental Indenture, including to have the Bond Reserve Fund secure the Bonds and any other Series of Parity Bonds), the least of (a) 10% of the principal amount of the Bonds or such Series of Parity Bonds, (b) Maximum Annual Debt Service with respect to the Bonds or such Series of Parity Bonds, and (c) 125% of the average annual Debt Service with respect to the Bonds or such Series of Parity Bonds, all as determined by the City under the Internal Revenue Code of 1986, as amended (the "Tax Code"), and specified in writing to the Trustee; provided, that

(1) if the Bond Reserve Fund will secure any Series of Parity Bonds, all the Bonds and such Parity Bonds shall be covered by the Bond Reserve Fund;

(2) such requirement (or any portion thereof) may be satisfied by the provision of one or more policies of municipal bond insurance or surety bonds issued by a municipal bond insurer or by a letter of credit issued by a bank, the obligations insured by which insurer or issued by which bank, as the case may be, have at

least one rating at the time of issuance of such policy or surety bond or letter of credit equal to "AA" or higher assigned by Fitch or "Aa" or higher assigned by Moody's or "AA" or higher assigned by S&P, in each case without regard to any numerical modifier or plus or minus sign;

(3) the amount of the Required Bond Reserve shall not increase at any time except (potentially) upon the issuance of a new Series of Parity Bonds; and

(4) with respect to the issuance of any issue of Parity Bonds, if the amount on deposit in the Bond Reserve Fund or other applicable reserve fund for a Series of Parity Bonds would have to be increased by an amount greater than ten percent (10%) of the stated principal amount of such issue of Parity Bonds (or, if the issue has more than a de minimis amount of original issue discount or premium, of the issue price of such issue of Parity Bonds) then the Required Bond Reserve shall be such lesser amount as is determined by a deposit of such 10%.

There is currently approximately $3,258,789.39 on deposit in the Bond Reserve Fund. Upon the issuance of the 2026 Bonds, the Required Bond Reserve will be $_____. On the date of issuance of the 2026 Bonds, the City will make an additional deposit of $_____ from proceeds of the 2026 Bonds into the Bond Reserve Fund to increase the amount therein to the Required Bond Reserve as of the date of issuance of the 2026 Bonds.

Subject to the limits on the Maximum Special Tax which may be levied within Improvement Area No. 2 in accordance with the Second Amended Rate and Method set forth in APPENDIX A, the City will covenant to levy the Special Tax in an amount that is anticipated to be sufficient, in light of the other intended uses of the Special Tax proceeds, to maintain the balance in the Bond Reserve Fund and any other reserve fund established for a Series of Parity Bonds at the applicable Required Bond Reserve. Amounts in the Bond Reserve Fund are to be applied to (i) pay debt service on the Bonds and any Parity Bonds secured thereby, to the extent other monies in the Bond Redemption Fund are insufficient therefor; (ii) reinstate the amount available under any municipal bond insurance policy, surety bond, or letter of credit which may be issued and held in satisfaction of all or a portion of the Required Bond Reserve; and (iii) retire Bonds and any Parity Bonds secured thereby in whole or in part, to the extent that the amount on deposit in the Bond Reserve Fund exceeds the Required Bond Reserve due to a redemption or defeasance of Bonds or Parity Bonds. See APPENDIX E — "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE — Allocation of Money in the Special Tax Fund."

Issuance of Parity Bonds

The City may issue Parity Bonds to finance additional authorized facilities or to refund any Outstanding Bonds and Parity Bonds. The City may issue Parity Bonds to finance additional authorized facilities, subject to, among others set forth in the Indenture, the following conditions:

(a) The Net Special Tax Revenues expected to be available to the City if the Special Tax were to be levied and collected at its maximum rate and amount on all Taxable Land in Improvement Area No. 2 during each Fiscal Year that the Bonds and such Parity Bonds will be Outstanding, as shown by a written certificate of the special tax consultant selected by the City on file with the Trustee, would have produced a sum equal to at least 110% of the annual Debt Service during the Bond Year that begins in such Fiscal Year; and

(b) The Aggregate Value-to-Lien Ratio of all Taxable Land (excluding the Value of any parcels of Taxable Land then delinquent in the payment of any Special Tax) shall be at least 3:1, and the Allocable Value-to-Lien Ratio of all Undeveloped Property (excluding the Value of any parcels of Taxable Land then delinquent in the payment of any Special Tax) shall be at least 3:1; and, for the purposes of this paragraph, the term "Value" means either the current assessed valuation of a parcel of Taxable Land or the appraised value of a parcel of Taxable Land determined by an MAI appraiser, the term "Aggregate Value-to-Lien Ratio" means

the ratio of the Value of all Taxable Land to the aggregate principal amount of all Bonds Outstanding and the Parity Bonds proposed to be issued plus the aggregate principal amount of all other assessment bonds and bonds issued under the Act and reasonably allocable to such Taxable Property, the term "Allocable Value-to-Lien Ratio" means the ratio of the Value of all Undeveloped Property to the principal amount of all Bonds Outstanding and the Parity Bonds proposed to be issued and reasonably allocable to such Undeveloped Property, plus the principal amount of all other assessment bonds and bonds issued under the Act and reasonably allocable to such Undeveloped Property; and the term "Undeveloped Property" means all parcels of Taxable Land for which a building permit has not been issued.

Notwithstanding the foregoing, nothing contained in the Indenture limits the issuance of Parity Bonds if, after the issuance and delivery of such Parity Bonds, either (i) none of the Bonds and Parity Bonds theretofore issued will be Outstanding or (ii) the Debt Service in each Bond Year that begins after the issuance of such Parity Bonds is not increased by reason of the issuance of such Parity Bonds.

Teeter Plan

In July 1993, the Board of Supervisors of the County approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in Section 4701 et seq. of the California Revenue and Taxation Code. Under the Teeter Plan, the County apportions secured property taxes on an accrual basis (irrespective of actual collections) to local political subdivisions for which the County acts as the tax-levying or tax-collecting agency.

Under the Teeter Plan, the County distributes tax collections on a cash basis to taxing entities during the fiscal year and at year-end distributes 100% of any taxes delinquent as of June 30th to the taxing entities and those special assessment districts and community facilities districts (and individual parcels within each district) that the County determines are eligible to participate in the Teeter Plan. The County may make eligibility determinations on an annual basis and may exclude a district or an individual parcel that had previously been included in the plan. The County has the discretion to determine which delinquent special taxes will be paid through the Teeter Plan on a case-by-case basis.

The County's current policy includes the following criteria for delinquent parcels to be excluded from the County's Teeter Plan: (1) tax bills belonging to a governmental/public agency; (2) common area parcels; (3) tax bills on the unitary assessed values or pipeline assessed values; (4) special assessments (subject to judiciary foreclosure) to be stripped from the tax bill (which could result in a parcel with multi-year delinquencies being excluded from the Teeter Plan if such delinquent amount is stripped from the County's secured tax roll); (5) property with demolished structures or which contain vacant buildings (due to a risk of possible demolition), or known contamination of the property; (6) property that is subjected to the "sealed bid"; (7) the delinquent amount is greater than or equal to assessed value of the property; (8) property that is de-enrolled from the Teeter Plan in previous years under the same owner and (9) the amount of code enforcement liens, other delinquent abatement liens, and delinquent utilities abatement liens, and delinquent utilities levied on the property is equal to or greater than 5% of the assessed value of the property. The County may make revisions to its Teeter Plan policy from time-to-time.

The County's policy is that any new taxing entity or special assessment district that includes its levy on the County secured tax roll is qualified to be under the County's Teeter Plan. Improvement Area No. 2 is currently included in the County's Teeter Plan. See "SPECIAL RISK FACTORS — Teeter Plan Termination."

THE DISTRICT AND IMPROVEMENT AREA NO. 2

General Description

The District was formed and Improvement Area No. 2 was designated therein in 2018 by the City Council under the Act to provide for the financing of public improvements to meet the needs of new development. The eligible electors within Improvement Area No. 2 authorized the City to incur bonded indebtedness with respect to Improvement Area No. 2 to finance certain public facilities and governmental fees to meet the needs of new development within the District, approved the Second Amended Rate and Method for Improvement Area No. 2 and authorized the levy of the Special Tax.

The District is generally coterminous with the boundaries of a new master-planned community that was initially named "Greenbriar" and has since been marketed as "Northlake." Northlake is currently planned to include approximately 2,314 single family homes, approximately 300-520 multifamily homes and approximately 40,000 square feet of commercial and retail space. The District consists of approximately 577 acres. Northlake is planned to be developed in two phases with the first phase being generally coterminous with Improvement Area No. 1 of the District. Development in Improvement Area No. 1 is fully built-out with all 1,137 planned single family homes conveyed to individual homeowners.

The second phase of Northlake is generally coterminous with Improvement Area No. 2. Improvement Area No. 2 consists of approximately 296 gross acres located to the west of State Highway 99, south of Shore Vista Way (formerly Meister Way), east of Lone Tree Road and north of the Interstate 5 Freeway. Approximately 20 acres located on the northwestern end of Phase 1 of Northlake (non-contiguous to the balance of Improvement Area No. 2) was annexed to Improvement Area No. 2 in March 2024 (referred to herein as Village 14/20).

The development within Improvement Area No. 2 is planned for 1,177 market-rate for-sale single family homes, a TK-8 school (which is complete and first opened for enrollment in the 2024-25 school year), and multi-family residential and commercial developments. The school site, the multi-family residential and commercial development sites are not expected to be subject to the Special Tax levy. Improvement Area No. 2 is also planned to include three parks totaling approximately 6.4 acres, open space and trails and approximately 21 acres of man-made lakes. The man-made lakes are substantially complete and are located toward the center/western portion of Improvement Area No. 2, with 115 single family homes to be situated on the lakefront lots. The Developer plans to construct pedestrian and bike trails along the lakefronts to provide common access to the lakefronts. In addition to serving as a visual amenity to the community, the lakes are designed to work in conjunction with the storm drainage system of the development. The lakes are not available for recreational use (i.e., water sports and boating).

The Developer is responsible for the on-site and off-site backbone infrastructure necessary to complete the planned development within Improvement Area No. 2 therein. As of August 15, 2026, other than the Shore Vista Way Overcrossing improvement described below, such backbone infrastructure was substantially complete and the Developer expects to complete all backbone infrastructure necessary to achieve buildout within Improvement Area No. 2 by the end of the fourth quarter of 2026. The Developer has obtained all discretionary approvals required in order to complete the planned development within Improvement Area No. 2.

As further described herein, the Developer has entered into an agreement with Lennar Homes for Lennar Homes to acquire all of the property within Improvement Area No. 2 that is planned for residential homes in phased takedowns. Pursuant to such agreement, the Developer is required to substantially complete all in-tract infrastructure for the lots prior to the time Lennar Homes acquires such lots. As of August 15, 2026, the Developer has substantially completed the in-tract infrastructure for approximately 948 lots within Improvement Area No. 2, including for the 629 lots that Lennar Homes had acquired as of such date. The Developer expects to substantially complete the in-tract infrastructure for all residential lots by the end of

2027, and in any event, prior to the times necessary in order for the Developer to meet the takedown schedule agreed to with Lennar Homes. As of August 15, 2026, Lennar Homes had obtained 710 building permits within Improvement Area No. 2. As of such date, Lennar Homes had completed and conveyed 481 homes to individual homeowners.

See "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2" for a description of the development status and remaining required infrastructure necessary to complete development in the District. A detailed description of the status of the construction and ownership as of the date of the Appraisal Report is included in APPENDIX B-1 — "APPRAISAL REPORT AND UPDATE APPRAISAL REPORT."

Water and sewer service to the property is provided by the City and the Sacramento Area Sewer District, respectively. Electricity is supplied by Sacramento Municipal Utility District and natural gas is supplied by Pacific Gas & Electric. The Northlake development is located within the Twin Rivers Unified School District.

Description of Authorized Facilities

A portion of the proceeds from the sale of the 2026 Bonds will be deposited in the Acquisition and Construction Fund under the Indenture and used to pay for the costs of facilities authorized to be financed for the District, including such facilities which are included in the City's and other governmental agency fee programs, in accordance with the terms of the Indenture and the Acquisition Agreement. As more fully detailed in the Acquisition Agreement, costs of such facilities, including those which are included in the City's and other governmental agency fee programs and are eligible to be financed with the proceeds of the Bonds, consist of backbone infrastructure, including without limitation water, sewer and storm drain improvements, roadways and traffic improvements, landscaping and park improvements, and school facilities, in addition to other improvements authorized under the Acquisition Agreement. A portion of fees included within the Twin Rivers Unified School District's fee program and a portion of the fees relating to City street and utility infrastructure improvements may be reimbursed or paid from a portion of the proceeds of the 2026 Bonds. The costs of the facilities and fees required for development within the District in excess of available proceeds from the sale of the Bonds are expected to be paid for by the Developer. See "ESTIMATED SOURCES AND USES OF FUNDS." See "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2" for a description of the infrastructure required to be constructed by the Developer in order to complete development within Improvement Area No. 2.

De Facto Building Moratorium from 2008 to 2015

In 2005, in response to revised criteria and standards relating to levees and flood protection, the United States Army Corp of Engineers (the "Corps") and the Sacramento Area Flood Control Agency ("SAFCA") commissioned the Natomas Levee Evaluation Study ("NLES"). The NLES final report concluded that considerable improvements were necessary along the south levee of the Natomas Cross Canal, the east levee of the Sacramento River, and the north levee of the American River. As a result of these conclusions, on July 20, 2006, the Corps issued a letter to SAFCA stating that the Corps could no longer support its original position certifying the levees in the Natomas Basin. On December 29, 2006, FEMA issued a letter to the City notifying the City that FEMA planned to update the Flood Insurance Rate Map within the Natomas Basin. On December 8, 2008, FEMA's Revised Map became effective, placing the Natomas Basin (including the District) within a Special Flood Hazard Area ("Zone AE"). As a result of the Revised Map and the Zone AE designation, the Natomas Basin was subject to a de facto building moratorium from December 8, 2008, through June 15, 2015.

On June 10, 2014, then President Barack Obama signed the Water Resources Reform & Development Act ("WRRDA") into law. With respect to the Natomas Basin, the WRRDA directs the Corps to strengthen 24 miles of levees surrounding the Natomas Basin (the "Natomas Levee Project"). As a result of the implementation of the Natomas Levee Project, FEMA issued a revised map and designated the area within the

Natomas Basin (including the District) as Zone A99 effective June 16, 2015, which allows for the resumption of new building construction, subject to the limitations described below. According to FEMA, an area designated as Zone A99 has a 1% annual chance of a flood event (i.e., a 100-year flood) but ultimately will be protected upon completion of an under-construction federal flood-protection system. The four major requirements for that designation are (a) 50% of the critical improvements to achieve a 100-year level of flood protection have been constructed, (b) 50% of the total cost for such improvements has been expended, (c) 60% of the total cost of the improvements has been appropriated, and (d) 100% of the improvements have been authorized. As described below, construction of the Natomas Levee Project is currently expected to be complete by the end of calendar year 2030 (see "—Flood Hazard" below).

On March 31, 2015, the City adopted an ordinance allowing for non-residential development and a limited resumption of residential development in the portion of the Natomas Basin that is within the City and designated as Zone A99 (the "Building Ordinance"). The Building Ordinance became operative on June 16, 2015, upon the revised map and Zone A99 designation by FEMA. The Building Ordinance allows non-residential development to resume with no cap and limited residential development of up to 1,000 single-family detached units and 500 multi-family attached units each calendar year. Dwelling units in excess of those limits will require City Council approval. On May 30, 2017, upon making certain required findings relating to the protection of public health and safety, consistent with actions underway to mitigate potential damage due to flood (see "—Flood Hazard" below), and promotion of orderly development within the City, the City Council adopted a resolution (Resolution No. 2017-0209) that permits the Northlake project to proceed notwithstanding the caps on residential development under the Building Ordinance.

Even though the Natomas Basin has been designated as Zone A99, the Natomas Basin will not be outside of a 100-year flood zone until the Natomas Levee Project is completed. The Corps began construction of the Natomas Levee Project in 2017 and the Natomas Levee Project is currently estimated to be complete by 2030. Completion of the Natomas Levee Project provides additional protection but does not eliminate the risk of flood-related property damage within the Natomas Basin (including the property in Improvement Area No. 2).

The requirement to purchase flood insurance within Improvement Area No. 2 remains in effect even though the Natomas Basin is currently designated as Zone A99. Flood insurance is available for purchase by homeowners within the Natomas Basin. The City participates in FEMA's Community Rating System, which provides flood insurance premium discounts resulting from the community's efforts to reduce certain flood risks. Notwithstanding the foregoing, the City can make no assurances as to the continued availability of flood insurance or any discounts on premiums through the community rating system. See "SPECIAL RISK FACTORS — Natural Disasters."

When the Natomas Levee Project is completed, the City expects that, under current FEMA criteria, the majority of the Natomas Basin will be zoned "X (shaded)," meaning an area that is subject to between a 1.0% (100-year flood zone) to 0.2% annual chance of a flood event (i.e., a 500-year flood zone). See "Flood Hazard— *Compliance with State Flood Protection Requirements*" below for a discussion of the State-required level of flood protection for areas within the California Central Valley (including the City).

Flood Hazard

Development in the District is subject to federal and State requirements regarding the restoration of protection against flood hazards (e.g., levees). As described below, failure to meet such federal or State requirements could delay development in Improvement Area No. 2.

Compliance with Federal Flood-Protection Requirements. As required by 44 C.F.R. § 65.14(g), the City annually submits to FEMA a certification that the Zone A99 restoration plan will be completed within a specified time. This Federal regulation also requires that the City and the cost-sharing Federal agency update the restoration plan and identify any permitting or construction problems that will delay the Natomas Levee

Project's completion beyond the deadline set out in the restoration plan previously submitted to the Federal Insurance Administrator. The FEMA regional office that has jurisdiction over the District makes an annual assessment and recommendation to the Federal Insurance Administrator about the viability of the restoration plan and will conduct periodic on-site inspections of the flood-protection system under restoration. Should FEMA make an adverse finding as to the viability of the restoration plan, FEMA could revise the flood map from its current Zone A99 designation, which could result in the Natomas Basin, including the Northlake project, becoming subject again to a de facto building moratorium. The City currently does not expect that any delays with respect to the Natomas Levee Project to result in FEMA revising the flood map from its current Zone A99 designation, thereby causing another de facto building moratorium in the Natomas Basin.

Compliance with State Flood Protection Requirements. The Central Valley Flood Protection Act of 2008 requires that cities and counties within the California Central Valley (including the City) make certain findings with respect to flood protection before approving development agreements, tentative maps, discretionary permits, and ministerial permits for new residences. One of those findings is that the local flood-management agency has made "adequate progress" on the construction of a flood-protection system that will provide an Urban Level of Flood Protection ("ULOP") by the end of calendar year 2025, unless State legislation is enacted to extend the deadline beyond 2025. Senate Bill 639, passed in October 2025, extended the deadline for the Natomas Basin levee system to meet the ULOP standard by December 31, 2030, during which time annual adequate progress reports to demonstrate the progress of construction to meet ULOP will continue to be prepared by SAFCA. An ULOP is the level of flood protection needed to withstand a flood event that has a 0.5% chance of occurring in a year (i.e., a 200-year flood). The remaining improvements that will allow the Natomas Basin to meet the State requirement for 200-year flood protection have been funded and are part of an active Corps construction contract. SAFCA has informed the City that it currently expects construction of the remaining improvements necessary to meet the State requirement for 200-year flood protection to be completed in calendar year 2030.

SAFCA is the local flood-management agency that serves the area within the City. In 2016, SAFCA prepared its ULOP plan, which the City accepted in June 2016. When making the adequate-progress finding, the City has relied on annual progress reports prepared by SAFCA, which demonstrate that the projects involving various levee systems, including the Natomas Levee Project, designed to protect the City from flood events (collectively, the "Levee Project") are meeting specified development milestones toward providing an ULOP by 2030. In the annual progress reports prepared by SAFCA in September 2025 (which the City relied on to make the adequate-progress finding in October 2025) and in September 2026 (the "2026 ULOP Report"), SAFCA noted that SAFCA and its Federal and State partners have exceeded the level of funding appropriations and expenditures necessary to demonstrate a commitment to achieving an ULOP. The City expects to rely on the 2026 ULOP Report to make the City's next adequate-progress finding. The City does not manage or otherwise have any control over the construction of the Levee Project.

There is no assurance that completion of the Levee Project will not experience delays for a variety of reasons, including but not limited to longer than expected construction periods, higher than expected construction bids, or delays in State or Federal funding. If construction of a portion of the Levee Project is delayed so that the City is unable to make a finding of adequate-progress toward an ULOP for the affected basin, then the City might not be able to approve either or both of the following: a discretionary permit or other discretionary entitlement for construction of a new building or construction that would result in an increase in allowed occupancy for an existing building; or a ministerial permit for construction of a new residence. In such event, development within Improvement Area No. 2 could be materially delayed.

See "SPECIAL RISK FACTORS — Natural Disasters."

Direct and Overlapping Indebtedness

The ability of an owner of land within Improvement Area No. 2 to pay the Special Tax could be affected by the existence of other taxes and assessments imposed upon the property. These other taxes and

assessments consist of the direct and overlapping debt in Improvement Area No. 2 and are set forth in Table 2 below (the "Debt Report"). The Debt Report sets forth those entities that have issued debt supported by special taxes, assessments or *ad valorem* property taxes. Table 2 does not include entities that only levy or assess fees, charges or special taxes for purposes other than supporting debt. The Debt Report includes the principal amount of the Bonds, in addition to the share of any outstanding community facilities district and assessment district bonds that is allocable to land within Improvement Area No. 2. The Debt Report has been derived from data assembled and reported to the City by California Municipal Statistics, Inc. as of September 1, 2026. Neither the City nor the Underwriter have independently verified the information in the Debt Report and do not guarantee its completeness or accuracy.

TABLE 2
IMPROVEMENT AREA NO. 2 OF
THE CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03 (IMPROVEMENTS)
OVERLAPPING DEBT SUMMARY AS OF SEPTEMBER 1, 2026

2025-26 Assessed Valuation: $189,747,130 (Land and Improvements)

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt as of 9/1/26
Los Rios Community College District General Obligation Bonds	0.064%	$ 158,284
Twin Rivers Unified School District General Obligation Bonds (former elementary schools)	1.040	1,135,639
Twin Rivers Unified School District General Obligation Bonds	0.822	2,529,634
Sacramento Area Flood Control District Consolidated Capital Assessment District No. 2 Bonds	0.098	297,554
Sacramento Area Flood Control District Natomas Basin Local Assessment District	0.312	83,060
City of Sacramento Greenbriar CFD No. 2018-03, I.A. 2 Mello-Roos Act Bonds	**100.000**	**36,885,000**[1]
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$41,089,171

Ratios to 2025-26 Assessed Valuation:
Total Direct and Overlapping Tax and Assessment Debt 21.65%

[1] Excludes the principal amount of the 2026 Bonds.
Source: California Municipal Statistics, Inc.

Estimated Fiscal Year 2025-26 Tax Burden

Table 3 below sets forth the estimated total tax obligation of single-family detached homes within Improvement Area No. 2 based on the average net base sales prices of homes as set forth in the Appraisal Report, the Fiscal Year 2025-26 Special Tax levy at the Maximum Special Tax rates on Developed Property and the Fiscal Year 2025-26 tax rates for overlapping taxing entities. The amounts charged and the effective tax rates vary for individual parcels within Improvement Area No. 2 and may increase or decrease in future years. See "SPECIAL RISK FACTORS — Parity Taxes and Special Assessments."

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TABLE 3
IMPROVEMENT AREA NO. 2 OF THE
CITY OF SACRAMENTO GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03 (IMPROVEMENTS)
ESTIMATED TAX OBLIGATION

		Villages 1 & 2	*Villages 4, 5, & 11*	*Villages 3, 6 & 8*	*Villages 7, 9 & 10*	*Villages 12 & 13*	*Villages 14, 15, 16 & 17*	*Villages 18 & 19*	*Village 14 Ph1*
Assumptions									
Average Base Price[1]		$589,419	$605,881	$686,052	$ 638,790	$ 655,479	$ 710,007	$ 761,129	$ 540,077
Homeowner's Exemption		(7,000)	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)
Net Expected Assessed Value		**$582,419**	**$598,881**	**$679,052**	**$ 631,790**	**$ 648,479**	**$ 703,007**	**$ 754,129**	**$ 533,077**
***Ad Valorem* Taxes [2]**	***Rate***								
County General	1.00000%	$ 5,824	$ 5,989	$ 6,791	$ 6,318	$ 6,485	$ 7,030	$ 7,541	$ 5,331
Grant Jt. High GOB[3]	0.02910	169	174	198	184	189	205	219	155
Twin Rivers Elementary GOB[3]	0.03310	193	198	225	209	215	233	250	176
Twin Rivers Elementary SFID[3]	0.03140	183	188	213	198	204	221	237	167
Twin Rivers Unified GOB	0.05430	316	325	369	343	352	382	409	289
Los Rios College GOB	0.02080	121	125	141	131	135	146	157	111
Total *Ad Valorem* Taxes	**1.16870%**	**$ 6,807**	**$ 6,999**	**$ 7,936**	**$ 7,384**	**$ 7,579**	**$ 8,216**	**$ 8,814**	**$ 6,230**
Direct Charges[4]									
SAFCA O & M Assessment District #1		$ 7	$ 14	$ 10	$ 12	$ 12	$ 12	$ 13	$ 7
Natomas Basin Local Assessment District		35	85	46	45	2	47	2	22
SAFCA Consolidated Capital Assessment		101	247	133	131	2	138	2	65
Sacramento Library Service Tax		57	57	57	57	57	57	57	57
North Natomas TMA CFD No. 99-01		91	91	91	91	91	91	91	91
Reclamation District No. 1000		10	11	10	10	10	10	10	10
RD 1000 Stormwater Service Fee		28	28	28	28	28	28	28	28
Sacramento Services CFD No. 2018-05		286	286	286	286	286	286	286	286
IA No. 2 Greenbriar CFD No. 2018-03 [5]		2,310	2,630	2,995	3,269	3,322	2,885	3,622	1,828
Total Direct Charges		**$ 2,925**	**$ 3,449**	**$ 3,655**	**$ 3,929**	**$ 3,809**	**$ 3,553**	**$ 4,110**	**$ 2,394**
Total Taxes and Direct Charges [6]		**$ 9,731**	**$ 10,448**	**$ 11,591**	**$ 11,313**	**$ 11,388**	**$ 11,769**	**$ 12,924**	**$ 8,624**
Percentage of Average Base Price		**1.65%**	**1.72%**	**1.69%**	**1.77%**	**1.74%**	**1.66%**	**1.70%**	**1.60%**

(1) Reflects the average net base prices based on the Appraisal Report.
(2) Based on the Fiscal Year 2025-26 *ad valorem* tax rates for the tax rate area within Improvement Area No. 2. *Ad valorem* tax rates are subject to change in future years.
(3) Reflects general obligation bonds of elementary and junior high school districts prior to unification to form the Twin Rivers Unified School District.
(4) Based on the Fiscal Year 2025-26 charges identified on County issued property tax bills. Charges subject to change in future years.
(5) Reflects the Fiscal Year 2025-26 maximum Special Tax rates for Developed Property.
(6) Totals may not sum due to rounding.

Sources: Sacramento County Tax Collector's Office; Goodwin Consulting Group, Inc.; Appraiser.

Market Absorption Study

In order to provide an independent estimate of the absorption schedule of the property within Improvement Area No. 2, the City engaged The Gregory Group of Folsom, California (the "Market Absorption Consultant"). The Market Absorption Consultant performed a comprehensive analysis of the product mix characteristics as well as the macroeconomic and microeconomic factors that the Market Absorption Consultant expects to influence the absorption of the forthcoming products within Improvement Area No. 2.

The Market Absorption Consultant Report dated as of April 2026 is attached hereto as Appendix I (the "Market Absorption Report"). In the Market Absorption Report, the Market Absorption Consultant observes that despite higher mortgage rates over the past two-plus years, new-home buyers are becoming more engaged in the housing market. In addition, the effect of mortgage lock (where low interest rate homeowners are reluctant to sell their home with a current mortgage rate that is below 5%) incentivized potential home buyers to look to the new-home market. The Market Absorption Report notes that the Sacramento region (El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba Counties) reported a total of 1,757 new-home sales in the fourth quarter of 2025, an increase of 7.8% from the third quarter of 2025 (1,630 sales) and an increase of 8.9% from a year earlier (with 1,614 sales). The Market Absorption Report notes slowing economic activity, the war in Iran and general political and economic uncertainties, could have an impact on absorption and pricing moving forward and this impact could result in slower sales and lower pricing than anticipated.

In reaching its estimated rate of absorption, the Market Absorption Consultant took into account factors such as the desirability of Natomas as a new-home destination, increasing new-home sales within Natomas and the Sacramento region, limited immediate future inventory in Natomas, current absorption rates for similar products in Natomas (including in Phase 1 of Northlake) and overall economic and housing conditions within the Sacramento region (which appear to be transitioning to a more normal and sustainable housing market).

Based on the foregoing and information provided by the Developer including the timeframe when each Village opened for sales, the Market Absorption Consultant concluded that the development within Improvement Area No. 2 can absorb between 0.50 and 1.25 sales per week (which is an average of 0.81 sales per week) per product offering with the final sales to occur in the first quarter of 2030. As of the February 11, 2026 date that the Market Absorption Consultant surveyed the property in Improvement Area No. 2, 389 of the 1,177 units had been sold. The following table sets forth the Market Absorption Consultant's estimated absorption schedule for the remaining 788 unsold residential units planned for Improvement Area No. 2 as of February 11, 2026.

Community	*Villages*	*Total No. of Units*[1]	*Remaining No. of Unsold Units*[1]	*Units Sold Per Year*				
				2026	*2027*	*2028*	*2029*	*2030*
Bleau	12 & 13	110	108	23	26	26	26	7
Crestvue	7, 9 & 10	138	82	35	39	8	0	0
Drifton	18 & 19	108	94	23	26	26	19	0
Lakelet	4, 5 & 11	173	128	46	52	30	0	0
Shor	1 & 2	193	82	58	24	0	0	0
Watersyde	3, 6 & 8	153	83	35	39	9	0	0
Wavmor	14 through 17	163	130	35	39	39	17	0
Waters Edge	14/20	139	81	46	35	0	0	0
		1,177	**788**	**301**	**280**	**138**	**62**	**7**

(1) As of February 11, 2026.

The Market Absorption Consultant identifies potential risks that could affect the estimated absorption, including economic downturn. See "SPECIAL RISK FACTORS." A complete copy of the Market Absorption Study is attached hereto as APPENDIX I.

Property Values

Assessed Value. The assessed value of all taxable property within Improvement Area No. 2, as shown on the County's assessment roll for Fiscal Year 2026-27 is $322,568,978. The assessed value of the property within Improvement Area No. 2 represents the secured assessed valuation established by the County Assessor. Assessed values do not necessarily represent market values. Article XIIIA of the California Constitution (Proposition 13) defines "full cash value" to mean "the County assessor's valuation of real property as shown on the 1975/76 roll under 'full cash value', or, thereafter, the appraised value of real property when purchased or newly constructed or when a change in ownership has occurred after the 1975 assessment," subject to exemptions in certain circumstances of property transfer or reconstruction. The "full cash value" is subject to annual adjustment to reflect increases, not to exceed 2% for any year, or decreases in the consumer price index or comparable local data, or to reflect reductions in property value caused by damage, destruction or other factors. Because of the general limitation to 2% per year in increases in full cash value of properties which remain in the same ownership, the County tax roll does not reflect values uniformly proportional to actual market values. There can be no assurance that the assessed valuations of the properties within Improvement Area No. 2 accurately reflect their respective market values.

Appraisal. As described above, due to Article XIIIA of the California Constitution, a property's assessed value is not necessarily indicative of its market value. In order to provide information with respect to the value of certain of the property within Improvement Area No. 2, the City engaged Smith & Associates, Inc., the Appraiser, to prepare the Appraisal Report. The Appraiser has a "MAI" designation from the Appraisal Institute and has prepared numerous appraisals for the public sale of land-secured municipal bonds. The Appraiser was selected by the City and has no material relationships with the City or the owners of the land within Improvement Area No. 2 other than the relationship represented by the engagement to prepare the Appraisal Report. The City instructed the Appraiser to prepare its analysis and report in conformity with City-approved guidelines and the Appraisal Standards for Land Secured Financings published in 1994 and revised in 2004 by the California Debt and Investment Advisory Commission (the "CDIAC Guidelines"). A copy of the Appraisal Report is included as APPENDIX B-1 — "APPRAISAL REPORT AND UPDATE APPRAISAL REPORT."

The purpose of the Appraisal Report was to estimate the market value of the property within Improvement Area No. 2 that is subject to the Special Tax lien, based on the hypothetical condition that the 2026 Bonds had been sold. Subject to the contingencies, assumptions and limiting conditions set forth in the Appraisal Report, the Appraiser concluded that, as of the Date of Value, the aggregate market value of the property within Improvement Area No. 2 subject to the Special Tax levy was $410,401,553. In addition, in estimating the value of the property, the Appraiser took into account the fact that the property is located in a flood zone designated as Zone A99 and the future homeowners within Improvement Area No. 2 will be required to purchase flood insurance. See "— De Facto Building Moratorium from 2008 to 2015" and "— Flood Hazard."

Pursuant to the Second Amended Rate and Method, the property planned for the multi-family projects, commercial projects, parks and open space are not expected to be subject to the Special Tax levy. The value thereof is not included in the appraised value set forth in the Appraisal Report and no Special Tax revenues from such properties have been assumed for purposes of sizing the Bonds. See "Value-To-Lien Ratios —*Tax-Exempt Parcels*" below.

In estimating the market value for the Taxable Property within Improvement Area No. 2, the Appraiser used a sales comparison approach to estimate the land value per lot within each of the proposed villages within Improvement Area No. 2. The Appraiser then applied an extraction/land residual methodology,

which involves deducting the home construction costs from the estimated home sales revenues to arrive at an estimated land value of a finished lot within each of the eight proposed product types within Improvement Area No. 2. The estimated absorption rate is based on the Market Absorption Study. The Appraiser then applied a discounted cash flow analysis which takes into account the expected revenues and expenses over the projected absorption period.

Reference is made to APPENDIX B-1 for a complete list of the assumptions and limiting conditions and a full discussion of the appraisal methodology and the basis for the Appraiser's opinions. In the event that any of the contingencies, assumptions and limiting conditions are not actually realized, the value of the appraised property within Improvement Area No. 2 may be less than the amount reported in the Appraisal Report. In any case, there can be no assurance that any portion of the property within Improvement Area No. 2 would actually sell for the amount indicated by the Appraisal Report.

The Appraisal Report indicates the Appraiser's opinion as to the market value of the appraised property in Improvement Area No. 2 as of the Date of Value and under the conditions specified in the Appraisal. The Appraiser's opinion reflects conditions prevailing in the applicable market as of the Date of Value. The Appraiser's opinion does not predict the future value of the subject property, and there can be no assurance that market conditions will not change adversely in the future.

The Appraiser prepared an Update Appraisal Report dated August 12, 2026. In the Update Appraisal Report, the Appraiser concludes that the value of the appraised properties as of August 12, 2026, is not less than the conclusion of value for such property set forth in the Appraisal Report. In the Update Appraisal Report, the Appraiser states that subsequent to the Date of Value, additional homes have been completed and/or sold to individual homeowners, a number of homes have begun construction with building permits, impact fees paid, with continuing work on remaining site improvements. As such, the Appraiser's conclusion in the Update Appraisal Report is that the appraised value is not less than the value determined in the final appraisal report dated August 12, 2026. The Appraiser did not re-inspect the appraised properties in connection with the preparation of the Update Appraisal Report.

It is a condition precedent to the issuance of the 2026 Bonds that the Appraiser deliver to the City a certification to the effect that nothing has come to the attention of the Appraiser subsequent to the date of the Update Appraisal Report that would cause the Appraiser to believe that the value of the Taxable Property in Improvement Area No. 2 is less than the value of Improvement Area No. 2 reported in the Update Appraisal Report. However, the Appraiser notes that acts and events may have occurred since the date of the Update Appraisal Report which could result in both positive and negative effects on market value within Improvement Area No. 2.

Appraisal Review Report. The City engaged BBG, Inc., independent appraisers, to conduct a review of the Appraisal Report. BBG, Inc., concluded in its report dated August 19, 2026 that is compliant with Standard 4 of the Uniform Standards of Professional Appraisal Practice ("USPAP") that: (i) the data used for the Appraisal Report is adequate and reasonable; (ii) the methods and techniques used in the Appraisal Report are appropriate; (iii) the value opinions stated in the Appraisal Report are adequately supported and are credible, given the data and analyses presented (however, BBG, Inc. expresses no opinions of value as to the properties appraised in the Appraisal Report); and (iv) in BBG, Inc.'s judgment, the Appraisal Report complies with Standards 1 and 2 of USPAP and California Debt and Investment Advisory Commission appraisal guidelines.

Estimated Debt Service Coverage

The Bonds have been structured such that the projected annual Net Special Tax Revenues, assuming no delinquencies and a levy at the Maximum Special Tax Rates on 1,177 Taxable Parcels of Developed Property in Improvement Area No. 2, at buildout, would produce not less than 110% annual coverage on annual Debt Service on the Bonds. At buildout, the City expects to levy the Special Tax at such rates to meet

the Special Tax Requirement, which may be less than the Maximum Special Tax rates. See "SOURCES OF PAYMENT FOR THE BONDS— Issuance of Parity Bonds."

Value-To-Lien Ratios

Value-to-Lien Ratio. Based on the principal amounts of the Bonds, the estimated appraised value-to-lien ratio within Improvement Area No. 2, including all Taxable Property (giving effect to the issuance of the 2026 Bonds) as of the Date of Value is approximately 7.40-to-1[*]. This ratio includes other land-secured debt (i.e. other community facilities districts or assessment districts) but does not include overlapping general obligation bonds. See "— Direct and Overlapping Indebtedness" above. The aforesaid value to lien ratio is for the entire Improvement Area No. 2, however, the ratios of the value of individual lots within Improvement Area No. 2 to their respective shares of the principal amount of the Bonds can vary substantially.

As of the Date of Value, 439 homes within Improvement Area No. 2 had been completed and conveyed to individual homeowners. As of such date, Lennar Homes and the Developer owned property planned for 191 and 547 residential lots, respectively. As of June 1, 2026, 646 building permits for the 1,177 planned single family homes within Improvement Area No. 2 had been issued.

Table 4 below sets forth the estimated value-to-lien ratio of the Taxable Property within Improvement Area No. 2 based on building permits issued and ownership status as of the Date of Value, the aggregate estimated values set forth in the Appraisal Report, the principal amount of the Bonds and overlapping debt. Table 4 below reflects a hypothetical Fiscal Year 2026-27 Special Tax levy which does not reflect the funding of a portion of the interest on the 2026 Bonds through December 1, 2027. The City is not levying the Special Tax on Final Map Property in Fiscal Year 2026-27 but may do so in future Fiscal Years if necessary to meet the Special Tax Requirement. Based on building permits issued as of June 1, 2026 and ownership as of the Date of Value, individual homeowners, Lennar Homes and the Developer are estimated to be responsible for 41.7%, 19.5% and 38.9% of such hypothetical Fiscal Year 2026-27 Special Tax levy, respectively. Development within Improvement Area No. 2 has progressed since the Date of Value. See "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2 — Home Construction."

Table 5 below sets forth the estimated value-to-lien ratios for Taxable Property within Improvement Area No. 2 by various ranges based upon the principal amount of the Bonds and overlapping debt based on building permits issued as of the Date of Value.

Tax-Exempt Parcels. There are two parcels within Improvement Area No. 2 that are currently zoned for development as multi-family housing projects. These two parcels are currently shown as Undeveloped Property (and therefore classified as Taxable Property under the Second Amended Rate and Method) in Table 4 below. If developed with multi-family residential units, such parcels would be classified as Multi-Family Property under the Second Amended Rate and Method and would be exempt from the Special Tax levy. The Developer has submitted applications to the City to modify the allowable land uses for such parcels to condominium units. A resolution was presented to the City Council on September 29, 2026, to make the determination that, if such parcels are re-zoned for development as condominium units, pursuant to Section J (Interpretation of Special Tax Formula) of the Second Amended Rate and Method, such parcels will be assigned a Maximum Special Tax of $0.00. Such resolution was deferred by the City Council for consideration at a future meeting. For purposes of sizing the 2026 Bonds, no Special Tax levy is assumed on such parcels. Although such parcels are currently Taxable Property because they are classified as Undeveloped Property, Bond Holders should not assume that such parcels will remain classified as Taxable Property through the final maturity of the Bonds.

[*] *Preliminary, subject to change.*

In addition, pursuant to the Second Amended Rate and Method, property to be used as parks, open space, approximately 21 acres of man-made lakes and public rights of way will be exempt from the Special Tax levy. For purposes of sizing the 2026 Bonds, no Special Tax levy is assumed on such property.

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TABLE 4
IMPROVEMENT AREA NO. 2 OF
THE CITY OF SACRAMENTO GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03 (IMPROVEMENTS)
FISCAL YEAR 2026-27 MAXIMUM AND PROJECTED SPECIAL TAX LEVY AND VALUE-TO-LIEN RATIOS

Development Status and Property Ownership [1]	*Fiscal Year 2026-27 Taxable Parcels*	*Expected Residential Units*[2]	*Fiscal Year 2026-27 Maximum Special Tax Levy* [3]	*Fiscal Year 2026-27 Hypothetical Special Tax Levy*[4]	*Percent of Fiscal Year 2026-27 Hypothetical Special Tax Levy*	*Appraised Value* [5]	*Allocated CFD No. 2018-03 IA 2 Bonds*[6]*	*Total Direct and Overlapping Debt Lien*[7]*	*Value-to-Lien**
Developed Property									
Individual Homeowners	439	439	$1,230,645	$ 1,230,645	41.7%	$283,415,500	$ 22,989,824	$ 23,311,414	12.16
Lennar Homes	190	190	571,111	571,111	19.4	53,781,053	10,668,996	10,688,460	5.03
Developer	17	17	45,075	45,075	1.5	2,270,782	842,055	842,540	2.70
Subtotal	646	646	$1,846,831	$ 1,846,831	62.6%	$339,467,335	$ 34,500,875	$ 34,842,414	9.74
Final Map Property									
Developer	502	530	$1,506,724	$ 1,101,799	37.3%	$70,729,218	$20,582,837	$ 20,598,067	3.43
Lennar Homes	1	1	3,388	2,478	0.1	205,000	46,288	46,319	4.43
Subtotal	503	531	$1,510,112	$ 1,104,277	37.4%	$70,934,218	$20,629,125	$ 20,644,386	3.44
Undeveloped Property									
Developer[8]	2	0	$ 340,469	$ 0	0.0%	$ 0	$ 0	$ 1,984	0.00
Anticipated Park Property[9]	4	0	$ 236,009	$ 0	0.0%	$ 0	$ 0	$ 1,378	0.00
Total	**1,155**	**1,177**	**$3,933,421**	**$ 2,951,108**	**100.0%**	**$410,401,553**	**$ 55,130,000**	**$ 55,490,162**	**7.40**

* *Preliminary, subject to change.*

(1) Development status shown is based on building permits issued as of June 1, 2026. Property ownership status shown is as of the Date of Value.

(2) Based on the expected land uses within each Village provided by the Developer.

(3) Based on development status as of June 1, 2026.

(4) The Special Tax is only levied against parcels of Developed Property in Fiscal Year 2026-27. The remainder of debt service due in Fiscal Year 2026-27 will be paid from capitalized interest funded with proceeds of the 2026 Bonds. Based on the hypothetical Special Tax levy, a portion of the debt service has been allocated to Final Map Property. The City may levy the Special Tax on such Final Map Property in future fiscal years to meet the Special Tax Requirement.

(5) Based on the Appraisal Report as of the Date of Value. The appraised values are allocated to the individual parcels based on the expected development and lot status for each parcel, as reported in the Appraisal Report. Allocated appraised values may not be indicative of the market values of the communities or the individual lots.

(6) Allocated based on the share of the Fiscal Year 2026-27 hypothetical Special Tax levy.

(7) Includes $36,885,000 outstanding principal amount of the 2024 Bonds and $18,245,000* principal amount of the 2026 Bonds, allocated based on the share of Fiscal Year 2026-27 hypothetical Special Tax levy. Also includes the overlapping debt lien of $80,173 of the SAFCA Natomas Basin Local Assessment District Bonds and $279,989 of the SAFCA Consolidated Capital Assessment District No. 2. Does not include overlapping general obligation bonded debt.

(8) The Developer has submitted an application to the City to modify the allowable land uses for these two parcels, which are currently contemplated as multi-family units to condominium units. For purposes of sizing the 2026 Bonds, no Special Tax levy is assumed on such property. See the first paragraph under the caption "—Tax Exempt Parcels."

(9) Per the Second Amended Rate and Method, once an assessor's parcel of Anticipated Park Property has been dedicated to the City or other public agency, it shall thereafter be categorized as Public Property and will be exempt from the Special Tax. Such parcels were not appraised in the Appraisal Report and none of the Bonds are allocated to such parcels.

Sources: Smith & Associates, Inc.; Bond Underwriter; California Municipal Statistics; Goodwin Consulting Group, Inc.

TABLE 5
IMPROVEMENT AREA NO. 2 OF
THE CITY OF SACRAMENTO GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03 (IMPROVEMENTS)
SUMMARY OF VALUE-TO-LIEN RATIOS*

Value-to-Lien	*Fiscal Year 2026-27 Taxable Parcels*	*Expected Residential Units[1]*	*Fiscal Year 2026-27 Maximum Special Tax Levy[2]*	*Fiscal Year 2026-27 Hypothetical Special Tax Levy*	*Percent of Hypothetical Fiscal Year 2026-27 Special Tax Levy*	*Appraised Value[3]*	*Allocated CFD No. 2018-03 IA-2 Bonds[4]*	*Total Direct and Overlapping Debt Lien[5]*	*Average Value-to-Lien*
Greater than 15:1	42	42	$ 80,702	$ 80,702	2.7%	$ 24,301,500	$ 1,507,598	$ 1,529,689	15.89
10:1 to 15:1	386	386	1,112,796	1,112,796	37.7	255,429,462	20,788,282	21,082,080	12.12
5:1 to 10:1	104	104	248,000	223,443	7.6	31,341,329	4,174,169	4,196,375	7.47
3:1 to 5:1	458	486	1,370,253	1,127,915	38.2	78,136,700	21,070,722	21,084,025	3.71
Less than 3:1[6]	165	159	1,121,670	406,251	13.8	21,192,562	7,589,229	7,597,993	2.79
Total	**1,155**	**1,177**	**$ 3,933,421**	**$ 2,951,108**	**100.0%**	**$ 410,401,553**	**$ 55,130,000**	**$ 55,490,162**	**7.40**

* *Preliminary, subject to change.*

(1) Based on the expected land uses within each Village provided by the Developer.

(2) Based on the development status as of June 1, 2026.

(3) Based on the Appraisal Report as of the Date of Value.

(4) Allocated based on the share of the fiscal year 2026-27 hypothetical Special Tax levy.

(5) Includes $36,885,000 outstanding principal amount of the 2024 Bonds and $18,245,000* principal amount of the 2026 Bonds, allocated based on the share of the fiscal year 2026-27 hypothetical Special Tax levy. Also includes the overlapping debt lien of $80,173 of the SAFCA Natomas Basin Local Assessment District Bonds and $279,989 of the SAFCA Consolidated Capital Assessment District No. 2. Does not include overlapping general obligation bonded debt.

(6) Includes the four parcels of Anticipated Park Property. Also includes parcels anticipated to be zoned as Multi-Family Property, which are considered Exempt Property, per the Second Amended Rate and Method, once a building permit is issued.

Sources: Smith & Associates, Inc.; California Municipal Statistics; Goodwin Consulting Group, Inc.

Delinquency History

The following table shows the Special Tax levy delinquency information for Improvement Area No. 2 for Fiscal Year 2025-26 as of August 13, 2026, which was the first year of the Special Tax levy.

IMPROVEMENT AREA NO. 2 OF THE
CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03
(IMPROVEMENTS)
DELINQUENCY HISTORY[(1)]

Fiscal Year	*Special Tax Levy*	*Parcels Delinquent*	*Amount Delinquent*	*Percent Delinquent*
2025-26	$1,014,189	1	$ 3,622	0.36%

(1) Delinquent amounts do not include penalties, interest, or fees.
Sources: Sacramento County Tax Collector's Office; City of Sacramento; Goodwin Consulting Group, Inc.

DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2

The information in this section about the Developer and Lennar Homes and their respective developments within Improvement Area No. 2 has been provided by the Developer and Lennar Homes and has not been independently confirmed or verified by the Underwriter or the City. The Underwriter and the City make no representation as to the accuracy or adequacy of the information contained in this section, including, but not limited to the description of the Lennar Homes PSA, the Operating Agreement (as such terms are defined below) and any other agreement between Lennar Homes and the Developer or their respective affiliates with respect to the Northlake project.

The information provided in this section has been included because it may be considered relevant to an informed evaluation and analysis of the 2026 Bonds. No assurance can be given, however, that the proposed development of the property within Improvement Area No. 2 will occur in a timely manner or in the configuration or to the density described in this Official Statement, or that the Developer, Lennar Homes, or any owners or affiliates thereof, or any other property owner described in this Official Statement will or will not retain ownership of its respective property within Improvement Area No. 2. Neither the 2026 Bonds nor the Special Tax represent personal obligations of any property owner within Improvement Area No. 2. The 2026 Bonds are secured by and payable solely from the Special Tax and amounts on deposit in certain of the funds and accounts established and maintained under the Indenture. See "SPECIAL RISK FACTORS" for a discussion of certain of the risk factors that should be considered in evaluating the investment quality of the 2026 Bonds. Neither the 2026 Bonds nor the Special Tax are personal obligations of the property owners within Improvement Area No. 2 or any affiliate thereof and, in the event that a property owner defaults in the payment of its Special Tax, the City may proceed with judicial foreclosure, but has no direct recourse to the assets of such property owner or any affiliate thereof.

Northlake, the District and Improvement Area No. 2

General. The property in Improvement Area No. 2 is the second and final phase of a master-planned community being developed by Greenbriar Phase 2, LLC, a Delaware limited liability company (previously defined as the "Developer"), that was initially named "Greenbriar" and has since been marketed as "Northlake." Northlake is located on the southwestern corner of West Elkhorn Boulevard and State Highway 99, approximately nine miles from downtown Sacramento and approximately four miles from the Sacramento International Airport. Northlake is located to the north and east of the near-completed master planned communities of Westlake and Natomas Creek and directly adjacent to the east of the Sacramento Metro Air Park. The Sacramento Metro Air Park is an approximately 1,800-acre site that has been and continues to be

developed for commercial and industrial uses. Based on current plans, Northlake will be included along the route of a light rail line that is proposed to be extended from downtown Sacramento to the Sacramento International Airport. The current expectation is that the light rail line will have a station along the major arterial roadway (Shore Vista Way (formerly Meister Way)) that traverses and bisects Northlake from east to west, and will then continue on to the Sacramento International Airport. The construction and operation of light rail extensions along Shore Vista Way will be the responsibility of the Sacramento Regional Transit District and not the City. See "— *Development Agreement and Mitigation Requirements* — Transportation Development Impact Fees/Shore Vista Way Overcrossing" below for a description of an overcrossing for Shore Vista Way required to be constructed by the Developer for the Northlake project.

Northlake is currently planned to include approximately 2,314 single family homes, approximately 300-520 multifamily homes and approximately 40,000 square feet of commercial and retail space. Similar to the Westlake development located to the south, the Northlake development includes several acres of man-made lakes with certain homes situated on lakefront lots. The District consists of approximately 577 acres and is generally coterminous with the Northlake development, however two parcels within the Northlake project area are not within the boundaries of the District.

The District is divided into two improvement areas. The first phase of Northlake is generally coterminous with Improvement Area No. 1. Development in Improvement Area No. 1 is fully built-out with all 1,137 planned single family homes conveyed to individual homeowners. The development in Improvement Area No. 1 was undertaken through an arrangement between affiliates of the Developer and Lennar Homes that is similar to the development arrangement for Improvement Area No. 2 described herein. ***The property in Improvement Area No. 1 is not subject to the levy of the Special Tax and is not security for the 2026 Bonds.***

Phase 2 of Northlake is generally coterminous with Improvement Area No. 2. Improvement Area No. 2 consists of approximately 296 gross acres located to the west of State Highway 99, south of Shore Vista Way (formerly Meister Way), east of Lone Tree Road and north of the Interstate 5 Freeway. Approximately 20 acres located on the northwestern end of Phase 1 of Northlake (non-contiguous to the balance of Improvement Area No. 2) was annexed to Improvement Area No. 2 in March 2024 (referred to herein as Village 14/20).

The development within Improvement Area No. 2 is planned for 1,177 market-rate for-sale single family homes, a TK-8 school (which is complete and first opened for enrollment in the 2024-25 school year), and multi-family residential and commercial developments. The school site and the multi-family residential and commercial development sites are not expected to be subject to the Special Tax levy. Improvement Area No. 2 is also planned to include three parks totaling approximately 6.4 acres, open space and trails and approximately 21 acres of man-made lakes. The man-made lakes are substantially complete and are located toward the center/western portion of Improvement Area No. 2, with 115 single family homes to be situated on the lakefront lots. The Developer plans to construct pedestrian and bike trails along the lakefronts to provide common access to the lakefronts. In addition to serving as a visual amenity to the community, the lakes are designed to work in conjunction with the storm drainage system of the development. The lakes will not be available for recreational use (i.e., water sports and boating).

The Developer is responsible for the on-site and off-site backbone infrastructure necessary to complete the planned development within Improvement Area No. 2 therein. As of August 15, 2026, other than the Shore Vista Way Overcrossing improvement described below, such backbone infrastructure was substantially complete (other than parks and landscaping) and the Developer expects to complete all backbone infrastructure necessary to achieve buildout within Improvement Area No. 2 by the end of the fourth quarter of 2026. See "Infrastructure Development — *Backbone Infrastructure Development*."

The Developer has entered into an agreement with Lennar Homes for Lennar Homes to acquire all of the property within Improvement Area No. 2 that is planned for residential homes in phased takedowns. Pursuant to such agreement, the Developer is required to substantially complete all in-tract infrastructure for the lots prior to the time Lennar Homes acquires such lots. See "— Acquisition of Lots by Lennar Homes" for

a description of the in-tract infrastructure work that the Developer is required to substantially complete prior to the time Lennar Homes acquires a lot. As of August 15, 2026, the Developer has substantially completed the in-tract infrastructure for approximately 948 lots within Improvement Area No. 2, including for the 629 lots that Lennar Homes had acquired as of such date. The Developer expects to substantially complete the in-tract infrastructure for all residential lots by the end of 2027, and in any event, prior to the times necessary in order for the Developer to meet the takedown schedule agreed to with Lennar Homes. See "— Acquisition of Lots by Lennar Homes."

Development Agreement and Mitigation Requirements. Pursuant to a Development Agreement by and between the City and the Developer, as approved by the City Council by Ordinance No. 2017-0040 on May 30, 2017 (as amended to date, the "Development Agreement"), the Developer is vested with the right to develop the Northlake project with up to approximately 2,428 single family homes, approximately 528 multifamily homes and commercial and retail space, subject to compliance with the terms and conditions of the Development Agreement, which in all cases is in excess of the Developer's current plans for development of Northlake.

The Development Agreement includes mitigation measures to be satisfied and fees to be paid in order to achieve full buildout of the Northlake project, certain of which are described below. Aside from such mitigation measures to be satisfied and payment of fees as development within Northlake progresses, the Developer has satisfied all conditions of approval and has obtained all discretionary approvals from State and federal agencies in order to complete the Northlake project. Sufficient capacity for water (which is provided by the City) and sewer (which is provided by the Sacramento Area Sewer District (for both collection and treatment services)) is available to achieve full buildout of Northlake.

Certain of the mitigation measures and fees required under the Development Agreement are described below. Aside from the habitat conservation requirements described below, the mitigation measures and fees may be financed with proceeds of the 2026 Bonds.

Transportation Development Impact Fees/Shore Vista Way Overcrossing. The Developer is required to pay City Transportation Development Impact Fees ("TDIF") in connection with the development of Northlake. The Development Agreement, as amended by the third amendment thereto, described below, requires that the Developer construct a State Route 99 overcrossing that would connect Shore Vista Way (which bisects Northlake from east to west) to East Commerce Way, located offsite to the east of Northlake (the "Shore Vista Way Overcrossing").

Pursuant to an amendment to the Development Agreement effective November 12, 2024 (the "Third Amendment"), the Developer is required to either submit a project report with respect to the Shore Vista Way Overcrossing that is approved by the Department of Transportation of the State of California ("Caltrans"), or provide a financial security (e.g. a bond, escrow account or letter of credit) acceptable to the City which covers the full cost of design, permitting, construction, and construction management of the Shore Vista Way Overcrossing. The Developer provided the financial security in accordance with the terms of the Third Amendment in November 2025 in the amount of $39.1 million.

Pursuant to the Third Amendment, within six months of the approval of the improvement plans with respect to the Shore Vista Way Overcrossing by the City and Caltrans, the Developer is required to commence construction of the Shore Vista Way Overcrossing and diligently pursue construction until completion. Design of the Shore Vista Way Overcrossing commenced in the summer of 2025 and construction is expected to commence upon the receipt of all final approvals of those plans in Spring 2027.

The currently estimated cost of the Shore Vista Way Overcrossing is approximately $23.5 million. Pursuant to a funding agreement executed in connection with the Third Amendment (the "Funding Agreement"), the City agreed to allocate approximately $6.1 million from various development impact fee revenues to the cost of the Shore Vista Way Overcrossing. Through August 15, 2026, the Developer has spent

approximately $2.12 million on the Shore Vista Way Overcrossing. The Developer has and expects to continue to finance its share of the costs of the overcrossing from internal funds.

School Mitigation Payments. Other than with respect to 139 proposed lots within Village 14/20 (which were annexed to Improvement Area No. 2 in March 2024), all mitigation payments (i.e., "School Fees") have been paid to the Twin Rivers Unified School District. The Developer financed a portion of the costs of the School Fees from proceeds from bonds issued on behalf of Improvement Area No. 1 and may use the proceeds of the 2026 Bonds to finance a portion of the costs of the School Fees.

A school site within Improvement Area No. 2 was sold to the Twin Rivers Unified School District on which there has been constructed a TK-8 school. The school first opened for enrollment for the 2024-25 school year.

Parks. The City requires 3.5 acres of parkland dedication per 1,000 residents of population for new development within the Natomas Basin. Pursuant to the conditions of approval for the Northlake development, the City has agreed that the Developer may satisfy the parks requirement by the following: (i) in Improvement Area No. 1, the Developer has constructed and dedicated two parks – a 12.4 acre community park and a 2.0 acre neighborhood park; and (ii) in Improvement Area No. 2, the Developer will be dedicating and building three parks totaling 6.4 acres and will be given credit for certain private recreation facilities. The Developer has completed the grading, plant and sod installation and play equipment installation of all three park sites within Improvement Area No. 2 and expects to complete the park sites in Improvement Area No. 2 by the end of the third quarter of 2026.

Habitat Conservation. The Northlake project site is located within the boundaries of the Natomas Basin Habitat Conservation Plan (NBHCP) area. Parties to the NBHCP and the related implementation agreement include the City, Sutter County, the U.S. Fish & Wildlife Service and the California Department of Fish and Wildlife. The Northlake project site is not part of the City's NBHCP permit area. The Northlake project has stand-alone approvals and permits from the wildlife resource regulatory agencies for the project area separate from the City's NBHCP. In 2017, the Developer requested an update to the conservation strategy for habitat preservation for the Northlake project. The conservation strategy (referred to as the Greenbriar Development Project Conservation Strategy) includes the dedication of one on-site and three off-site properties to be used as reserve lands in perpetuity. The on-site Lone Tree Canal Reserve of approximately 28 acres (approximately 15 acres of which are located within Improvement Area No. 1 and 13 acres of which are located within Improvement Area No. 2) will be located along the western boundary of the Northlake project. The three off-site reserves total approximately 528.8 acres. The reserve lands have been, or will be, dedicated to third-party conservation easement holders as approved by the applicable State and federal agencies. The Developer was required to fund approximately $7.3 million toward the endowments to pay for the maintenance of the reserves, which amount has been funded.

Greenbriar Fee. As part of the project approval process for the Northlake project, the Developer caused to be prepared a financing plan to fund the required backbone infrastructure, public facilities, development fees and maintenance costs for the project. The financing plan as included in the Development Agreement requires a "Greenbriar Fee" to be paid on a per-unit basis for the residential component of the Northlake project, and on a per-acre basis for any commercial component. The Greenbriar Fee is to be used to contribute to City-wide funds to finance the costs of transit facilities and programs, land acquisition and park development costs, fire services facilities and regional community center costs. The Greenbriar Fee (effective July 1, 2026) currently ranges from $1,889 to $5,477 for residential units and between $66,538 to $89,050 per acre for non-residential uses. Such impact fee is subject to an annual escalator. The Developer is responsible for the payment of such fees and expects to pay such fees when due as development within Northlake progresses. A portion of the Greenbriar Fee may be funded from proceeds of the 2026 Bonds.

Environmental Review. The environmental review process for the Northlake project began in 2006 with the preparation of a draft environmental impact report. In January 2008, the City certified the final environmental report (the "Final EIR") and approved the Northlake project (then known as Greenbriar). Certain modifications in the project plan have been made since the certification of the Final EIR in 2008. The Developer has since provided the required studies and information and the City has made the necessary findings such that a new environmental impact report for the Northlake project was not required as a result of such modifications. The Developer has acquired all of the required environmental permits from State and federal regulatory agencies that Developer currently believes will be required to complete the Northlake development. All appeal periods with respect to such approvals have expired.

Other Environmental/Natural Hazard Matters. As stated above, the Developer has satisfied all conditions of approval and has obtained all discretionary approvals from State and federal agencies in order to complete the Northlake project. Such approvals and permits include, among others, a Section 404 permit under the federal Clean Water Act, a Section 401 permit for state certification of water quality, incidental take permits from the State and federal agencies and a Lake and Streambed Agreement from the State.

Northlake is not located within an area designated by the Department of Forestry and Fire Protection of the State of California and the Office of the State Fire Marshal as a "Very High Fire Hazard Severity Zone." See "THE DISTRICT AND IMPROVEMENT AREA NO. 2 — De Facto Building Moratorium from 2008 to 2015" and "—Flood Hazard." for a description of certain flood issues within the North Natomas area, which includes Northlake. Also see "SPECIAL RISK FACTORS — Natural Disasters."

Infrastructure Development

Backbone Infrastructure Development. As of August 15, 2026, aside from the Shore Vista Way Overcrossing, the backbone infrastructure necessary to complete the development within Improvement Area No. 2 was substantially complete, with landscaping and parks still in progress. As of such date, aside from the Shore Vista Way Overcrossing, the remaining backbone infrastructure necessary to complete development within Improvement Area No. 2 included landscaping work, walls and fencing. In addition, the Developer anticipates completion of the three parks within Improvement Area No. 2 by the end of the third quarter of 2026, however, the ability to obtain building permits within Improvement Area No. 2 is not conditioned on the completion thereof. Lennar Homes commenced obtaining building permits for model homes in June, 2024 and construction of production homes is well underway. See —"Home Construction" below.

Through August 15, 2026, the Developer has expended approximately $84.9 million on land acquisition costs and approximately $89.4 million on backbone infrastructure and related soft costs for Improvement Area No. 2. The land acquisition cost represents an agreed upon amount between the joint venture entities which formed the Developer. In arriving at such amount, certain considerations were taken into account, including the amount of capital contributions to be provided by the joint venture partners. As a result, such acquisition amount may not reflect the market value at the time of acquisition. The table below sets forth the actual costs incurred on development within Improvement Area No. 2 as of August 15, 2026, excluding land acquisition costs. See — "Developer Financing Plan" below.

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STATUS OF IMPROVEMENTS
WITHIN IMPROVEMENT AREA NO. 2
(as of August 15, 2026)

Project Description	*Budgeted Costs*[2]	*Costs Spent Through August 15, 2026*	*Percentage Spent Through August 15, 2026*
Backbone Infrastructure for Improvement Area No. 2			
Grading/Earthwork	$ 11,025,536	$ 10,655,317	97%
Sewer	4,700,172	4,700,103	100
Drainage	12,233,215	12,179,772	100
Water	8,465,946	8,446,311	100
Concrete/Roadwork	10,316,988	10,253,385	99
Landscaping	4,882,157	3,310,776	68
Walls and Fencing	3,196,286	3,196,286	100
Dry Utilities	6,832,250	6,829,553	100
Developer Soft Costs	4,007,572	3,753,572	94
Developer Fees	2,084,378	2,125,518	100
Builder Fees	16,614,317	16,602,534	100
Project Soft Costs	5,804,801	5,133,882	88
Bonds	2,241,540	2,229,052	99
Project Level Contingency	1,171,300	--	0
Backbone Infrastructure Subtotal	**$93,576,458**	**$89,416,061**	**96%**
Meister Overcrossing (Shore Vista Way)	**$15,989,491**[1]	**$2,119,601**	**13%**
Amenities for Improvement Area No. 2			
Neighborhood Park	$ 1,841,222	$ 1,780,876	97%
Community Park	1,438,973	1,323,406	92
Community Park	1,512,596	1,343,258	89
Amenities Subtotal	**$ 4,792,791**	**$ 4,447,540**	**93%**
Total:	**$ 114,358,740**	**$ 95,983,202**	**84%**

(1) Amount based on the Developer's estimate as of August 15, 2026. Amount is net of $6,112,239 of the cost of the Shore Vista Way Overcrossing, which may be funded by the City pursuant to the Funding Agreement. See "—Transportation Development Impact Fees/Shore Vista Way Overcrossing" above.
(2) Excludes costs of in-tract infrastructure.
Source: The Developer.

In-Tract Infrastructure. As described below under — "Acquisition of Lots by Lennar Homes," the Developer is required under its purchase and sale agreement with Lennar Homes to substantially complete all in-tract infrastructure improvements prior to the time Lennar Homes acquires the related lots. Such in-tract infrastructure improvements include driveways, sidewalks, utility laterals, retaining walls and street capping. All wet and dry utilities are required to be stubbed to each residential lot and ready to be energized. As of August 15, 2026, the Developer had spent approximately $62.3 million on in-tract infrastructure costs in Improvement Area No. 2. As of August 15, 2026, in-tract infrastructure for approximately 948 lots, including those related to the 629 lots that Lennar Homes had acquired as of such date, had been substantially completed. The Developer expects to substantially complete the in-tract infrastructure for all residential lots by the end of 2027, and in any event, prior to the times necessary in order for the Developer to meet the takedown schedule agreed to with Lennar Homes. As of August 15, 2026, the Developer expects to spend an additional $5.7 million on in-tract infrastructure costs in Improvement Area No. 2 in order to bring all 1,177 residential lots within Improvement Area No. 2 to a finished status. See — "Acquisition of Lots by Lennar Homes."

Amenities. There are several amenities associated with the Northlake development. These amenities include a community center, pool, bocce ball court, an approximately 12-acre community park and an approximately two-acre neighborhood park within Improvement Area No. 1 and three parks within Improvement Area No. 2. In addition, approximately 41 acres of man-made lakes have been completed, with 20 acres within Improvement Area No. 1 and 21 acres within Improvement Area No. 2. Such lakes are bordered by pedestrian and bike trails, providing common access to the lakefronts.

Small-Lot Final Map Status. The Developer had recorded small-lot final maps for all 1,177 planned residential units within Improvement Area No. 2.

Developer Financing Plan

Joint Venture. As described below under "PROPERTY OWNERSHIP—The Developer," the Developer is a wholly-owned subsidiary of a joint venture between Integral Greenbriar, LLC, an affiliate of Integral Communities, and Len-Land West, LLC, a Delaware limited liability company ("LLW") and a wholly-owned subsidiary of Lennar Homes. Pursuant to the operating agreement of Greenbriar Investor, LLC, the parent entity of the Developer, the foregoing affiliates of Integral Communities and Lennar Homes made initial capital contributions to fund the development costs within Improvement Area No. 2. Pursuant to such operating agreement and subject to certain limitations set forth therein, LLW has agreed to provide all of the additional capital contributions required for the joint venture's operations, including the costs necessary to complete the backbone and in-tract infrastructure for the development within Improvement Area No. 2.

The total budgeted entitlement, backbone, amenities, and in-tract infrastructure costs (including the cost of the Shore Vista Way Overcrossing) and related soft costs for Improvement Area No. 2 is approximately $194.3 million. Through August 15, 2026, the Developer has spent approximately $162.8 million on such costs. The Developer expects to spend an additional $25.7 million in backbone infrastructure (including the cost of the Shore Vista Way Overcrossing) and amenity costs within Improvement Area No. 2. As of such date, the Developer expects to spend an additional $5.7 million in in-tract infrastructure costs in order to bring all 1,177 residential lots within Improvement Area No. 2 to a finished status.

To date, the Developer has financed the costs of the development within Improvement Area No. 2 through internal funds, proceeds of prior bonds issued for the District, and previously-paid off loans. The Developer expects to finance the balance of the backbone and in-tract infrastructure costs within Improvement Area No. 2 from internal funds (including any capital contributions from LLW) and proceeds of the 2026 Bonds.

The following table shows the Developer's estimated budget, as of August 15, 2026, to complete the backbone and in-tract infrastructure costs for Improvement Area No. 2.

DEVELOPER BUDGET

	Total Budgeted Costs[1]	*Through August 15, 2026*	*Through December 31, 2026*	*2027*	*2028*
Sources of Funds					
Developer Internal Funds	$146,998,172	$131,784,585	-	$13,734,820	$1,478,767
Bond Proceeds[2]	47,265,341	30,985,432	$16,279,909	-	-
Total	**$194,263,513**	**$162,770,017**	**$16,279,909**	**$13,734,820**	**$1,478,767**
Uses of Funds					
Backbone Infrastructure	$ 93,576,457	$ 89,416,062	$ 2,403,704	$ 722,407	$1,034,284
Entitlements	4,609,030	4,501,618	107,412	-	-
Shore Vista Way Overcrossing	15,989,492	2,119,601	2,214,630	11,210,778	444,483
Amenities	4,792,791	4,447,540	345,251	-	-
In-Tract Infrastructure	68,026,436	62,285,196	3,939,605	1,801,635	-
Equity Repayment	7,269,307	-	7,269,307	-	-
Total	**$194,263,513**	**$162,770,017**	**$16,279,909**	**$13,734,820**	**$1,478,767**

(1) Excludes land acquisition costs.
(2) Includes proceeds of bonds issued for Improvement Area No. 1, the 2024 Bonds and the 2026 Bonds.
Source: The Developer.

Notwithstanding the belief of the Developer that it will have sufficient funds to complete its planned development in Improvement Area No. 2, no assurance can be given that sources of financing available to the Developer will be sufficient to complete the property development as currently anticipated. While the Developer has made such internal financing available in the past, there can be no assurance whatsoever of its willingness or ability to do so in the future. Neither the Developer nor any of its affiliates has any legal obligation of any kind to make any such funds available or to obtain loans. Other than pointing out the willingness of the Developer to provide internal financing in the past, the Developer has not represented in any way that it will do so in the future. If and to the extent that internal financing, loan proceeds, or bond proceeds are inadequate to pay the costs to complete the development within Improvement Area No. 2 and other financing by the Developer is not put into place, there could be a shortfall in the funds required to complete the proposed development by the Developer and portions of the project may not be developed.

Acquisition of Lots by Lennar Homes

Purchase and Sale Agreement. The Developer and Lennar Homes entered into a Purchase and Sale Agreement and Joint Escrow Instructions dated May 31, 2023, as amended from time to time (the "Lennar Homes PSA"). The Lennar Homes PSA is an agreement by which Lennar Homes has agreed to purchase all 1,177 lots planned for for-sale single family residential development within Improvement Area No. 2 in periodic takedowns (each a "Takedown"), which commenced in March 2024 and is currently expected be completed by December 2029. The number of lots to be acquired in each periodic takedown varies. As of August 15, 2026, Lennar Homes had taken down 629 lots consisting of model and production lots.

The due diligence period under the Lennar Homes PSA has expired and Lennar Homes intends to purchase all 1,177 proposed lots pursuant to the Lennar Homes PSA.

Under the Lennar Homes PSA, among other things, the Developer must do the following with respect to each Takedown of property ("Takedown Property") at each takedown closing ("Takedown Closing"):

1. Small-Lot Final Maps. The Small-Lot Final Maps for the applicable Takedown Property shall have been recorded. All Small-Lot Final Maps within Improvement Area No. 2 have been recorded.

2. Seller In-Tract Improvements. All in-tract infrastructure for the applicable Takedown Property must be substantially complete. The Developer has agreed to use commercially diligent efforts to

satisfy the closing conditions before the applicable scheduled Takedown Closing date. The Developer will not be in default if, despite using commercially diligent efforts, the Developer fails to timely satisfy any of these closing conditions by the applicable Takedown Closing date. In the event any closing condition is not satisfied on the applicable Takedown Closing date, Lennar Homes has the right to extend the applicable Takedown Closing date for such Takedown on a day-to-day basis for the delay in satisfying such conditions. If, and only if, any Takedown is delayed by more than ten (10) days, then the Takedown Closing date for all subsequent Takedowns will be similarly extended on a day-for-day basis.

Under the Lennar Homes PSA, the Developer must conduct the "Seller Work" on the lots scheduled to close on each Takedown Closing date. The Seller Work is defined to mean the following: (a) satisfying all conditions of approval and/or development conditions imposed on the large-lot parcel relating to the lots to be taken down (including conditions relating to off-site improvements); (b) completion of the in-tract infrastructure improvements; and (c) completing all other governmental conditions of approval imposed on the Small-Lot Final Maps (including conditions relating to off-site improvements). As described above, completion of all such work by the Developer is not a Takedown Closing condition; only substantial completion of the in-tract infrastructure is a condition.

The Developer and Lennar Homes may enter into a license agreement at each Takedown Closing so that the Developer may enter the Takedown Property to perform any remaining work required of the Developer on lots not completed prior to the applicable Takedown Closing date. Subject to delay as permitted by the Lennar Homes PSA, the Developer shall complete any such work not required to be completed prior to a Takedown Closing date so that, in the normal course of Lennar Homes' sales absorption and operations, Lennar Homes is not delayed in: (a) obtaining building or occupancy permits; (b) commencing and completing construction of homes; and (c) closing escrow for the sale of completed homes to homebuyers.

If any specified work required of the Developer is not timely completed as and when required under the Lennar Homes PSA, then Lennar Homes shall be entitled to pursue any or all of the following remedies for such default as Lennar Homes' sole and exclusive remedies: (i) the right to file an action for specific performance; (ii) the right to pursue self-help as provided in the Lennar Homes PSA; and/or (iii) the right to receive a Delivery Delay Credit (as defined below). Termination of the Lennar Homes PSA is not a remedy for the failure to satisfy the closing conditions.

Except for the right to reimbursement for self-help as provided below, Lennar Homes is not entitled to any damages for default in the performance of the work that the Developer is required to complete prior to a Takedown Closing date, as described above. If Lennar Homes elects to pursue self-help, Lennar Homes is entitled to receive reimbursement from the Developer for one hundred five percent (105%) of all actual out-of-pocket third party costs to complete such work (or applicable portion thereof).

In the event due to the work required of the Developer not being completed or performed Lennar Homes is delayed in (a) obtaining building or occupancy permits; (b) commencing and completing construction of homes; and/or (c) closing escrow for the sale of completed homes to homebuyers, Lennar Homes will receive a credit against the purchase price in connection with the next Takedown (the "Delivery Delay Credit") in an amount equal to interest at an agreed-upon rate per annum on the sum of: (i) the total purchase price for the affected lots, and (ii) any homebuilding hard costs and building permit fees incurred by Lennar Homes with respect to such lots. Such Delivery Delay Credit shall accrue from the date of completion of the home until the date the City issues a certificate of occupancy. In the event there are no future Takedowns to apply the Delivery Delay Credit to, the Developer shall pay the amount of any remaining Delivery Delay Credit (with the interest accrual terminating at the time of such payment by the Developer) within thirty (30) days of Lennar Homes' written request.

The right of Lennar Homes to terminate the Lennar Homes PSA is limited as described herein. If (a) any Takedown of the Property or portion thereof is taken by condemnation or eminent domain (or is the subject of a pending or threatened taking which has not yet been consummated) (a "Condemnation"); or (b)

any Takedown of the property or portion thereof is damaged or destroyed (a "Casualty"), the Developer shall notify Lennar Homes in writing of such fact promptly after obtaining knowledge thereof. Upon the occurrence of a Casualty, the Developer shall promptly repair the damage or destruction and if necessary in order for the Developer to repair such Casualty by the applicable Takedown Closing date, such Takedown Closing date for all lots in the affected Village(s) shall be delayed until ten (10) Business Days after such repairs have been completed. For avoidance of doubt, the Takedown Closing date for Villages not affected by the Casualty shall not be extended. In the case of a Condemnation, Lennar Homes shall have the right to terminate the Lennar Homes PSA with respect to some or all of the lots affected by such Condemnation (the "Affected Lots"), by giving written notice to the Developer no later than ten (10) Business Days after Lennar Homes' receipt of the Developer's notice, and the applicable Takedown Closing date for any Takedown shall be extended, if necessary, to provide sufficient time for Lennar Homes to make such election. The failure by Lennar Homes to so elect in writing within such ten (10) Business Day period shall be deemed an election to terminate the Lennar Homes PSA with respect to the Affected Lots. Upon termination of the Lennar Homes PSA with respect to any Affected Lots, the purchase price for Villages containing such Affected Lots shall be recalculated in accordance with the Lennar Homes PSA. In addition, Lennar Homes has a limited termination right in the event the Developer is in material default of its representations, warranties, covenants or obligations under the Lennar Homes PSA which cause an applicable Closing not to occur, subject to all cure periods set forth in the Lennar Homes PSA.

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Takedown Schedule. The Lennar Homes PSA has been amended from time-to-time to revise the takedown schedule. To date, Lennar Homes has taken down the lots shown in the table below, totaling 629 lots. Lennar Homes and the Developer are currently in negotiations to amend the takedown schedule for the remaining 548 lots. Although the amendment has not yet been executed, and changes may be made to the anticipated takedown schedule prior to execution of the amendment, Lennar Homes and the Developer have preliminarily determined that the new takedown schedule will provide for monthly takedowns of lots within all eight product lines of between approximately 14 to 29 lots per month during the time that all eight neighborhoods have lots to be acquired, and then diminishing in number of units contained in the monthly takedowns as one or more neighborhoods are fully purchased. The first monthly takedown of the amended takedown schedule is anticipated for November 13, 2026, and the final expected takedown is anticipated to be on or about December 14, 2029. Lennar Homes and the Developer expect to finalize the aforementioned amendment by the end of October 2026. The Lennar Homes PSA may be further amended from time-to-time to revise the takedown schedule as a result of, among other factors, the pace of construction and sales activity within the various Villages in Improvement Area No. 2.

Time Period	*Number of Lots Taken Down by Quarter Per Lennar Homes PSA*
2024	
Q1 (3-11-24)	76
Q2 (6-11-24)	68
Q3 (9-11-24)	64
Q4 (12-12-24)	88
2024 Total	**296**
2025	
Q1 (3-11-25)	57
Q2 (6-11-25)	67
Q3 (9-11-25)	61
Q4 (12-11-25)	65
2025 Total	**250**
2026	
Q1 (3-11-26)	83
Total	**629**

Source: Lennar Homes.

Home Construction

No assurances can be made that Lennar Homes or any other current or future owner of Taxable Property within Improvement Area No. 2 will have the resources, willingness, and ability to successfully complete development activities on the property within Improvement Area No. 2. No representation is made as to the ability (financial or otherwise) of Lennar Homes or any other current or future owner of Taxable Property within Improvement Area No. 2 to complete development as currently planned.

Development Plan. As described above, all 1,177 lots proposed for residential development are subject to the Lennar Homes PSA to be acquired by Lennar Homes in phases. The 1,177 proposed single family homes within Improvement Area No. 2 have been organized into Villages for purposes of home

development. Lennar Homes currently has eight product lines as further described below, all of which are continuations of Lennar Homes' product lines in Improvement Area No. 1. Lennar Homes has commenced sales in all eight product lines. As of August 15, 2026 Lennar Homes has taken down 629 lots from the Developer, 33 of which are model homes and 596 of which are planned for production homes. As of August 15, 2026, 481 homes have been completed and conveyed to individual homeowners.

As of August 15, 2026, Lennar Homes had obtained 710 building permits within Improvement Area No. 2, consisting of building permits for 33 completed model homes and 677 production homes (481 of which have been completed and conveyed to individual homeowners). Lennar Homes currently plans to commence construction on additional production homes at the time such lots are scheduled to be taken down as described under "Acquisition of Lots by Lennar Homes — *Takedown Schedule*" above. Lennar Homes has reviewed the absorption schedule set forth under "— Market Absorption Study" and expects that its pace of home sales will generally be in line with such schedule. Lennar Homes currently expects to complete and convey all 1,177 planned homes within Improvement Area No. 2 to individual homeowners by the first quarter of 2030.

The following table sets forth the estimated number of lots, home sizes, minimum lot sizes and base sales prices for Lennar Homes' eight product lines planned within Improvement Area No. 2. As shown in the table below, 115 homes are currently planned to be situated on lakefront lots.

DEVELOPMENT PLANS BY NEIGHBORHOOD AND PLAN

Community	*Villages*	*No. of Lots*	*Estimated Home Size (Sq. Ft.)*	*Minimum Lot Size (Sq. Ft.)*	*No. of Lakefront Lots*	*Estimated Average Base Sales Prices*
Shor	1 and 2	193	1,774 – 2,190	2,788	0	$597,949
Lakelet	4, 5 and 11	173	2,114 – 2,362	3,690	0	642,438
Watersyde	3, 6 and 8	153	2,307 – 2,968	4,000	28	704,259
Wavmor	14 through 17	163	2,134 – 2,786	4,500	19	679,500
Crestvue	7, 9 and 10	138	1,797 – 3,178	4,675	15	683,395
Bleau	12 and 13	110	2,150 – 3,460	5,000	40	765,523
Drifton	18 and 19	108	2,282 – 3,425	5,500	13	787,347
Waters Edge	14/20	139	1,454 – 1,907	3,690	0	551,933
	Totals	**1,177**			**115**	

Source: Lennar Homes.

Lennar Homes Financing Plan. To date, Lennar Homes has financed its land acquisition and various site development costs related to its property in Improvement Area No. 2 through internally generated funds. Lennar Homes estimates that as of August 15, 2026 it remains to incur approximately $378 million in land acquisition, homebuilding, builder fees, marketing, and sales costs to complete its development in Improvement Area No. 2. Lennar Homes expects to use home sales revenues and internal funding to complete its development in Improvement Area No. 2. Lennar Homes believes that it will have sufficient funds available to complete its planned development in Improvement Area No. 2 in accordance with the development schedule described in this Official Statement.

Although Lennar Homes expects to have sufficient funds available to complete its development in the District in accordance with the development schedule described in this Official Statement, there can be no assurance that amounts necessary to finance the remaining development costs will be available from Lennar Homes or any other source when needed. Neither Lennar Homes, nor any of its related entities are under any

legal obligation of any kind to expend funds for the development of and construction of homes on its property in Improvement Area No. 2. Any contributions by Lennar Homes to fund the costs of such development are entirely voluntary.

If and to the extent that internal funding, including but not limited to home sales revenues, are inadequate to pay the costs to complete the planned development by Lennar Homes within Improvement Area No. 2 and other financing by Lennar Homes is not put into place, there could be a shortfall in the funds required to complete the planned development by Lennar Homes in Improvement Area No. 2.

PROPERTY OWNERSHIP

The information in this section about the Developer and Lennar Homes has been provided by Developer and Lennar Homes and has not been independently confirmed or verified by the Underwriter or the City. The Underwriter and the City make no representation as to the accuracy or adequacy of the information contained in this section.

The Developer

General. As described above, as of August 15, 2026, the Developer owns 547 of the 1,177 lots in Improvement Area No. 2. All of such property owned by the Developer within Improvement Area No. 2 that is planned for residential development is subject to the Lennar Homes PSA.

The Developer is a joint venture between Integral Greenbriar, LLC, an affiliate of Integral Communities, and LLW. See "—*Integral Communities*" and "—Lennar Homes of California" below. Greenbriar Investor, LLC ("Investor") is the parent entity of the Developer. LLW and Integral Greenbriar, LLC ("Integral") are the sole members of Investor, which is governed by that certain Operating Agreement of Investor, dated as of July 11, 2019, as amended by that certain First Amendment to Operating Agreement of Investor, dated as of June 3, 2020, by that certain Second Amendment to Operating Agreement of the Company dated as of June 21, 2023 and that certain Third Amendment to Operating Agreement of Greenbriar Investor, LLC dated as of September 25, 2024 (as amended, the "Operating Agreement").

Upon formation of Investor, each of Integral and LLW made initial capital contributions to Investor. Subject to the maximum dollar amounts set forth in the Operating Agreement, LLW has agreed to provide all of the additional capital contributions to Investor that are currently expected to be required for Investor's operations. Such capital contributions shall be made upon the request of Integral, acting as the managing member of Investor, when additional funds are required by Investor or any of its subsidiaries, including the Developer.

Integral, as the managing member of Investor, is acting as the development manager for the property within Improvement Area No. 2 and may take the following actions on behalf of Investor without member consent: (i) retain or engage and coordinate the services of all contractors, architects, engineers, brokers, accountants, attorneys, and other professional persons necessary or appropriate to carry out the purpose of Investor; (ii) obtain any financing approved by both members and execute, deliver and perform on behalf of Investor any note or deed of trust or any modification thereof and to execute any required security agreements with respect to tangible or personal property or other property owned by Investor and any other documents which may be required in connection with such financing, or any modifications thereof; (iii) pay from the funds of Investor all debts, expenses and obligations of Investor; (iv) if approved by both members, Integral, on behalf of Investor, shall have the power to purchase and maintain insurance on behalf of any person who is or was an agent of Investor against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as an agent, whether or not Investor would have the power to indemnify such person against such liability under the provisions of the Operating Agreement or under applicable law; (v) execute, deliver and perform such agreements and other documents as it may deem advisable for Investor purposes; (vi) perform or cause to be performed Investor's obligations, and exercise or

cause to be exercised all of Investor's rights, under any agreement to which Investor is a party; (vii) exercise all rights, powers, remedies, duties and obligations as a member or owner of a direct or indirect ownership interest in the Developer; (viii) loan money to the Developer or any subsidiary; (ix) contribute additional cash or other assets to the Developer or any subsidiary; (x) grant, or cause the Developer to grant, easements, reservations, rights-of-way, covenants, conditions, restrictions or other encumbrances affecting all or a portion of the real property; (xi) execute, deliver and perform such agreements and other documents as it may deem advisable in connection with real property transfers permitted under the Operating Agreement; (xii) give a capital call notices in accordance with the Operating Agreement; and (xiii) amend, or cause the Developer to amend, purchase and sale agreements for the real property; provided that the amendment is materially consistent with either the purpose of Investor or the Developer or the business plan previously approved by the members, is not a material change from prior purchase and sale agreements for the real property, and does not have a materially negative effect on any member.

Integral Communities. The principals of Integral Communities have over 150 years of combined experience in the real estate development business. Many of the principals spent more than a decade growing Western Pacific Housing into a successful western states home building and development company. Recognized as the 12th-largest homebuilder in the country at one time, Western Pacific was later sold to D.R. Horton for in excess of $1 billion in market capitalization. Following the sale to D.R. Horton, the five principals formed Integral Communities.

Integral Communities creates new opportunities from underutilized or undeveloped property of land through value-added land planning, with projects that include for-sale, apartment, mixed-use and residential multi-family opportunities. Previous projects of Integral Communities include, among others, the following:

- Gateway Station – Newark, CA (580 residential units; sold to Lennar Homes).
- Dublin Ranch Sub Area 3 – Dublin, CA (437 residential units; sold to Lennar Homes).
- Dublin Ranch Lot 3 – Dublin, CA (123 residential units; sold to Lennar Homes).
- Centre Pointe – Milpitas, CA (241 residential units; sold to D.R. Horton).
- Houret – Milpitas, CA (114 residential units; sold to The New Home Company).
- Riverdale – Long Beach, CA (131 residential units; as a joint venture with Brandywine Homes).
- Torian – Newark, CA (547 residential units; sold to William Lyon Homes).
- Palmilla – Brentwood, CA (400 residential units; sold to Pulte and William Lyon Homes).
- Montecito Vista – San Jose, CA (284 residential units; sold to Taylor Morrison and Lennar Homes).
- The Fields – Milpitas, CA (1,185 for-sale and for-rent multifamily residential units; as a joint venture with Lyon Living).
- Tracy Hills – Tracy, CA (2,686 for-sale residential units; sold to Lennar Homes, Shea Homes and Meritage Homes).

Further information regarding Integral Communities is available from its website at integralcommunities.com. This internet address is included for reference only, and the information on the internet site is not a part of this Official Statement and is not incorporated by reference into this Official Statement.

Lennar Homes

General. Lennar Homes has acquired 629 lots within Improvement Area No. 2 (475 of which have completed homes conveyed to individual homeowners as of August 1, 2026) and is under contract to acquire the remaining lots owned by the Developer planned for residential development in Improvement Area No. 2. As previously defined in this Official Statement, "Lennar Homes" refers to Lennar Homes of California, LLC, a California limited liability company. Lennar Homes is based in Irvine, California, and has been in the business of developing residential real estate communities in California since 1996. Lennar Homes is wholly-owned by U.S. Home, LLC, a Delaware limited liability company ("U.S. Home"). U.S. Home is wholly-

owned by Lennar Corporation, which is based in Miami, Florida ("Lennar Corporation"). Founded in 1954, Lennar Corporation completed its initial public offering in 1971 and listed its common stock on the New York Stock Exchange in 1972. Lennar Corporation's Class A and Class B common stock are listed on the New York Stock Exchange under the symbols "LEN" and "LEN.B." respectively. Lennar Corporation is one of the largest homebuilders in the United States based on home sales revenues and net earnings, and operates under a number of brand names, including Lennar Homes and U.S. Home. Lennar Corporation primarily develops residential communities both within the Lennar Corporation family of builders and through consolidated and unconsolidated partnerships in which Lennar Corporation maintains an interest.

Lennar Corporation is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and, in accordance therewith, files reports, proxy statements, and other information, including financial statements, with the Securities and Exchange Commission (the "SEC"). Such filings, particularly Lennar Corporation's annual report on Form 10-K and its most recent quarterly report on Form 10-Q, may be inspected and copied at the public reference facilities maintained by the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. Such filings can also be accessed over the internet at the SEC's website at www.sec.gov.

Copies of Lennar Corporation's Annual Report on Form 10-K and related financial statements are available from Lennar Corporation's website at www.lennar.com. *This internet address is included for reference only and the information on the internet site is not a part of this Official Statement and is not incorporated by reference into this Official Statement. No representation is made in this Official Statement as to the accuracy or adequacy of the information contained on the internet site.*

SPECIAL RISK FACTORS

The purchase of the 2026 Bonds involves significant risks that are not appropriate investments for certain investors. The following is a discussion of certain risk factors which should be considered, in addition to other matters set forth herein, in evaluating the investment quality of the 2026 Bonds. The 2026 Bonds have not been rated by a rating agency. This discussion does not purport to be comprehensive or definitive and does not purport to be a complete statement of all factors which may be considered as risks in evaluating the credit quality of the 2026 Bonds. The occurrence of one or more of the events discussed below could adversely affect the ability or willingness of property owners in Improvement Area No. 2 to pay the Special Tax when due. Such failures to pay the Special Tax could result in the inability of the City to make full and punctual payments of debt service on the 2026 Bonds. In addition, the occurrence of one or more of the events discussed below could adversely affect the value of the property in Improvement Area No. 2. See "— Property Values" and "— Limited Secondary Market."

Risks of Real Estate Secured Investments Generally

The 2026 Bond owners will be subject to the risks generally incident to an investment secured by real estate, including, without limitation, (i) adverse changes in local market conditions, such as changes in the market value of real property in the vicinity of Improvement Area No. 2, the supply of or demand for competitive properties in such area, and the market value of residential property or buildings and/or sites in the event of sale or foreclosure; (ii) changes in real estate tax rates and other operating expenses, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies; (iii) natural disasters (including, without limitation, earthquakes, fires and floods), which may result in uninsured losses; and (iv) high rate of inflation, rising interest rates and other economic trends that adversely affects consumers, whether cyclical or resulting from, among other factors, geopolitical events, military campaigns or international trade policy.

No assurance can be given that the Developer, Lennar Homes, any future developers or any future homeowners within Improvement Area No. 2 will pay the Special Tax on their property in the future or that they will be able to pay the Special Tax on a timely basis. See "— Bankruptcy and Foreclosure" below, for a

discussion of certain limitations on the City's ability to pursue judicial proceedings with respect to delinquent parcels.

Concentration of Ownership

As of August 15, 2026, there were 481 homes closed to individual homeowners and the balance of the property within Improvement Area No. 2 was owned by the Developer and Lennar Homes. Until substantially more homes are conveyed to individual homeowners or future developers, a substantial portion of the property within Improvement Area No. 2 will be owned by the Developer and Lennar Homes. See "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2" and "PROPERTY OWNERSHIP" above.

Failure of the Developer, Lennar Homes or any future developers within Improvement Area No. 2, or any of their successor(s) to pay the Special Tax when due could result in a draw on the Bond Reserve Fund, and ultimately a default in payments of the principal of, and interest on, the 2026 Bonds, when due. No assurance can be given that the Developer, Lennar Homes or any future developers within Improvement Area No. 2, or their successors, will complete the remaining intended construction and development in Improvement Area No. 2. See "— Failure to Develop Properties."

The City expects to levy the Special Tax on Developed Property and Final Map Property within Improvement Area No. 2 in future Fiscal Years to meet the Special Tax Requirement, which as of the date of this Official Statement, is owned by individual homeowners, the Developer and Lennar Homes. In the event that the Developer and/or Lennar Homes fail to complete the intended construction and development in Improvement Area No. 2, the Special Tax will continue to be levied on Final Map Property owned by the Developer and/or Lennar Homes. No assurance can be given that the Developer, Lennar Homes or any future developers or individual homeowners that purchase property within Improvement Area No. 2 will pay the Special Tax in the future or that they will be able to pay such Special Tax on a timely basis. See "— Bankruptcy and Foreclosure" for a discussion of certain limitations on the City's ability to pursue judicial proceedings with respect to delinquent parcels.

Failure to Develop Properties

Development of property within Improvement Area No. 2 may be subject to unexpected delays, disruptions and changes which may affect the willingness and ability of the Developer, Lennar Homes, any future developers, or any property owner to pay the Special Tax when due. Land development is subject to comprehensive federal, State and local regulations. Approval is required from various agencies in connection with the layout and design of developments, the nature and extent of improvements, construction activity, land use, zoning, school and health requirements, as well as numerous other matters. There is always the possibility that such approvals will not be obtained or, if obtained, will not be obtained on a timely basis. See "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2." Failure to obtain any such agency approval or satisfy such governmental requirements would adversely affect planned land development. Development of land in Improvement Area No. 2 is also subject to the availability of water. Finally, development of land is subject to economic considerations.

As of the date of this Official Statement, the property owned by the Developer and Lennar Homes ranged from homes under construction to near-finished lots. No assurance can be given that the remaining proposed development will be partially or fully completed; and for purposes of evaluating the investment quality of the 2026 Bonds, prospective purchasers should consider the possibility that such parcels will progress beyond their current status of improvement.

Undeveloped or partially developed land is inherently less valuable than developed land and provides less security to the Holders should it be necessary for the City to foreclose on the property due to the nonpayment of the Special Tax. The failure to complete development in Improvement Area No. 2 as planned, or substantial delays in the completion of the development due to litigation or other causes may reduce the

value of the property within Improvement Area No. 2 and increase the length of time during which the Special Tax will be payable from undeveloped property, and may affect the willingness and ability of the owners of property within Improvement Area No. 2 to pay the Special Tax when due.

There can be no assurance that land development within Improvement Area No. 2 will not be adversely affected by future deterioration of the real estate market and economic conditions or future local, State and federal governmental policies relating to real estate development, an increase in mortgage interest rates, the income tax treatment of real property ownership, or the national economy. A slowdown of the development process and the absorption rate could adversely affect land values and reduce the ability or desire of the property owners to pay the Special Tax. In that event, there could be a default in the payment of principal of, and interest on, the 2026 Bonds when due.

Holders of 2026 Bonds should assume that any event that significantly impacts the ability to develop land in Improvement Area No. 2 would cause the property values within Improvement Area No. 2 to decrease substantially from those estimated by the Appraiser and could affect the willingness and ability of the owners of land within Improvement Area No. 2 to pay the Special Tax when due.

The City expects to levy the Special Tax on Developed Property and Final Map Property in future fiscal years until the Special Tax levied on Developed Property is sufficient to fund the Special Tax Requirement. Undeveloped property is less valuable per unit of area than property with improvements thereon, especially if there are no plans to develop such land or if there are severe restrictions on the development of such land. Undeveloped property also provides less security to the Holders should it be necessary for the City to foreclose on such undeveloped property due to the nonpayment of the Special Tax. Furthermore, an inability to develop the land within Improvement Area No. 2 as currently proposed will make the Holders dependent upon timely payment of the Special Tax levied on property without improvement value. A slowdown or stoppage in the continued development of Improvement Area No. 2 could reduce the willingness and ability of the Developer and Lennar Homes to make Special Tax payments on undeveloped property that they own and could greatly reduce the value of such property in the event it has to be foreclosed upon. See "— Property Values."

Limited Obligations

The 2026 Bonds are not payable from the general funds of the City. Except with respect to the Net Special Tax Revenues, neither the full faith and credit nor the taxing power of the City is pledged for the payment of the 2026 Bonds or related interest, and, except as provided in the Indenture, no owner of the 2026 Bonds may compel the exercise of any taxing power by the City or force the forfeiture of any City property. The principal of, premium, if any, and interest on the 2026 Bonds are not a debt of the City or a legal or equitable pledge, charge, lien or encumbrance upon any of the City's property or upon any of the City's income, receipts or revenues, except the Net Special Tax Revenues and other amounts pledged under the Indenture.

Insufficiency of Special Tax

Under the Second Amended Rate and Method, the annual amount of Special Tax to be levied on Taxable Property in Improvement Area No. 2 will generally be based on the land use category of such parcels. See APPENDIX A — "SECOND AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX" and "SOURCES OF PAYMENT FOR THE BONDS — Special Tax — *Second Amended Rate and Method of Apportionment of Special Tax.*"

In order to pay debt service on the Bonds, it is necessary that the Special Tax be paid in a timely manner. The City will deposit a portion of the proceeds of the 2026 Bonds into the Bond Reserve Fund to increase the amount therein to the Required Bond Reserve as of the date of issuance of the 2026 Bonds. See "SOURCES OF PAYMENT FOR THE BONDS — Bond Reserve Fund." The City will covenant in the

Indenture to maintain in the Bond Reserve Fund an amount equal to the Required Bond Reserve, subject, however, to the limitation that the City may not levy the Special Tax in Improvement Area No. 2 in any Fiscal Year at a rate in excess of the maximum amounts permitted under the Second Amended Rate and Method. In addition, pursuant to the Act, under no circumstances will the Special Tax levied in any Fiscal Year against property within Improvement Area No. 2 for which an occupancy permit for private residential use has been issued be increased as a consequence of delinquency or default by the owner of any other property within Improvement Area No. 2 by more than 10% above the amount that would have been levied in such Fiscal Year had there never been any such delinquencies or defaults. As a result, if a significant number of delinquencies occur, the City could be unable to replenish the Bond Reserve Fund to the Required Bond Reserve due to the limitations on the maximum Special Tax. If such defaults were to continue in successive years, the Bond Reserve Fund could be depleted and a default on the 2026 Bonds could occur.

The City will covenant in the Indenture that, under certain conditions, it will institute foreclosure proceedings to sell any property with a delinquent Special Tax in order to obtain funds to pay debt service on the Bonds. If foreclosure proceedings were ever instituted, any mortgage or deed of trust holder could, but would not be required to, advance the amount of the delinquent Special Tax to protect its security interest. See "SOURCES OF PAYMENT FOR THE BONDS — Special Tax —*Foreclosure Covenant*" for provisions which apply in the event of such foreclosure and which the City is required to follow in the event of delinquencies in the payment of the Special Tax.

In the event that sales or foreclosures of property are instituted, there could be a delay in payments to owners of the 2026 Bonds (if the Bond Reserve Fund has been depleted) pending such sales or the prosecution of such foreclosure proceedings and receipt by the City of the proceeds of sale. The City may adjust the future Special Tax levied on Taxable Property in Improvement Area No. 2, subject to the limitation on the maximum Special Tax, to provide an amount required to pay interest on, principal of, and redemption premiums, if any, on the Bonds, and the amount, if any, necessary to replenish the Bond Reserve Fund to an amount equal to the Required Bond Reserve and to pay all current expenses. There is, however, no assurance that the total amount of the Special Tax that could be levied and collected against Taxable Property in Improvement Area No. 2 will be at all times sufficient to pay the amounts required to be paid by the Indenture, even if the Special Tax is levied at the maximum Special Tax rates. See "—Bankruptcy and Foreclosure" for a discussion of potential delays in foreclosure actions.

The Second Amended Rate and Method governing the levy of the Special Tax provides that no Special Tax shall be levied on Exempt Property (as defined in the Second Amended Rate and Method). See APPENDIX A — "SECOND AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX." If for any reason property within Improvement Area No. 2 becomes exempt from taxation by reason of ownership by a non-taxable entity such as the federal government or another public agency, subject to the limitations of the maximum authorized rates, the Special Tax will be reallocated to the remaining taxable properties within Improvement Area No. 2. This would result in the owners of such property paying a greater amount of the Special Tax and could have an adverse impact upon the ability and willingness of the owners of such property to pay the Special Tax when due.

The Act provides that, if any property within Improvement Area No. 2 not otherwise exempt from the Special Tax is acquired by a public entity through a negotiated transaction, or by gift or devise, the Special Tax will continue to be levied on and enforceable against the public entity that acquired the property. In addition, the Act provides that, if property subject to the Special Tax is acquired by a public entity through eminent domain proceedings, the obligation to pay the Special Tax with respect to that property is to be treated as if it were a special assessment and be paid from the eminent domain award. The constitutionality and operation of these provisions of the Act have not been tested in the courts. Due to problems of collecting taxes from public agencies, if a substantial portion of land within Improvement Area No. 2 was to become owned by public agencies, collection of the Special Tax might become more difficult and could result in collections of the Special Tax which might not be sufficient to pay principal of and interest on the 2026 Bonds when due and a default could occur with respect to the payment of such principal and interest.

Impact of Economic Conditions on the Development in the District

Certain events and factors which negatively affect the regional, State and national economies could have an adverse effect on the pace at which the current or future developers in Improvement Area No. 2 can complete the remaining infrastructure and future homes, and demand by, and the ability of individuals to purchase homes within Improvement Area No. 2. Such events and factors could include rising inflation and interest rates, persistent supply chain issues, global market instability caused by geopolitical events or political instability, military campaigns or international trade policy. Any adverse impact of the foregoing and other economic factors on the projects in Improvement Area No. 2 and the real estate market in general cannot be predicted.

Increasing Mortgage Interest Rates

Increases in mortgage interest rates could have a negative impact on the estimated absorption rates of the planned for-sale residential units in Improvement Area No. 2 described herein. With respect to entry-level and move-up households (which includes the market for the projects in Improvement Area No. 2), increased mortgage interest rates may adversely impact the affordability of homes and may increase mortgage payment levels for owning a lower-priced home relative to renting a residence, thereby making purchasing less attractive. With respect to move-up households, higher mortgage interest rates may impact the desire of current homeowners to move from their present home due to the fact that their present home likely has a relatively low mortgage interest rate. In addition, in such instances, a new home would likely have a higher interest rate on a new mortgage loan as well as a higher purchase price and property taxes. Such considerations may decrease the desire for move-up households to purchase a new home. The foregoing factors could reduce demand for and/or the ability to achieve the sales prices of the planned for-sale homes within Improvement Area No. 2 as described herein.

Teeter Plan Termination

The County has implemented its Teeter Plan as an alternate procedure for the distribution of certain property tax and assessment levies on the secured roll. Pursuant to its Teeter Plan, the County has elected to provide local agencies and taxing areas with full tax and assessment levies instead of actual tax and assessment collections. In return, the County is entitled to retain all delinquent tax and assessment payments, penalties and interest.

The County's policy is that any new taxing entity or special assessment district that includes its levy on the County tax roll is qualified to be under the County's Teeter Plan. Improvement Area No. 2 is currently included in the County's Teeter Plan. Thus, the County's Teeter Plan may protect the Holders of the 2026 Bonds from the risk of delinquencies in the payment of the Special Tax. However, the County is entitled, and under certain circumstances could be required, to terminate its Teeter Plan with respect to all or part of the local agencies and taxing areas covered thereby, or with respect to any individual parcel. A termination of the Teeter Plan with respect to Improvement Area No. 2 or individual parcels therein would eliminate such protection from delinquencies in the payment of the Special Tax. See "SOURCES OF PAYMENT FOR THE BONDS — Teeter Plan."

Natural Disasters

The market value and habitability of the property within Improvement Area No. 2 can be adversely affected by a variety of factors that cause damage to public and private improvements. Those additional factors include, without limitation, geologic conditions (such as earthquakes), topographic conditions (such as earth movements) and climatic conditions (such as droughts, fire hazard, and floods). Such events may become more frequent or extreme as a result of climate change. Certain commentators have observed that the increased intensity of recent climatic and weather events which have occurred in various parts of the world are

likely caused by climate change. There can be no assurance that current methods will be successful in protecting the property in the District from such events.

With respect to geologic conditions, building codes require that some of these factors be taken into account in the design of private improvements of the parcels, and the City has adopted the Uniform Building Code standards with regard to seismic standards. Design criteria are established upon the basis of a variety of considerations and may change, leaving previously designed improvements unaffected by more stringent subsequently established criteria. In general, design criteria reflect a balance at the time of establishment between the present costs of protection and the future costs of lack of protection, based in part upon a present perception of the probability that the condition will occur and the seriousness of the condition should it occur. Consequently, neither the absence of, nor the establishment of, design criteria with respect to any particular condition means that the applicable governmental agency has evaluated the condition and has established design criteria in the situations in which the criteria are needed to preserve value, or has established the criteria at levels that will preserve value. To the contrary, the City expects that one or more of such conditions may occur and may result in damage to improvements of varying seriousness; that the damage may entail significant repair or replacement costs; and that repair or replacement may never occur because of the cost, because repair or replacement will not facilitate habitability or other use, or because other considerations preclude repair or replacement. Under any of these circumstances, the actual value of the parcels might depreciate or disappear, notwithstanding the establishment of design criteria for any such condition.

Improvement Area No. 2 is located within the Natomas Basin, which is currently designated as Zone A99, meaning that, among other things, at least 50% of the improvements required to achieve 100-year flood protection have been completed. See "THE DISTRICT AND IMPROVEMENT AREA NO. 2 — De Facto Building Moratorium from 2008 to 2015" and "—Flood Hazard." The area within the Natomas Basin has experienced flood events. For instance, in 1986, flooding caused seepage in the levees within the proximity of the Sacramento International Airport. In December 2020 and January 2023, significant rainstorms caused flooding in certain parts of the County. The area within the Natomas Basin (including Improvement Area No. 2) did not experience flooding and was not impacted by the flooding which occurred in other parts of the County. As described in this Official Statement, completion of the Natomas Levee Project does not eliminate the risk of flood-related property damage within the Natomas Basin (including Improvement Area No. 2).

In recent years, wildfires have caused extensive damage throughout the State. Certain of these fires have burned thousands of acres and destroyed hundreds and in some cases thousands of homes. In some instances entire neighborhoods have been destroyed. Several fires which occurred in recent years damaged or destroyed property in areas that were not previously considered to be at risk from such events. Additionally, property located adjacent to burn areas can be subject to mudslides and flooding, which can cause significant damage and destruction to property. Improvement Area No. 2 is not located in an area which the Department of Forestry and Fire Protection of the State of California and the Office of the State Fire Marshal has designated as a high fire hazard severity zone.

Hazardous Substances

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

Further, it is possible that liabilities may arise in the future with respect to any of the parcels resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling such substance. All of these possibilities could significantly affect the value of a parcel that is realizable upon a delinquency and the willingness or ability of the owner of any parcel to pay the Special Tax installments.

The value of the Taxable Property within Improvement Area No. 2, as set forth in the various tables and elsewhere in this Official Statement, does not reflect the presence of any hazardous substance or the possible liability of the owner (or operator) for the remedy of a hazardous substance condition of the property. The City has not independently determined whether any owner (or operator) of any of the parcels within Improvement Area No. 2 has such a current liability with respect to any such parcel; nor is the City aware of any owner (or operator) who has such a liability. However, it is possible that such liabilities do currently exist and that the City is not aware of them. It is possible that future events relating to hazardous substances or environmental issues could impact the development within Improvement Area No. 2.

Payment of the Special Tax is not a Personal Obligation of the Property Owners

An owner of a Taxable Parcel is not personally obligated to pay the Special Tax. Rather, the Special Tax is an obligation which is secured only by a lien against the Taxable Property. If the value of a Taxable Parcel is not sufficient, taking into account other liens imposed by public agencies, to secure fully the Special Tax, the City has no recourse against the property owner.

Property Values

The value of the property within Improvement Area No. 2 is a critical factor in determining the investment quality of the 2026 Bonds. If a property owner is delinquent in the payment of the Special Tax, the City's only remedy is to institute foreclosure proceedings against the delinquent parcel in an attempt to obtain funds to pay the Special Tax. Reductions in property values due to a downturn in the economy, physical events such as earthquakes, fires or floods, stricter land use regulations, delays in development or other events will adversely impact the security underlying the Special Tax. In addition, the property in Improvement Area No. 2 is located approximately four miles from the Sacramento International Airport and no assurances can be made that such proximity to the airport will not have an impact on property values within Improvement Area No. 2 in the future. See "THE DISTRICT AND IMPROVEMENT AREA NO. 2 — Value-To-Lien Ratios."

The Appraisal Report does not reflect any possible negative impact which could occur by reason of future slow or no growth voter initiatives, an economic downturn, any potential limitations on development occurring due to time delays, an inability of any landowner to obtain any needed development approval or permit, the presence of hazardous substances or other adverse soil conditions within Improvement Area No. 2, the listing of endangered species or the determination that habitat for endangered or threatened species exists within Improvement Area No. 2, or other similar situations.

Prospective purchasers of the 2026 Bonds should not assume that the land and improvements within Improvement Area No. 2 could be sold for the amount stated in the Appraisal Report at a foreclosure sale as a result of delinquencies in the Special Tax. In arriving at the estimate of market value of the Taxable Property within Improvement Area No. 2, the Appraiser assumes that any sale will be sold in a competitive market after a reasonable exposure time; the Appraiser also assumes that neither the buyer or seller is under duress, which is not always true in a foreclosure sale. See APPENDIX B-1 — "APPRAISAL REPORT AND UPDATE APPRAISAL REPORT" for a description of other assumptions made by the Appraiser and for the definitions and limiting conditions used by the Appraiser. Any event which causes any of the Appraiser's assumptions to

be untrue could result in a reduction of the value of the Taxable Property within Improvement Area No. 2 below that which was estimated by the Appraiser.

The assessed values set forth in this Official Statement do not represent market values arrived at through an appraisal process and generally reflect only the sales price of a parcel when acquired by its current owner, adjusted annually by an amount determined by the County Assessor, generally not to exceed an increase of more than 2% per fiscal year. No assurance can be given that a parcel could actually be sold for its assessed value.

No assurance can be given that any bid will be received for a parcel with delinquencies in the Special Tax offered for sale at foreclosure or, if a bid is received, that such bid will be sufficient to pay all delinquencies in the Special Tax. See "SOURCES OF PAYMENT FOR THE BONDS — Special Tax — *Foreclosure Covenant*."

Parity Taxes and Special Assessments

Property within Improvement Area No. 2 is subject to taxes and assessments imposed by other public agencies also having jurisdiction over the land within Improvement Area No. 2. See "THE DISTRICT AND IMPROVEMENT AREA NO. 2 — Direct and Overlapping Indebtedness." Individual property owners may also place assessment liens on their property under the Property Assessed Clean Energy (PACE) program to finance certain renewable energy systems, energy efficiency and water conservation improvement.

The Special Tax and any penalties thereon will constitute a lien against the lots and parcels of land on which they will be annually imposed until they are paid. Such lien is on a parity with all special taxes and special assessments levied by other agencies and is co-equal to and independent of the lien for general property taxes regardless of when they are imposed upon the same property. The Special Tax has priority over all existing and future private liens imposed on the property except, possibly, for liens or security interests held by the Federal Deposit Insurance Corporation. See "— Bankruptcy and Foreclosure."

The City has no control over the ability of other entities and districts to issue indebtedness secured by special taxes, *ad valorem* taxes or assessments payable from all or a portion of the property within Improvement Area No. 2. In addition, the landowners within Improvement Area No. 2 may, without the consent or knowledge of the City, petition other public agencies to issue public indebtedness secured by special taxes and *ad valorem* taxes or assessments. Any such special taxes or assessments may have a lien on such property on a parity with the Special Tax and could reduce the estimated value-to-lien ratios for the property within Improvement Area No. 2 described herein. See "SOURCES OF PAYMENT FOR THE BONDS" and "THE DISTRICT AND IMPROVEMENT AREA NO. 2 — Direct and Overlapping Indebtedness" and "— Value-To-Lien Ratios."

Disclosures to Future Purchasers

The willingness or ability of an owner of Taxable Property to pay the Special Tax may be affected by whether the owner (1) was given due notice of the Special Tax authorization when the owner purchased the property; (2) was informed of the amount of the Special Tax on the property should the Special Tax be levied at the maximum tax rate, and the risk of such a levy; and (3) has the ability at the time of such a levy to pay it as well as pay other expenses and obligations. The City has caused a notice of the Special Tax to be recorded in the Office of the Recorder for the County against the Taxable Property. While title companies normally refer to such notices in title reports, there can be no guarantee that such reference will be made or, if made, that a prospective purchaser or lender will consider such Special Tax obligation in the purchase of a property within Improvement Area No. 2 or lending of money thereon.

The Act requires the subdivider (or its agent or representative) of a subdivision to notify a prospective purchaser or long-term lessor of any lot, parcel, or unit subject to a special tax under the Act of the existence

and maximum amount of such special tax using a statutorily prescribed form. California Civil Code Section 1102.6b requires that in the case of transfers other than those covered by the above requirement, the seller must at least make a good faith effort to notify the prospective purchaser of the special tax lien in a format prescribed by statute. Failure by an owner of the property to comply with the above requirements, or failure by a purchaser or lessor to consider or understand the nature and existence of the Special Tax, could adversely affect the willingness and ability of the purchaser or lessor to pay the Special Tax when due.

Special Tax Collections

Under provisions of the Act, the Special Tax, from which funds necessary for the payment of principal of, and interest on, the Bonds are derived, will be billed to the properties within Improvement Area No. 2 on the regular *ad valorem* property tax bills sent to owners of such properties by the County Tax Collector. The Act currently provides that such Special Tax installments are due and payable, and bear the same penalties and interest for non-payment, as do *ad valorem* property tax installments.

See "SOURCES OF PAYMENT FOR THE BONDS — Special Tax — *Foreclosure Covenant*" for a discussion of the provisions which apply, and procedures which the City is obligated to follow under the Indenture, in the event of delinquencies in the payment of the Special Tax. See "— Bankruptcy and Foreclosure" for a discussion of the policy of the Federal Deposit Insurance Corporation regarding the payment of special taxes and assessment and limitations on the City's ability to foreclosure on the lien of the Special Tax in certain circumstances.

FDIC/Federal Government Interests in Properties

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

The supremacy clause of the United States Constitution reads as follows: "This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the contrary notwithstanding."

This means that, unless Congress has otherwise provided, if a federal governmental entity owns a parcel that is subject to the Special Tax within Improvement Area No. 2 but does not pay taxes and assessments levied on the parcel (including the Special Tax), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

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

The City has not undertaken to determine whether any federal governmental entity currently has, or is likely to acquire, any interest (including a mortgage interest) in any of the parcels subject to the Special Tax within Improvement Area No. 2, and therefore expresses no view concerning the likelihood that the risks described above will materialize while the 2026 Bonds are outstanding.

FDIC. If any financial institution making any loan which is secured by real property within Improvement Area No. 2 is taken over by the FDIC, and prior thereto or thereafter the loan or loans go into default, resulting in ownership of the property by the FDIC, then the ability of the City to collect interest and penalties specified by State law and to foreclose the lien of delinquent unpaid amounts of the Special Tax may be limited. The FDIC's policy statement regarding the payment of state and local real property taxes (the "Policy Statement") provides that property owned by the FDIC is subject to state and local real property taxes only if those taxes are assessed according to the property's value, and that the FDIC is immune from real property taxes assessed on any basis other than property value. According to the Policy Statement, the FDIC will pay its property tax obligations when they become due and payable and will pay claims for delinquent property taxes as promptly as is consistent with sound business practice and the orderly administration of the institution's affairs, unless abandonment of the FDIC's interest in the property is appropriate. The FDIC will pay claims for interest on delinquent property taxes owed at the rate provided under state law, to the extent the interest payment obligation is secured by a valid lien. The FDIC will not pay any amounts in the nature of fines or penalties and will not pay nor recognize liens for such amounts. If any property taxes (including interest) on FDIC-owned property are secured by a valid lien (in effect before the property became owned by the FDIC), the FDIC will pay those claims. The Policy Statement further provides that no property of the FDIC is subject to levy, attachment, garnishment, foreclosure or sale without the FDIC's consent. In addition, the FDIC will not permit a lien or security interest held by the FDIC to be eliminated by foreclosure without the FDIC's consent.

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

The City is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency in the payment of the Special Tax on a parcel within Improvement Area No. 2 in which the FDIC has or obtains an interest, although prohibiting the lien of the Special Tax to be foreclosed out at a judicial foreclosure sale could reduce or eliminate the number of persons willing to purchase a parcel at a foreclosure sale. Such an outcome could cause a draw on the Bond Reserve Fund and perhaps, ultimately, if enough property were to become owned by the FDIC, a default in payment on the 2026 Bonds.

Bankruptcy and Foreclosure

Bankruptcy, insolvency and other laws generally affecting creditors' rights could adversely impact the interests of owners of the 2026 Bonds. The payment of property owners' taxes and the ability of the City to foreclose the lien of a delinquent unpaid Special Tax pursuant to its covenant to pursue judicial foreclosure proceedings may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State relating to judicial foreclosure. See "SOURCES OF PAYMENT FOR THE BONDS—Special Tax—*Foreclosure Covenant*." In addition, the prosecution of a foreclosure could be delayed due to many reasons, including crowded local court calendars or lengthy procedural delays.

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

On July 30, 1992, the United States Court of Appeals for the Ninth Circuit issued its opinion in a bankruptcy case entitled *In re Glasply Marine Industries, Inc. ("Glasply")*. In that case, the court held that *ad valorem* property taxes levied by Snohomish County in the State of Washington after the date that the property owner filed a petition for bankruptcy were not entitled to priority over a secured creditor with a prior lien on the property. Although the court upheld the priority of unpaid taxes imposed before the bankruptcy petition, unpaid taxes imposed after the filing of the bankruptcy petition were declared to be "administrative expenses" of the bankruptcy estate, payable after all secured creditors. As a result, the secured creditor was able to foreclose on the property and retain all the proceeds of the sale except the amount of the pre-petition taxes.

The Bankruptcy Reform Act of 1994 (the "Bankruptcy Reform Act") included a provision which excepts from the Bankruptcy Code's automatic stay provisions, "the creation of a statutory lien for an *ad valorem* property tax imposed by . . . a political subdivision of a state if such tax comes due after the filing of the petition [by a debtor in bankruptcy court]." This amendment effectively makes the *Glasply* holding inoperative as it relates to *ad valorem* real property taxes. However, it is possible that the original rationale of the *Glasply* ruling could still result in the treatment of post-petition special taxes as "administrative expenses," rather than as tax liens secured by real property, at least during the pendency of bankruptcy proceedings.

According to the court's ruling, as administrative expenses, post-petition taxes would be paid, assuming that the debtor had sufficient assets to do so. In certain circumstances, payment of such administrative expenses may be allowed to be deferred. Once the property is transferred out of the bankruptcy estate (through foreclosure or otherwise), it would at that time become subject to current *ad valorem* taxes.

The Act provides that the Special Tax is secured by a continuing lien which is subject to the same lien priority in the case of delinquency as *ad valorem* property taxes. No case law exists with respect to how a bankruptcy court would treat the lien for the Special Tax levied after the filing of a petition in bankruptcy court. *Glasply* is controlling precedent on bankruptcy courts in the State. If the *Glasply* precedent was applied to the levy of the Special Tax, the amount of the Special Tax received from parcels whose owners declare bankruptcy could be reduced.

The various legal opinions to be delivered concurrently with the delivery of the 2026 Bonds (including Bond Counsel's approving legal opinion) will be qualified, as to the enforceability of the various legal instruments, by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

No Acceleration Provision

The Bonds do not contain a provision allowing for the acceleration of the Bonds in the event of a payment default or other default under the terms of the Bonds or the Indenture or in the event interest on the 2026 Bonds becomes included in gross income for federal income tax purposes. Pursuant to the Indenture, the Trustee is given the right for the equal benefit and protection of all Holders of the Bonds similarly situated to pursue certain remedies described in APPENDIX E — "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE — Events of Default and Remedies."

Loss of Tax Exemption

As discussed under the caption "TAX MATTERS," interest on the 2026 Bonds could be included in gross income for purposes of federal income taxation retroactive to the date the 2026 Bonds were issued as a result of future acts or omissions of the City in violation of its covenants in the Indenture with respect to compliance with certain provisions of the Internal Revenue Code of 1986. Should such an event of taxability occur, the 2026 Bonds are not subject to early redemption and will remain outstanding until maturity or until redeemed under the redemption provisions contained in the Indenture.

Limited Secondary Market

There can be no guarantee that there will be a secondary market for the 2026 Bonds or, if a secondary market exists, that such 2026 Bonds can be sold for any particular price. Although the City has committed to provide certain statutorily required financial and operating information, there can be no assurance that such information will be available to Holders on a timely basis. See "CONTINUING DISCLOSURE." Any failure to provide annual financial information, if required, does not give rise to monetary damages but merely an action for specific performance. Occasionally, because of general market conditions, lack of current information, the absence of a credit rating for the 2026 Bonds or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price.

Proposition 218

An initiative measure commonly referred to as the "Right to Vote on Taxes Act" (the "Initiative") was approved by the voters of the State at the November 5, 1996 general election. The Initiative added Article XIIIC and Article XIIID to the California Constitution. According to the "Title and Summary" of the Initiative prepared by the California Attorney General, the Initiative limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." The provisions of the Initiative as they may relate to community facilities district are subject to interpretation by the courts. The Initiative could potentially impact the Special Tax available to the City to pay the principal of and interest on the 2026 Bonds as described below.

Among other things, Section 3 of Article XIIIC states that ". . . the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge." The Act provides for a procedure which includes notice, hearing, protest and voting requirements to alter the rate and method of apportionment of an existing special tax. However, the Act prohibits a legislative body from adopting any resolution to reduce the rate of any special tax or terminate the levy of any special tax pledged to repay any debt incurred pursuant to the Act unless such legislative body determines that the reduction or termination of the special tax would not interfere with the timely retirement of that debt. On July 1, 1997, a bill was signed into law by the Governor of the State enacting Government Code Section 5854, which states that:

> "Section 3 of Article XIIIC of the California Constitution, as adopted at the November 5, 1996, general election, shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after that date, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights protected by Section 10 of Article I of the United States Constitution."

Accordingly, although the matter is not free from doubt, it is likely that the Initiative has not conferred on the voters the power to repeal or reduce the Special Tax if such reduction would interfere with the timely retirement of the 2026 Bonds.

It may be possible, however, for voters or the City Council to reduce the Special Tax in a manner which does not interfere with the timely repayment of the 2026 Bonds, but which does reduce the maximum amount of the Special Tax that may be levied in any year below the existing levels. Furthermore, no assurance can be given with respect to the future levy of the Special Tax in amounts greater than the amount necessary for the timely retirement of the 2026 Bonds. Therefore, no assurance can be given with respect to the levy of the Special Tax for Expenses.

The interpretation and application of Article XIII C and Article XIII D will ultimately be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to

predict with certainty the outcome of such determination or the timeliness of any remedy afforded by the courts. See "SPECIAL RISK FACTORS — Limitations on Remedies."

Litigation with Respect to Community Facilities Districts

Shapiro. The California Court of Appeal, Fourth Appellate District, Division One, issued its opinion in *City of San Diego v. Melvin Shapiro* (2014) 228 Cal.App.4th 756 (the "San Diego Decision"). The case involved a Convention Center Facilities District (the "CCFD") established by the City of San Diego ("San Diego"). The CCFD is a financing district much like a community facilities district established under the provisions of the Act. The CCFD is comprised of all of the real property in San Diego. However, the special tax to be levied within the CCFD was to be levied only on hotel properties located within the CCFD.

The election authorizing the special tax was limited to owners of hotel properties and lessees of real property owned by a governmental entity on which a hotel is located. Thus, the election was not a registered voter election. Such approach to determining who would constitute the qualified electors of the CCFD was modeled after Section 53326(c) of the Act, which generally provides that, if a special tax will not be apportioned in any tax year on residential property, the legislative body may provide that the vote shall be by the landowners of the proposed district whose property would be subject to the special tax. The Court held that the CCFD special tax election was invalid under the California Constitution because Article XIIIA, Section 4 thereof and Article XIIIC, Section 2 thereof require that the electors in such an election be the registered voters within the district.

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

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

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

The superior court's final ruling is not binding upon other courts within the State and does not directly apply to Improvement Area No. 2, the Special Tax, or the Bonds. Although the City disagrees with the final ruling on a number of grounds, the City decided not to appeal.

The Special Tax Elections in Improvement Area No. 2. With respect to the San Diego Decision, the facts of such case show that there were thousands of registered voters within the CCFD (*viz.*, all of the registered voters in San Diego). The elections held in Improvement Area No. 2 had less than 12 registered voters at the time of the election to authorize the Special Tax. In the San Diego Decision, the court expressly stated that it was not addressing the validity of landowner voting to impose special taxes pursuant to the Act in

situations where there are fewer than 12 registered voters. Thus, by its terms, the court's holding in the San Diego Decision does not apply to the Special Tax election in Improvement Area No. 2. Moreover, Section 53341 of the Act provides that any "action or proceeding to attack, review, set aside, void or annul the levy of a special tax…shall be commenced within 30 days after the special tax is approved by the voters." Similarly, Section 53359 of the Act provides that any action to determine the validity of bonds issued pursuant to the Act be brought within 30 days of the voters approving the issuance of such bonds. The petitioners in *Horizon* filed the writ of mandate within 30 days of the landowner election. Landowners in Improvement Area No. 2 approved the Special Tax to be levied in accordance with the Second Amended Rate and Method on March 5, 2024. Based on Sections 53341 and 53359 of the Act and analysis of existing laws, regulations, rulings, and court decisions, the City believes that no successful challenge to the Special Tax being levied in accordance with the Second Amended Rate and Method may now be brought.

Ballot Initiatives

Articles XIII A, XIII B, XIII C and XIII D were adopted pursuant to measures qualified for the ballot pursuant to California's constitutional initiative process and the State Legislature has in the past enacted legislation which has altered the spending limitations or established minimum funding provisions for particular activities. On March 6, 1995, in the case of *Rossi v. Brown*, the State Supreme Court held that an initiative can repeal a tax ordinance and prohibit the imposition of further such taxes and that the exemption from the referendum requirements does not apply to initiatives. From time to time, other initiative measures could be adopted by California voters or legislation enacted by the legislature. The adoption of any such initiative or legislation might place limitations on the ability of the State, the City, or local districts to increase revenues or to increase appropriations or on the ability of the Developer, Lennar Homes and any future builders to complete the remaining proposed development within Improvement Area No. 2.

Limitations on Remedies

Remedies available to the owners of the 2026 Bonds may be limited by a variety of factors and may be inadequate to assure the timely payment of principal of and interest on the 2026 Bonds or to preserve the tax-exempt status of interest on the 2026 Bonds.

Bond Counsel has limited its opinion as to the enforceability of the 2026 Bonds and of the Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws affecting generally the enforcement of creditor's rights, by equitable principles and by the exercise of judicial discretion and by limitations on remedies against public agencies in the State of California. The Bonds are not subject to acceleration. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation or modification of the rights of the owners.

Potential Early Redemption of Bonds from Prepayments or Community Facilities District Bond Proceeds

The Developer, Lennar Homes and any future individual property owner, are permitted to prepay the Special Tax obligation on their property at any time. Such prepayments could also be made from the proceeds of bonds issued by or on behalf of an overlapping community facilities district. Such prepayments will result in a redemption of the 2026 Bonds on the Interest Payment Date for which timely notice may be given under the Indenture following the receipt of the prepayment. The resulting redemption of 2026 Bonds that were purchased at a price greater than par could reduce the otherwise expected yield on such 2026 Bonds. See the caption "THE 2026 BONDS—Redemption—*Extraordinary Redemption from Special Tax Prepayments*."

Cyber Security

The City relies on computers and technology to conduct its operations. The City and its departments face cyber threats from time to time, including but not limited to hacking, viruses, malware, and other attacks on computers and other sensitive digital networks and systems. The City experienced a cyber event a few years ago relating to a fraudulently misdirected payment of a substantial amount. The City has recovered almost all of the payment and has implemented procedures intended to prevent a reoccurrence.

No assurances can be given that the City's security and operational control measures will guard against all cyber threats and attacks. The results of any attack on the City's computer and information-technology systems could adversely affect the City's operations and damage its digital networks and systems, and potential losses from such attacks, as well as the costs of defending against future attacks, could be substantial.

The City is also reliant on other entities and service providers in connection with the administration of the 2026 Bonds, including without limitation the County tax collector for the levy and collection of Special Tax and the Trustee. No assurance can be given that the City and these other entities will not be affected by cyber threats and attacks in a manner that may affect the 2026 Bond owners.

CONTINUING DISCLOSURE

City Continuing Disclosure

The City will execute a continuing disclosure certificate (the "Continuing Disclosure Certificate") for the benefit of the Holders and Beneficial Owners of the 2026 Bonds to provide certain financial information and operating data relating to Improvement Area No. 2 and to provide notices of the occurrence of certain enumerated events (the "Listed Events"). The City, as the initial dissemination agent under the Continuing Disclosure Certificate, will file the City Reports and notices of Listed Events with EMMA. The specific nature of the information to be included in the City Reports and the notices of Listed Events is set forth in APPENDIX F — "FORM OF CITY CONTINUING DISCLOSURE CERTIFICATE." The City will sign and deliver to the Underwriter the Continuing Disclosure Certificate to assist the Underwriter in complying with the Rule. The City will file the City Reports with EMMA no later than March 31 of each year. The first Annual Report that will be due on March 31, 2027.

The City believes it has established processes to ensure that in the future it will make its continuing disclosure filings as required.

The City is required to file certain financial statements with the City Reports. This requirement has been included in the Continuing Disclosure Certificate solely to satisfy the requirements of the Rule. The inclusion of this information does not mean that the 2026 Bonds are secured by any resources or property of the City other than as described in this Official Statement. See "SOURCES OF PAYMENT FOR THE BONDS" and "SPECIAL RISK FACTORS." The list of significant events the City has agreed to report includes items that have absolutely no application whatsoever to the 2026 Bonds. These items have been included in the list solely to satisfy the requirements of the Rule. Thus, any implication from the inclusion of these items in the list to the contrary notwithstanding, there are no credit enhancements applicable to the 2026 Bonds and there are no credit or liquidity providers with respect to the 2026 Bonds.

Developer and Lennar Homes Continuing Disclosure

To provide updated information with respect to the development within Improvement Area No. 2, the Developer and Lennar Homes will each execute a Continuing Disclosure Certificate (each a "Property Owner Continuing Disclosure Certificate"), and will covenant to provide the Developer Reports semi-annually not later than March 31 and September 30 of each year beginning March 31, 2027, until satisfaction of certain

conditions set forth in its Property Owner Continuing Disclosure Certificate. The Developer Reports provided by the Developer and Lennar Homes will contain updates regarding the development of the property that they each own within Improvement Area No. 2 as outlined in Section 4 of each Property Owner Continuing Disclosure Certificate attached as Appendix G. In addition to the Developer Reports, the Developer and Lennar Homes will agree to provide notices of certain events set forth in the Property Owner Continuing Disclosure Certificates.

Developer Continuing Disclosure Compliance. It is expected that individuals with Integral Communities will be responsible for preparing and filing the Developer Reports and event notices required by the Developer's Property Owner Continuing Disclosure Certificate. Integral Communities and its affiliates have entered into previous continuing disclosure undertakings in connection with the issuance of municipal bonds in the last five years. To the actual knowledge of the Developer, Integral Communities and its affiliates have not failed in any material respect to comply with any previous undertaking to provide periodic continuing disclosure reports or notices of material events with respect to community facilities districts or assessment districts in California within the past five years.

Lennar Homes Continuing Disclosure Compliance. It is expected that individuals with Lennar Homes will be responsible for preparing and filing the Developer Reports and event notices required by the Lennar Homes' Property Owner Continuing Disclosure Certificate. Lennar Homes has advised the City that, other than as disclosed in this paragraph, to the actual knowledge of Lennar Homes, Lennar Homes has not failed in any material respect to comply with any previous undertaking by it to provide periodic continuing disclosure reports or notices of material events with respect to community facilities districts or assessment districts in California within the past five years. However, in connection with the $5,795,000 City of Rancho Cordova Grantline 208 Community Facilities District No. 2018-1 Special Tax Bonds, Series 2021B, Lennar Homes inadvertently failed to file the initial annual report by the due date of April 1, 2022, but filed a curative report on September 21, 2022.

TAX MATTERS

Federal Tax Status. In the opinion of Jones Hall LLP, San Mateo, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the 2026 Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the 2026 Bonds may be subject to the corporate alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the City comply with all requirements of the Tax Code that must be satisfied subsequent to the issuance of the 2026 Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2026 Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a 2026 Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a 2026 Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes "original issue premium" for purposes of federal income taxes and State of California personal income taxes. *De minimis* original issue discount and original issue premium are disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner

thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the 2026 Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such 2026 Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such 2026 Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the 2026 Bonds who purchase the 2026 Bonds after the initial offering of a substantial amount of such maturity. Owners of such 2026 Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2026 Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering to the public at the first price at which a substantial amount of such 2026 Bonds is sold to the public.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the 2026 Bond (said term being the shorter of the 2026 Bond's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the 2026 Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a 2026 Bond is amortized each year over the term to maturity of the 2026 Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized 2026 Bond premium is not deductible for federal income tax purposes. Owners of premium 2026 Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such 2026 Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the 2026 Bonds is exempt from California personal income taxes.

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the 2026 Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the 2026 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the 2026 Bonds, or as to the consequences of owning or receiving interest on the 2026 Bonds, as of any future date. Prospective purchasers of the 2026 Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the 2026 Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2026 Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the 2026 Bonds, the ownership, sale or disposition of the 2026 Bonds, or the amount, accrual or receipt of interest on the 2026 Bonds.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the 2026 Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities

of the City, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The City has covenanted, however, to comply with the requirements of the Tax Code.

Bond Counsel's engagement with respect to the 2026 Bonds ends with the issuance of the 2026 Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the City or the Beneficial Owners regarding the tax-exempt status of the 2026 Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the City and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the City legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the 2026 Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the 2026 Bonds, and may cause the City or the Beneficial Owners to incur significant expense.

LEGAL MATTERS

The validity of the 2026 Bonds and certain other legal matters are subject to the approving opinion of Jones Hall LLP, Bond Counsel to the City. A complete copy of the proposed form of Opinion of Bond Counsel is attached hereto as Appendix C. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney.

Stradling Yocca Carlson & Rauth LLP, is serving as Disclosure Counsel to the City.

ABSENCE OF LITIGATION

In connection with the issuance of the 2026 Bonds, the Office of the City Attorney will deliver an opinion to the effect that, to its actual knowledge as of the date of delivery of the 2026 Bonds, the City has not been served with process in, and has not been overtly threatened with, any action, suit, proceeding, inquiry or investigation before or by any court, public board or body (a) that contests in any way the completeness or accuracy of this Official Statement; (b) that seeks to contest the validity of the Special Tax or to restrain or enjoin the collection of the Special Tax; (c) in which an unfavorable decision, ruling or finding is likely to have a material adverse effect on the City's ability to complete the transactions contemplated by the 2026 Bonds, the Indenture or this Official Statement; or (d) in which an unfavorable decision, ruling or finding is likely to have a material adverse effect on the validity or enforceability of the 2026 Bonds or the Indenture.

MUNICIPAL ADVISOR

Fieldman, Rolapp & Associates, Inc. (the "Municipal Advisor") has acted as Municipal Advisor to the City in conjunction with the issuance of the 2026 Bonds. The Municipal Advisor has assisted in matters related to the planning, structuring, execution, and delivery of the 2026 Bonds. The Municipal Advisor will receive compensation non-contingent upon the sale and delivery of the 2026 Bonds. The Municipal Advisor has not audited, authenticated, or otherwise independently verified the information set forth in this Official Statement, or any other related information available, with respect to accuracy and completeness of disclosure of such information. Because of this limited participation, the Municipal Advisor makes no guaranty, warranty, or other representation with respect to the accuracy or completeness of this Official Statement, or any other matter related to this Official Statement.

NO RATING

The City has not made and does not contemplate applying to any rating agency for the assignment of a rating to the 2026 Bonds.

UNDERWRITING

The 2026 Bonds are being purchased by Raymond James & Associates, Inc. The Underwriter has agreed to purchase the 2026 Bonds at a price of $_____, being $_____ aggregate principal amount thereof, [plus/less] original issue [premium/discount] of $_____ and less Underwriter's discount of $_____. The purchase contract relating to the 2026 Bonds provides that the Underwriter will purchase all of the 2026 Bonds if any are purchased. The obligation to make such purchase is subject to certain terms and conditions set forth in the purchase contract, the approval of certain legal matters by counsel and certain other conditions.

The Underwriter may offer and sell the 2026 Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page of this Official Statement. The offering prices may be changed from time to time by the Underwriter.

FINANCIAL INTERESTS

The fees being paid to the Underwriter, Bond Counsel, the Trustee and Underwriter's Counsel are contingent upon the issuance and delivery of the 2026 Bonds. A portion of the fee being paid to Disclosure Counsel is contingent upon the issuance and delivery of the 2026 Bonds. The fees being paid to the Appraiser, the Market Absorption Consultant, BBG, Inc., as the appraisal reviewer, the Municipal Advisor, and the Special Tax Consultant are not contingent upon the issuance and delivery of the 2026 Bonds. From time to time, Bond Counsel and Disclosure Counsel represent the Underwriter on matters unrelated to the 2026 Bonds and Underwriter's Counsel represents the City on matters unrelated to the 2026 Bonds.

PENDING LEGISLATION

The City is not aware of any significant pending legislation which would have material adverse consequences on the 2026 Bonds or the ability of the City to pay the principal of and interest on the 2026 Bonds when due.

ADDITIONAL INFORMATION

So far as any statements made in this Official Statement involve matters of opinion, assumptions, projections, anticipated events or estimates, whether or not expressly stated, they are set forth as such and not as presentations of fact, and actual results may differ substantially from those set forth therein. Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as a contract with the Holders of the 2026 Bonds.

The summaries of certain provisions of the 2026 Bonds, statutes and other documents or agreements referred to in this Official Statement do not purport to be complete, and reference is made to each of them for a complete statement of their provisions. Copies are available for review by making requests to the City.

The appendices are an integral part of this Official Statement and must be read together with all other parts of this Official Statement.

The distribution of this Official Statement has been authorized by the City.

CITY OF SACRAMENTO

By: _____
City Treasurer

APPENDIX A

IMPROVEMENT AREA NO. 2 OF THE
CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03
(IMPROVEMENTS)

SECOND AMENDED AND RESTATED
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 and applicable to each Assessor's Parcel in Improvement Area No. 2 of the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) will be levied and collected according to the tax liability the City determines through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in Improvement Area No. 2, unless exempted by law or by Section G below, will be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

"Acre" means 43,560 square feet of land area of an Assessor's Parcel as shown on an Assessor's Parcel Map or, if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map or other map recorded at the County Recorder's Office.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, set forth at California Government Code § 53311 through 53368.3.

"Administrative Expenses" means the actual or reasonably estimated costs related to administration of the CFD and Improvement Area No. 2, including but not limited to the following:

- Costs of computing the Special Tax and preparing the annual Special Tax collection schedules (whether by the City or its designee or both).
- Costs of collecting, auditing, dispersing, and accounting for the Special Tax (whether by the County, the City, or otherwise).
- Costs of remitting the Special Tax to the Trustee.
- Costs of the Trustee (including its legal counsel) in discharging its duties under the Indenture.
- Costs to the City or its designee of complying with arbitrage-rebate requirements relating to Improvement Area No. 2.
- Costs to the City or its designee of complying with its or any obligated person's disclosure requirements relating to any Bonds.
- Costs associated with preparing disclosure statements relating to Improvement Area No. 2.
- Costs incurred in responding to public inquiries regarding the Special Tax.
- Costs to the City or its designee related to any appeal of the Special Tax.

- Costs associated with the release of funds from any escrow account relating to Improvement Area No. 2.

- Costs to the City of issuing Bonds through Improvement Area No. 2 if not recovered from proceeds of the Bonds.

- Amounts estimated to be advanced for any other administrative purposes, including but not limited to attorney's fees and other costs related to collection of the Special Tax or to commencing and pursuing to completion any foreclosure in Improvement Area No. 2.

"Administrator" means the City's Special Districts Manager, his/her designee, or such other person or department as the City may designate to serve as Administrator of the CFD.

"Airspace Parcel" means a parcel with an assigned Assessor's Parcel Number that constitutes vertical space of the underlying land.

"Anticipated Park/School Site Property" means any Assessor's Parcel that is expected to be dedicated in its entirety to the City or a public school district for use as a park or school, as identified in Attachment 3 hereto. If a park or school site is expected on a portion of an Assessor's Parcel that will be further subdivided to create the Assessor's Parcel that will be dedicated for a park or school site, no portion of the master Assessor's Parcel that will be further subdivided shall be designated as Anticipated Park/School Site Property unless and until the subdivision occurs and a separate Assessor's Parcel is created for the park or school. If an Assessor's Parcel that was anticipated to be a park or school site, as shown in Attachment 3, is no longer expected to be dedicated to be used for a park or school, and the Administrator is made aware of the change in the Assessor's Parcel's expected land use, such Assessor's Parcel shall no longer be categorized as Anticipated Park/School Site Property. Once an Assessor's Parcel of Anticipated Park/School Site Property has been dedicated to the City, school district, or other public agency, it shall thereafter be categorized as Public Property for purposes of this RMA.

"Assessor's Parcel" means a lot or parcel (including an Airspace Parcel) that is shown on an Assessor's Parcel Map and has an assigned Assessor's Parcel Number.

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

"Assessor's Parcel Number" means the number assigned to an Assessor's Parcel by the County Assessor for purposes of identification.

"Authorized Facilities" means the facilities and fees authorized to be funded through the CFD.

"Base Special Tax" means, for Residential Units within each Village and for Taxable Non-Residential Property, the applicable Special Tax initially identified in Table 1 in Section C, as may be adjusted pursuant to Section D.

"Bonds" means any debt (as defined in the Act) that is related to Authorized Facilities and is issued, insured, or assumed through Improvement Area No. 2, whether in one or more series.

"Building Permit" means a single permit or set of permits required to construct a residential or non-residential structure. If a permit is issued for a foundation, parking, landscaping, or other similar facility or amenity but a building permit has not yet been issued for the structure to be served by the facility or amenity, then the permit for the facility or amenity will not be considered a "Building Permit" for purposes of levying the Special Tax.

"Capitalized Interest" means funds in any capitalized interest account available to pay debt service on Bonds.

"CFD" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements).

"CFD Update" means the date on which the Resolution of Change was adopted by the City Council.

"City" means the City of Sacramento, California.

"City Council" means the Sacramento City Council.

"County" means the County of Sacramento, California.

"Developed Property" means, in any Fiscal Year, all Taxable Property, excluding Taxable HOA Property, Taxable Multi-Family Property, Taxable Welfare Exemption Property, and Taxable Public Property, for which a Building Permit was issued before June 1 of the preceding Fiscal Year.

"Development Class" means, individually, Developed Property, Final Map Property, Undeveloped Property, Anticipated Park/School Site Property, Taxable HOA Property, Taxable Multi-Family Property, Taxable Welfare Exemption Property, and Taxable Public Property.

"Exempt Non-Residential Property" means any Assessor's Parcel of Non-Residential Property within the areas identified in Attachment 4 as exempt non-residential parcels. Notwithstanding the foregoing, if such property is developed as Single Family Residential Property, the exemption will no longer apply, and the City will determine the appropriate Maximum Special Tax for the Residential Units constructed on the property.

"Exempt Property" means any of the following:

- Public Property, except as otherwise authorized by § 53317.3 or § 53317.5 of the Act and other than Taxable Public Property.
- HOA Property, other than Taxable HOA Property.
- Welfare Exemption Property, other than Taxable Welfare Exemption Property.
- Multi-Family Property, other than Taxable Multi-Family Property.
- Exempt Non-Residential Property.
- Assessor's Parcels that are owned by a public utility and developed with an unoccupied facility.
- Assessor's Parcels that are subject to an easement or other instrument that precludes any use other than the use set forth in the easement.

"Expected Land Uses" means the number of Residential Units expected within Improvement Area No. 2 as of the CFD Update, as identified in Attachment 1 and as amended from time to time as set forth in this RMA.

"Expected Maximum Special Tax Revenues" means the amount of annual revenue that would be available in Improvement Area No. 2 if the Maximum Special Tax was levied on the Expected Land Uses. The Expected Maximum Special Tax Revenues are shown in Attachment 1 of this RMA and may be changed due to prepayments in future Fiscal Years and/or pursuant to Section D below.

"Final Map" means a final map or portion of a final map, approved by the City under the Subdivision Map Act (California Government Code § 66410 et seq.), that creates lots that do not need to be further subdivided

prior to issuance of a Building Permit for a residential structure. "Final Map" does not include any large-lot subdivision map, Assessor's Parcel Map, or subdivision map, or any portion of such a map, that does not create lots that are in their final configuration.

"Final Map Property" means, in any Fiscal Year, all Assessor's Parcels of Taxable Property for which a Final Map had recorded prior to June 1 of the preceding Fiscal Year and which have not yet become Developed Property, excluding Taxable HOA Property, Taxable Multi-Family Property, Taxable Welfare Exemption Property, and Taxable Public Property.

"First Bond Sale" means issuance of the first series of Bonds secured, in whole or in part, by Special Taxes levied and collected from Assessor's Parcels in Improvement Area No. 2.

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

"HOA Property" means any property within the boundaries of Improvement Area No. 2 that is owned in fee or by easement by a Homeowners Association, not including any such property that is located directly under a residential structure.

"Homeowners Association" means one or more homeowners association (including any master or sub-associations) that provide services to, and collect dues, fees, or charges from, owners of property within Improvement Area No. 2.

"Improvement Area No. 2" means Improvement Area No. 2 of the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements).

"Indenture" means the bond indenture, fiscal-agent agreement, trust agreement, resolution, or other instrument under which Bonds are issued, as amended or supplemented from time to time, and any instrument replacing, amending, or supplementing the same.

"Land Use Change" means a proposed or approved change to the Expected Land Uses within Improvement Area No. 2 after the CFD Update.

"Maximum Special Tax" means the Maximum Special Tax, determined in accordance with Sections C and D below, that can be levied in any Fiscal Year on any Assessor's Parcel.

"Multi-Family Property" means any property within the boundaries of Improvement Area No. 2 for which Building Permits were issued for construction of a residential structure with five or more residential units that are offered for rent to the general public and cannot be purchased by individual homebuyers.

"Non-Residential Property" means, in any Fiscal Year, all Assessor's Parcels of Developed Property within Improvement Area No. 2 that are not Single Family Residential Property.

"Prepayment Parcel" means an Assessor's Parcel for which the Prepayment Amount determined under Section H below has been partially or fully prepaid.

"Proportionately" means, for each Development Class, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all Assessor's Parcels assigned to the Development Class.

"Public Property" means any property within Improvement Area No. 2 that is owned by the City, the County, the State of California, the federal government, or other public agency, except that any property leased by a public agency to a private entity and subject to taxation under § 53340.1 of the Act will be taxed and classified

in accordance with its use. Privately owned property will be considered Public Property if its development is otherwise constrained by public use and necessity through an easement, a lease, or a license.

"Required Coverage" means the amount by which the Expected Maximum Special Tax Revenues must exceed debt service for the Bonds and required Administrative Expenses, as set forth in the Indenture, Certificate of Special Tax Consultant, or other CFD formation document or bond document that identifies the minimum required debt service coverage.

"Residential Unit" means a for-sale single-family-detached unit or an attached individual for-sale unit within a duplex, triplex, halfplex, fourplex, condominium, townhome, or live/work structure. A second unit (granny flat) that shares an Assessor's Parcel with a single-family-detached unit is not a Residential Unit for purposes of levying the Special Tax.

"RMA" means this Second Amended and Restated Rate and Method of Apportionment of Special Tax.

"SFD Lot" means an individual residential lot, identified and numbered on a recorded Final Map, on which a Building Permit has been or is permitted to be issued for construction of a Residential Unit without further subdivision of the lot and for which no further subdivision of the lot is anticipated pursuant to the Final Map.

"Single Family Residential Property" means, in any Fiscal Year, all Assessor's Parcels of Developed Property for which a Building Permit was issued for construction of one or more Residential Units.

"Special Tax" means a Special Tax levied in any Fiscal Year to pay the Special Tax Requirement.

"Special Tax Requirement" means the amount necessary in any Fiscal Year: (1) to pay principal and interest on Bonds due in the calendar year that begins in the Fiscal Year; (2) to create or replenish reserve funds to the extent replenishment has not been included in the computation of Special Tax Requirement in a previous Fiscal Year; (3) to cure any delinquencies in the payment of principal or interest on Bonds that has occurred in the prior Fiscal Year; (4) to pay Administrative Expenses; and (5) to pay the costs of Authorized Facilities not funded by Bonds, as allowed by the City, so long as such levy under this clause (5) does not increase the Special Tax levied on Final Map Property, Undeveloped Property, Anticipated Park/School Site Property, Taxable HOA Property, Taxable Multi-Family Property, Taxable Welfare Exemption Property, or Taxable Public Property. The Special Tax Requirement may include reductions in the calculation in any Fiscal Year by interest earnings on, or surplus balances in, funds and accounts for the Bonds to the extent that the earnings or balances are available to apply against debt service in accordance with the Indenture or other relevant document; by proceeds from the collection of penalties associated with delinquent Special Taxes; and by any other revenues available to pay debt service on the Bonds, as determined by the Administrator.

"Taxable HOA Property" means, in any Fiscal Year after the First Bond Sale, any Assessor's Parcel of HOA Property that satisfies all three of the following conditions: (1) the Assessor's Parcel had not been HOA Property on the date of the First Bond Sale; (2) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D.1 below), the Assessor's Parcel was not anticipated to be HOA Property based on the Expected Land Uses, as determined by the Administrator; and (3) if the Assessor's Parcel were to be exempt from the Special Tax because it has become HOA Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained..

"Taxable Multi-Family Property" means, in any Fiscal Year after the First Bond Sale, any Assessor's Parcel of Multi-Family Property that satisfies all three of the following conditions: (1) the Assessor's Parcel had not been Multi-Family Property on the date of the First Bond Sale; (2) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D.1 below), the Assessor's Parcel was not anticipated to be Multi-Family Property based on the Expected Land Uses, as determined by the Administrator; and (3) if the Assessor's Parcel were to be exempt from the Special Tax because it has become Multi-Family Property, the

Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

"Taxable Non-Residential Property" means any Assessor's Parcel of Non-Residential Property that is not Exempt Non-Residential Property, as determined by the Administrator.

"Taxable Property" means all property within Improvement Area No. 2 that is not exempt from the Special Tax pursuant to law or Section G below.

"Taxable Public Property" means, in any Fiscal Year after the First Bond Sale, any Assessor's Parcel of Public Property that satisfies all three of the following conditions: (1) the Assessor's Parcel had not been Public Property on the date of the First Bond Sale; (2) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D.1 below), the Assessor's Parcel was not anticipated to be Public Property based on the Expected Land Uses, as determined by the Administrator; and (3) if the Assessor's Parcel were to be exempt from the Special Tax because it has become Public Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

"Taxable Welfare Exemption Property" means in any Fiscal Year after the First Bond Sale, any Assessor's Parcel of Welfare Exemption Property that satisfies all three of the following conditions: (i) the Assessor's Parcel had not been Welfare Exemption Property on the date of issuance of the First Bond Sale; (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D herein), the Assessor's Parcel was not anticipated to be Welfare Exemption Property based on the Expected Land Uses, as determined by the Administrator; and (iii) if the Assessor's Parcel were to be exempt from the Special Tax because it has become Welfare Exemption Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

"Tentative Map" means the tentative map for Greenbriar Phase 2, as shown in Attachment 2 of this RMA, including any adjustments or amendments thereto.

"Trustee" means the trustee or fiscal agent under the Indenture.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Map Property, Anticipated Park/School Site Property, Taxable HOA Property, Taxable Multi-Family Property, Taxable Welfare Exemption Property, and Taxable Public Property.

"Village" means a specific geographic area within Improvement Area No. 2 that: (1) is identified by an assigned number on the Tentative Map; (2) is expected to have SFD Lots that are all of a similar size; and (3) is assigned Expected Maximum Special Tax Revenues in Attachment 1 based on the Expected Land Uses for that Village.

"Welfare Exemption Property" means, in any Fiscal Year, any Assessor's Parcels in Improvement Area No. 2 that have received a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code and for which such welfare exemption is still in place.

B. DATA FOR ADMINISTRATION OF SPECIAL TAX

On or about July 1 of each Fiscal Year, the Administrator shall identify the Special Tax Requirement for the Fiscal Year. The Administrator shall also determine the following for each Assessor's Parcel: (1) the current Assessor's Parcel Number for the Assessor's Parcel; (2) whether it is Developed Property, Final Map Property, Undeveloped Property, Anticipated Park/School Site Property, Taxable HOA Property, Taxable Multi-Family Property, Taxable Welfare Exemption Property, Taxable Public Property, or Exempt Property; (3) for Developed Property, whether an Assessor's Parcel is Single Family Residential Property or Non-Residential Property; and (4) for Single Family Residential Property, within which Village each Assessor's Parcel is

located and the number of Residential Units on the Assessor's Parcel. In addition, the Administrator shall, on an ongoing basis, monitor Tentative Map revisions, Final Maps, and condominium plans to determine if there are any proposed changes to the Expected Land Uses that would reduce the Expected Maximum Special Tax Revenues for a Village. If the Expected Maximum Special Tax Revenues will be reduced pursuant to a proposed Land Use Change, the Administrator shall apply the steps set forth in Section D.1 below.

In any Fiscal Year, if the Administrator determines—

- that a Final Map or other map for an Assessor's Parcel within Improvement Area No. 2 was recorded after January 1 of the prior Fiscal Year (or on any other date after which the County Assessor will not incorporate the newly created parcels into the then-current tax roll);

- that because of the date the map was recorded, the County Assessor does not yet recognize the new parcels created by the map; and

- that one or more of the newly created parcels is in a different Development Class from other parcels created by the map,

then the Administrator shall calculate the Special Tax for the property affected by recordation of the map by determining the Special Tax that applies separately to the property within each Development Class and then applying the sum of the individual Special Taxes to the Assessor's Parcel that was subdivided by recordation of the map.

C. MAXIMUM SPECIAL TAX

1. Developed Property and Final Map Property

The Maximum Special Tax for an Assessor's Parcel of Developed Property or Final Map Property is the greater of (i) the Base Special Tax set forth in Table 1 below, or, (ii) the Maximum Special Tax determined pursuant to Section D.

Table 1
Base Special Tax for
Developed Property and Final Map Property

Land Use	Base Special Tax (Fiscal Year 2021-22)*
Single Family Residential Property	
Village 1	$2,134 per Residential Unit or SFD Lot
Village 2	$2,134 per Residential Unit or SFD Lot
Village 3	$2,767 per Residential Unit or SFD Lot
Village 4	$2,430 per Residential Unit or SFD Lot
Village 5	$2,430 per Residential Unit or SFD Lot
Village 6	$2,767 per Residential Unit or SFD Lot
Village 7	$3,020 per Residential Unit or SFD Lot
Village 8	$2,767 per Residential Unit or SFD Lot
Village 9	$3,020 per Residential Unit or SFD Lot
Village 10	$3,020 per Residential Unit or SFD Lot
Village 11	$2,430 per Residential Unit or SFD Lot
Village 12	$3,069 per Residential Unit or SFD Lot
Village 13	$3,069 per Residential Unit or SFD Lot
Village 14	$2,665 per Residential Unit or SFD Lot
Village 15	$2,665 per Residential Unit or SFD Lot
Village 16	$2,665 per Residential Unit or SFD Lot
Village 17	$2,665 per Residential Unit or SFD Lot
Village 18	$3,346 per Residential Unit or SFD Lot
Village 19	$3,346 per Residential Unit or SFD Lot
Phase 1–Village 14	$1,689 per Residential Unit or SFD Lot
Taxable Non-Residential Property	$29,884 per Acre

*** On July 1, 2022, and on each July 1 thereafter, the Base Special Taxes shown above will be increased by 2% of the amount in effect in the previous Fiscal Year.**

2. Undeveloped Property, Anticipated Park/School Site Property, Taxable Multi-Family Property, Taxable HOA Property, Taxable Welfare Exemption Property, and Taxable Public Property

The Maximum Special Tax for Undeveloped Property, Anticipated Park/School Site Property, Taxable Multi-Family Property, Taxable HOA Property, Taxable Welfare Exemption Property, and Taxable Public Property is $29,884 per Acre for Fiscal Year 2021-22, which amount shall increase on July 1, 2022 and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

D. CHANGES TO MAXIMUM SPECIAL TAX

The Expected Maximum Special Tax Revenues were calculated based on the Expected Land Uses at the CFD Update. Attachment 1 is subject to modification upon the occurrence of Land Use Changes, as described below. The Administrator shall review Final Maps, Tentative Map revisions, and other changes to land uses proposed within Improvement Area No. 2 and compare the revised land uses to the Expected Land Uses to evaluate the impact on the Expected Maximum Special Tax Revenues.

1. Land Use Changes

Prior to the First Bond Sale, if a Land Use Change is proposed or identified that will result in a change in the Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section D.1. Upon approval of the Land Use Change, the Administrator shall update Attachment 1 to show the revised Expected Maximum Special Tax Revenues.

After the First Bond Sale, if a Land Use Change is proposed or identified, Steps 1 through 3 must be applied:

Step 1: By reference to Attachment 1 (which shall be updated by the Administrator each time a Land Use Change has been processed according to this Section D.1 or a partial prepayment has been made), the Administrator shall identify the Expected Maximum Special Tax Revenues prior to the Land Use Change.

Step 2: The Administrator shall calculate the Expected Maximum Special Tax Revenues that could be collected from Taxable Property in Improvement Area No. 2 after the Land Use Change.

Step 3: If the revenues calculated in Step 2 are (i) higher than that determined in Step 1 or (ii) less than those calculated in Step 1, but the reduction in Expected Maximum Special Tax Revenues does not reduce debt service coverage on Outstanding Bonds below Required Coverage, no further action is needed, and the Administrator shall update Attachment 1 to show the revised Expected Maximum Special Tax Revenues.

If the revenues calculated in Step 2 are less than those calculated in Step 1, and the Administrator determines that the reduction in Expected Maximum Special Tax Revenues would reduce debt service coverage on Outstanding Bonds below the Required Coverage, one of the following shall occur:

3.a. The landowner requesting the Land Use Change (the "Requesting Landowner") may make a prepayment in an amount that will ensure that the reduced Expected Maximum Special Tax Revenues are sufficient to provide Required Coverage, as determined pursuant to Section H below. If the Requesting Landowner notifies the Administrator that he/she would like to remedy the reduction by making a prepayment, such prepayment must be made by the earlier of (i) 30 days from the date of delivery of the prepayment estimate or (ii) the date of issuance of any Building Permits for any Assessor's Parcel owned by the Requesting Landowner that was Final Map Property or Undeveloped Property at the time the Administrator prepared the prepayment estimate, **or**

3.b. If a prepayment is not received, the Base Special Tax for each Assessor's Parcel of Taxable Property in the area affected by the Land Use Change shall be increased proportionately until the Expected Maximum Special Tax Revenues for the area affected by the Land Use Change is the same as it was prior to the Land Use Change.

If multiple Land Use Changes are proposed simultaneously by a single land owner (which may include approval of multiple Final Maps at one time), the Administrator may consider the combined effect of all the Land Use Changes to determine if there is a reduction in Expected Maximum Special Tax Revenues. If there is a reduction, the Administrator shall increase the Maximum Special Tax proportionately in all of the Final Maps being proposed by the landowner until the aggregate amount that can be levied within the Final Maps is equal to the amount that could have been levied prior to the proposed Land Use Changes. If Land Use Changes are proposed simultaneously by multiple landowners, the Administrator shall consider the proposed Land Use Changes individually.

Notwithstanding the foregoing, once a certificate of occupancy has been issued for a Residential Unit on an Assessor's Parcel, the Maximum Special Tax for the Assessor's Parcel cannot be increased because of subsequent Land Use Changes that may occur within the area in which the Assessor's Parcel is located.

The duties imposed on the Administrator pursuant to this Section D.1 to review Land Use Changes, and to review Final Maps and make certain calculations, are intended only to facilitate the administration of the Special Tax and to better assure the sufficiency of tax capacity to pay debt service on Bonds. Such duties are not intended to give any developer, subdivider, or owner of property the right to receive notice of the potential impact of Land Use Changes on the Special Tax applicable to an Assessor's Parcel; and each developer, subdivider, or owner of property whose property is the subject of a Land Use Change shall be responsible for understanding the impact thereof on the Special Tax applicable to such property.

2. Transfer of Expected Maximum Special Tax Revenues from One Village to Another

The Expected Maximum Special Tax Revenues were determined for each Village based on the Expected Land Uses within that Village. If the expected number of Residential Units is transferred from one Village to another, the City may, in its sole discretion, allow for a corresponding transfer of Expected Maximum Special Tax Revenues between the Villages. Such a transfer shall only be allowed if: (1) all adjustments are agreed to in writing by the affected property owners and the City; and (2) there is no reduction in the total Expected Maximum Special Tax Revenues as a result of the transfer.

3. Conversion of an Assessor's Parcel of Public Property to Private Use

If, in any Fiscal Year, an Assessor's Parcel of Public Property is converted to private use, such Assessor's Parcel shall be subject to the levy of the Special Tax. The Maximum Special Tax for each such Assessor's Parcel shall be determined based on consideration of the Maximum Special Taxes for Assessor's Parcels with similar land use designations, as determined by the Administrator.

E. METHOD OF LEVY OF SPECIAL TAX

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement to be collected in that Fiscal Year. The City shall then levy the Special Tax according to the following steps:

Step 1. The Special Tax will be levied Proportionately on Developed Property up to 100% of the Maximum Special Tax for each Assessor's Parcel until the amount levied is equal to the Special Tax Requirement before applying Capitalized Interest that is available under the Indenture.

Step 2. If additional revenue is needed after Step 1 to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax will be levied Proportionately on Final Map Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Final Map Property.

Step 3. If additional revenue is needed after Step 2 to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax will be levied Proportionately on Undeveloped Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Undeveloped Property.

Step 4. If additional revenue is needed after Step 3 to meet the Special Tax Requirement, the Special Tax will be levied Proportionately on Anticipated Park/School Site Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Anticipated Park/School Site Property.

Step 5. If additional revenue is needed after Step 4 to meet the Special Tax Requirement, the Special Tax will be levied Proportionately on Taxable Multi-Family Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Taxable Multi-Family Property.

Step 6. If additional revenue is needed after Step 5, the Special Tax will be levied Proportionately on Taxable Welfare Exemption Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Taxable Welfare Exemption Property.

Step 7. If additional revenue is needed after Step 6 to meet the Special Tax Requirement, the Special Tax will be levied Proportionately on Taxable HOA Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Taxable HOA Property.

Step 8. If additional revenue is needed after Step 7 to meet the Special Tax Requirement, the Special Tax will be levied Proportionately on Taxable Public Property up to 100% of the Maximum Special Tax for each Assessor's Parcel of Taxable Public Property.

Notwithstanding the above, under no circumstances will the Special Tax levied on any Single Family Residential Property be increased by more than 10% as a consequence of delinquency or default by the owner of any other property in Improvement Area No. 2.

F. MANNER OF COLLECTION OF SPECIAL TAX

The Special Tax will be collected in the same manner and at the same time as ordinary ad valorem property taxes, except that: (1) prepayments are permitted as set forth in Section H below; and (2) the City may directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods. The Special Tax will be levied and collected until principal and interest on all Bonds have been repaid and the Authorized Facilities to be constructed directly from Special Tax proceeds have been completed. But in no event will the Special Tax be levied after Fiscal Year 2059-60.

G. EXEMPTIONS

Notwithstanding any other provision of this RMA, the Special Tax will not be levied in any Fiscal Year on: (1) Exempt Property, except Taxable Public Property, Taxable Multi-Family Property, Taxable Non-Residential Property, Taxable Welfare Exemption Property, and Taxable HOA Property; or (2) Prepayment Parcels that have fully prepaid the Special Tax obligation. Notwithstanding the foregoing, if a Special Tax has been levied on an Assessor's Parcel in any Fiscal Year, and the entire Assessor's Parcel subsequently meets the criteria to be categorized as Exempt Property, the Assessor's Parcel shall remain subject to the Special Tax levy, unless the First Bond Sale has yet to occur, in which case such property shall be categorized as Public Property, HOA Property, or Multi-Family Property, as the case may be, and the Administrator shall recalculate the Expected Maximum Special Tax Revenues based on the corresponding change in revenues.

H. PREPAYMENTS

1. Definitions

The following definitions apply only to this Section H:

"Construction Fund" means the account (regardless of its name) identified in the Indenture to hold funds that are currently available to acquire or construct Authorized Facilities.

"Optional Prepayment" means a prepayment of the Special Tax, other than a mandatory prepayment under Section D.1, that is calculated using the formula in this Section H.

"Outstanding Bonds" means all Previously Issued Bonds that remain outstanding, with the following exception: if a Special Tax has been levied against, or has already been paid for, an Assessor's Parcel for which a prepayment is to be made, and if a portion of the Special Tax will be used to pay a portion of the next principal payment on the Bonds that remain outstanding (as determined by the Administrator), then the next principal payment will be subtracted from the total principal of Bonds that remains outstanding, and the difference will be used as the amount of Outstanding Bonds for purposes of calculating the Prepayment Amount.

"Previously Issued Bonds" means all Bonds that have been issued before the date of prepayment.

"Public Facilities Requirement" means either: (a) $51 million in 2021 dollars, increased 2% annually on each July 1 beginning July 1, 2022; or (b) such other number as the City determines in its sole discretion to be sufficient both to fund the Authorized Facilities projected to be funded by Improvement Area No. 2 and to treat all owners of Taxable Property within Improvement Area No. 2 fairly and equitably.

"Remaining Facilities Costs" means the Public Facilities Requirement minus public-facility costs funded by Previously Issued Bonds or by Special Taxes.

2. Full Prepayment

The Special Tax obligation applicable to an Assessor's Parcel may be prepaid and the obligation of the Assessor's Parcel for the Special Tax permanently satisfied as described in this Section H.2, provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to the Assessor's Parcel at the time of prepayment. An owner of a Assessor's Parcel intending to prepay the Special Tax obligation must provide the City with written notice of intent to prepay. Within 30 days after receipt of a written notice of intent to prepay, the City or its designee shall notify the owner of the amount required to fully prepay the Special Tax obligation for the Assessor's Parcel (the "**Prepayment Amount**"). Prepayment must be made not less than 75 days before any redemption date for Bonds to be redeemed with the proceeds of the prepaid Special Taxes unless otherwise permitted by the City. Under no circumstance will a prepayment be allowed that would reduce debt-service coverage below the Required Coverage. The Prepayment Amount will be calculated as follows (capitalized terms as defined above or below):

The Bond Redemption Amount
- *plus* the Remaining Facilities Amount
- *plus* the Redemption Premium (if applicable)
- *plus* the Defeasance Requirement
- *plus* the Administrative Fees and Expenses
- *less* the Proportionate Reserve Fund Credit

equals the Prepayment Amount

As of the proposed date of prepayment, the Administrator shall calculate the Prepayment Amount by applying the following steps:

Step 1. Calculate the Maximum Special Tax to be prepaid for the Assessor's Parcel based on the Expected Land Uses for the Assessor's Parcel. If this Section H is being applied to calculate a prepayment under Section D.1 above, then use, for purposes of this Step 1, the amount by which the Maximum Special Tax revenues have been reduced below the amount needed to maintain Required Coverage due to the Land Use Change that necessitated the prepayment.

Step 2. Divide the Maximum Special Tax calculated under Step 1 by the Maximum Special Tax revenues that could be generated at buildout of all property in Improvement Area No. 2 based on the Expected Land Uses at the time the prepayment is calculated.

Step 3. Multiply the quotient calculated under Step 2 by the principal amount of the Outstanding Bonds to calculate the amount of Outstanding Bonds to be retired and prepaid (the "**Bond Redemption Amount**").

Step 4. Calculate the current Remaining Facilities Costs (if any).

Step 5. Multiply the quotient calculated under Step 2 by the amount calculated under Step 4 to calculate the amount of Remaining Facilities Costs to be prepaid (the "**Remaining Facilities Amount**").

Step 6. Multiply the Bond Redemption Amount calculated under Step 3 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "**Redemption Premium**").

Step 7. Calculate the amount needed to pay interest on the Bond Redemption Amount starting with the last Bond interest-payment date on which interest has been or will be paid by Special Taxes already levied until the earliest redemption date for the Outstanding Bonds. If Bonds are callable at or before the last Bond interest-payment date on which interest has been or will be paid by Special Taxes already levied, then Steps 7, 8, and 9 of this prepayment formula will not apply.

Step 8. Calculate the amount of interest the City reasonably expects to derive from reinvestment of the Bond Redemption Amount plus the Redemption Premium from the first Bond interest-payment date after which the prepayment has been received until the redemption date for the Outstanding Bonds.

Step 9. Subtract the amount calculated under Step 8 from the amount calculated under Step 7 (the "**Defeasance Requirement**").

Step 10. Calculate the Administrative Expenses associated with the prepayment, including the costs of determining the prepayment, redeeming Bonds, and recording any notices to evidence the prepayment and the redemption (the "**Administrative Fees and Expenses**").

Step 11. If, when the prepayment is determined, the reserve fund is greater than or equal to the reserve requirement, then, to the extent so provided in the Indenture, calculate a proportionate reserve fund credit as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed with the prepayment (the "**Proportionate Reserve Fund Credit**").

Step 12. The Prepayment Amount is equal to the sum of the amounts calculated under Steps 3, 5, 6, 9, and 10 minus the amount calculated under Step 11.

Step 13. From the Prepayment Amount, the amounts calculated under Steps 3, 6, and 9 will be deposited into the appropriate fund as established under the Indenture and will be used to retire Outstanding Bonds or make debt-service payments. The amount calculated under Step 5 will be deposited into the Construction Fund. The amount calculated under Step 10 will be retained in the account or fund that is established to pay Administrative Expenses.

Once a full prepayment has been received, a Notice of Cancellation of Special Tax Lien will be recorded against the affected Assessor's Parcel, except that a Notice of Cancellation of Special Tax Lien will not be recorded until all Special Taxes levied on the affected Assessor's Parcel in the current or prior Fiscal Years have been collected.

3. Partial Prepayment

The Special Tax on an Assessor's Parcel or SFD Lot for which a certificate of occupancy has not yet been issued or a final inspection has not been conducted may be partially prepaid (a "**Partial Prepayment**"). However, a Partial Prepayment must be made in an amount equal to 25%, 50% or 75% of the amount of the

full Prepayment Amount calculated under Section H.2 above. In calculating a Partial Prepayment, the Administrator shall round up the amount required for the Partial Prepayment in order to redeem whole bonds, including any redemption premium.

Only one Partial Prepayment is permitted for each Assessor's Parcel or SFD Lot, and a Partial Prepayment will not be accepted for an Assessor's Parcel or SFD Lot after a certificate of occupancy has been issued or a final inspection completed for that Assessor's Parcel or SFD Lot.

The owner of an Assessor's Parcel or SFD Lot who desires to make a Partial Prepayment must notify the Administrator of the percentage of the Special Tax to be prepaid. The Administrator shall provide the owner with a statement of the amount required for the Partial Prepayment within 30 days after receiving the request and may charge a fee for providing this service. With respect to any Special Tax that is partially prepaid on an Assessor's Parcel or SFD Lot, the Administrator shall (a) distribute the remitted prepayment funds according to Section H.2 above and (b) indicate in the records of the CFD that there has been a Partial Prepayment of the Special Tax and that a portion of the Special Tax with respect to the Assessor's Parcel or SFD Lot, equal to the non-prepaid percentage of the Maximum Special Tax, will continue to be levied on the Assessor's Parcel or SFD Lot according to Section F.

Once a Partial Prepayment has been received, an Amendment to Special Tax Lien will be recorded against the affected Assessor's Parcel or SFD Lot. However, an Amendment to Special Tax Lien will not be recorded until all Special Taxes levied on the affected Assessor's Parcel or SFD Lot in the current or prior Fiscal Years have been collected.

4. Prepayment Restrictions

Optional Prepayment of the Special Tax in accordance with this Section H is not permitted if it would reduce debt service coverage below the Required Coverage.

I. RECORDS MAINTAINED FOR THE CFD

As development occurs in the CFD, the Administrator shall maintain a file containing records of the following information for each Assessor's Parcel:

- The current Assessor's Parcel Number
- The current Final Map status for the Assessor's Parcel
- The current Building Permit status for the Assessor's Parcel
- The designated and existing uses for the Assessor's Parcel
- The total number of Residential Units assigned to the Assessor's Parcel
- The Maximum Special Tax assigned to the Assessor's Parcel
- Prepayments, including prepayments for Assessor's Parcels that have fully or partially paid the Special Tax

J. INTERPRETATION OF SPECIAL TAX FORMULA

The City Council may, by resolution, interpret this RMA for purposes of clarifying any vagueness or ambiguity in the Special Tax rates, method of apportionment, classification of properties, and definitions applicable to the CFD. The City Council's interpretation will be conclusive. The Administrator may do the following without the City Council's approval:

(1) Interpret this RMA for purposes of clarifying matters as they relate to the Special Tax rate, the method of apportionment, the classification of properties, or the definitions applicable to the CFD.

(2) Make minor, non-substantive administrative and technical changes to this RMA for purposes of administrative efficiency or convenience or to comply with new applicable federal, state, or local law, but only if the changes do not materially affect the rate, method of apportionment, and manner of collection of the Special Tax.

In addition, the City, upon request of an owner of land that is not Developed Property, may amend this RMA to reallocate the Special Tax applicable to such owner's land in a manner acceptable to the City, without resolution or ordinance of the City Council, upon the affirmative vote of such owner and without the vote of owners of any other land within the CFD, provided such amendment: (i) only affects the owner's land, (ii) does not reduce the Expected Maximum Special Tax Revenues, and (iii) provides for a Special Tax distribution upon development of such land which is reasonably proportional and consistent with Special Tax rates provided for in Section C (including escalations thereto) for similar land uses and is compliant with the tax assessment loan exception contained in U.S. Treasury Regulation Section 1.141-5(d), as determined by the City.

K. APPEALS

A taxpayer who believes that the amount of the Special Tax assigned to the taxpayer's Assessor's Parcel is in error may file a notice with the Administrator, who will then promptly review the appeal and, if necessary, meet with the taxpayer. If the Administrator determines that the Special Tax should be modified, then the Special Tax levy will be corrected and, if applicable, a credit or refund will be granted.

ATTACHMENT 1

IMPROVEMENT AREA NO. 2 OF THE
CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03
(IMPROVEMENTS)

EXPECTED LAND USES AND EXPECTED MAXIMUM SPECIAL TAX REVENUES

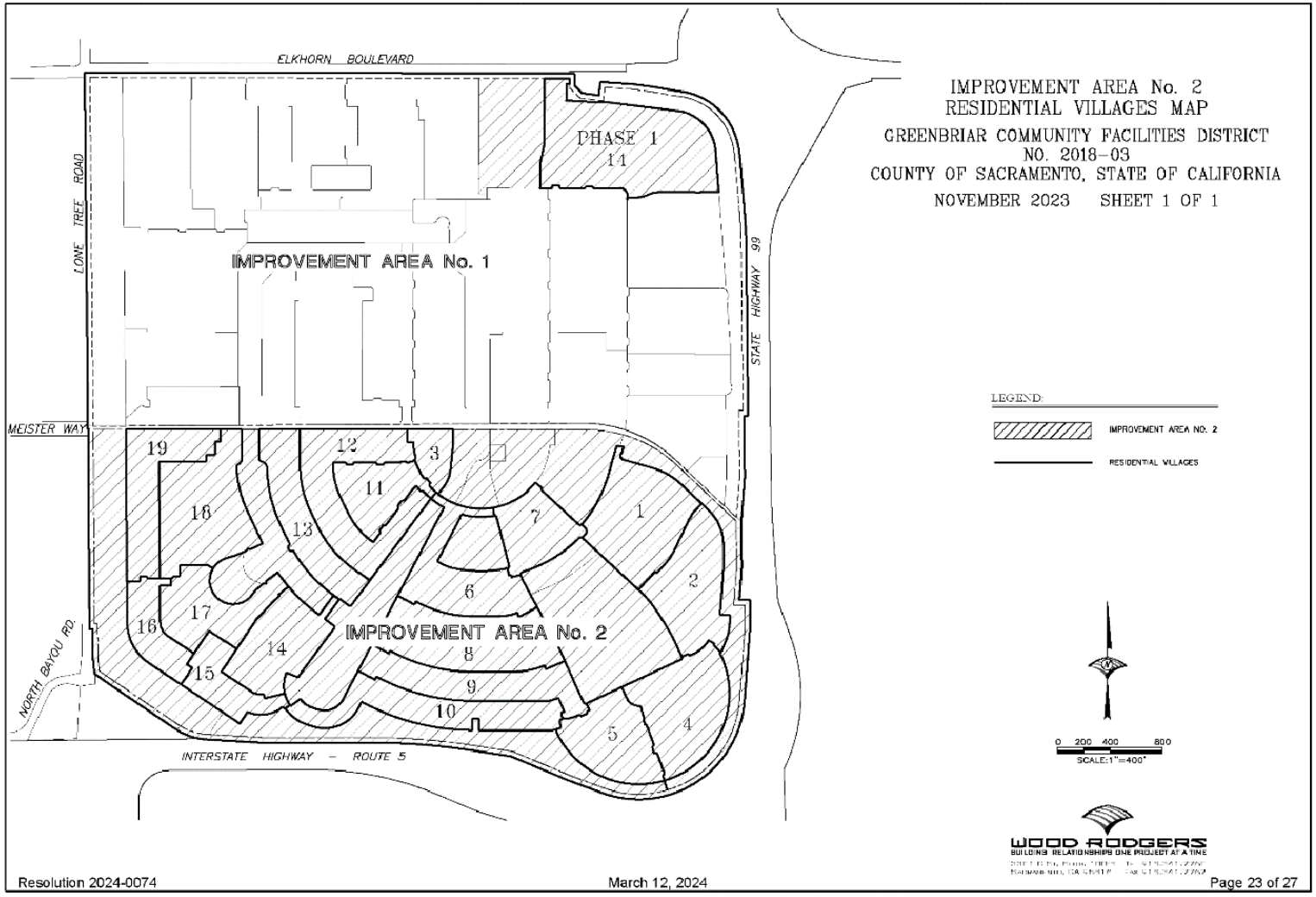
Village	Expected Land Uses	Base Special Tax FY 2021-22 /1	Expected Maximum Special Tax Revenues FY 2021-22 /1
Village 1	104 Residential Units	$2,134 per Residential Unit	$221,936
Village 2	89 Residential Units	$2,134 per Residential Unit	$189,926
Village 3	11 Residential Units	$2,767 per Residential Unit	$30,437
Village 4	68 Residential Units	$2,430 per Residential Unit	$165,240
Village 5	61 Residential Units	$2,430 per Residential Unit	$148,230
Village 6	54 Residential Units	$2,767 per Residential Unit	$149,418
Village 7	26 Residential Units	$3,020 per Residential Unit	$78,520
Village 8	88 Residential Units	$2,767 per Residential Unit	$243,496
Village 9	53 Residential Units	$3,020 per Residential Unit	$160,060
Village 10	59 Residential Units	$3,020 per Residential Unit	$178,180
Village 11	44 Residential Units	$2,430 per Residential Unit	$106,920
Village 12	60 Residential Units	$3,069 per Residential Unit	$184,140
Village 13	50 Residential Units	$3,069 per Residential Unit	$153,450
Village 14	54 Residential Units	$2,665 per Residential Unit	$143,910
Village 15	31 Residential Units	$2,665 per Residential Unit	$82,615
Village 16	34 Residential Units	$2,665 per Residential Unit	$90,610
Village 17	44 Residential Units	$2,665 per Residential Unit	$117,260
Village 18	59 Residential Units	$3,346 per Residential Unit	$197,414
Village 19	49 Residential Units	$3,346 per Residential Unit	$163,954
Phase 1 – Village 14	139 Residential Units	$1,689 per Residential Unit	$234,771
Total	**1,177 Residential Units**	**N/A**	**$3,040,487**

/1 On July 1, 2022 and each July 1 thereafter, the Base Special Taxes and the Expected Maximum Special Tax Revenues shall be increased by two percent (2%) of the amount in effect in the prior Fiscal Year.

ATTACHMENT 2

IMPROVEMENT AREA NO. 2 OF THE
CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03
(IMPROVEMENTS)

IDENTIFICATION OF VILLAGES


IMPROVEMENT AREA No. 2
RESIDENTIAL VILLAGES MAP
GREENBRIAR COMMUNITY FACILITIES DISTRICT
NO. 2018-03
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA
NOVEMBER 2023 SHEET 1 OF 1
ELKHORN BOULEVARD
LONE TREE ROAD
MEISTER WAY
NORTH BAYOU RD.
INTERSTATE HIGHWAY - ROUTE 5
STATE HIGHWAY 99
IMPROVEMENT AREA No. 1
IMPROVEMENT AREA No. 2
PHASE 1
14
1
2
3
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9
10
11
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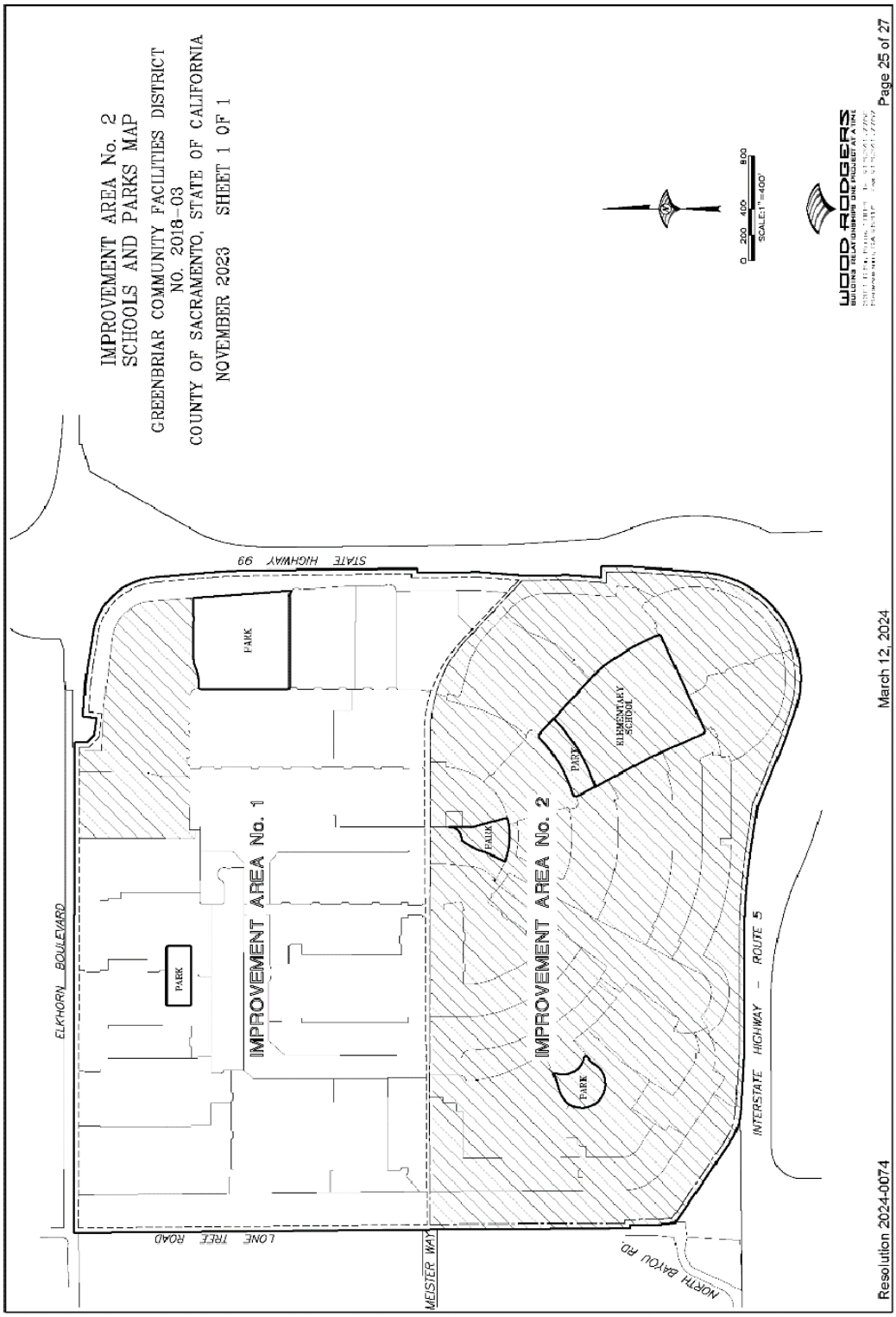
16
17
18
19
LEGEND:
IMPROVEMENT AREA NO. 2
RESIDENTIAL VILLAGES
0 200 400 800
SCALE:1"=400'
WOOD RODGERS
BUILDING RELATIONSHIPS ONE PROJECT AT A TIME

ATTACHMENT 3

IMPROVEMENT AREA NO. 2 OF THE
CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03
(IMPROVEMENTS)

IDENTIFICATION OF ANTICIPATED PARK/SCHOOL SITE PROPERTY

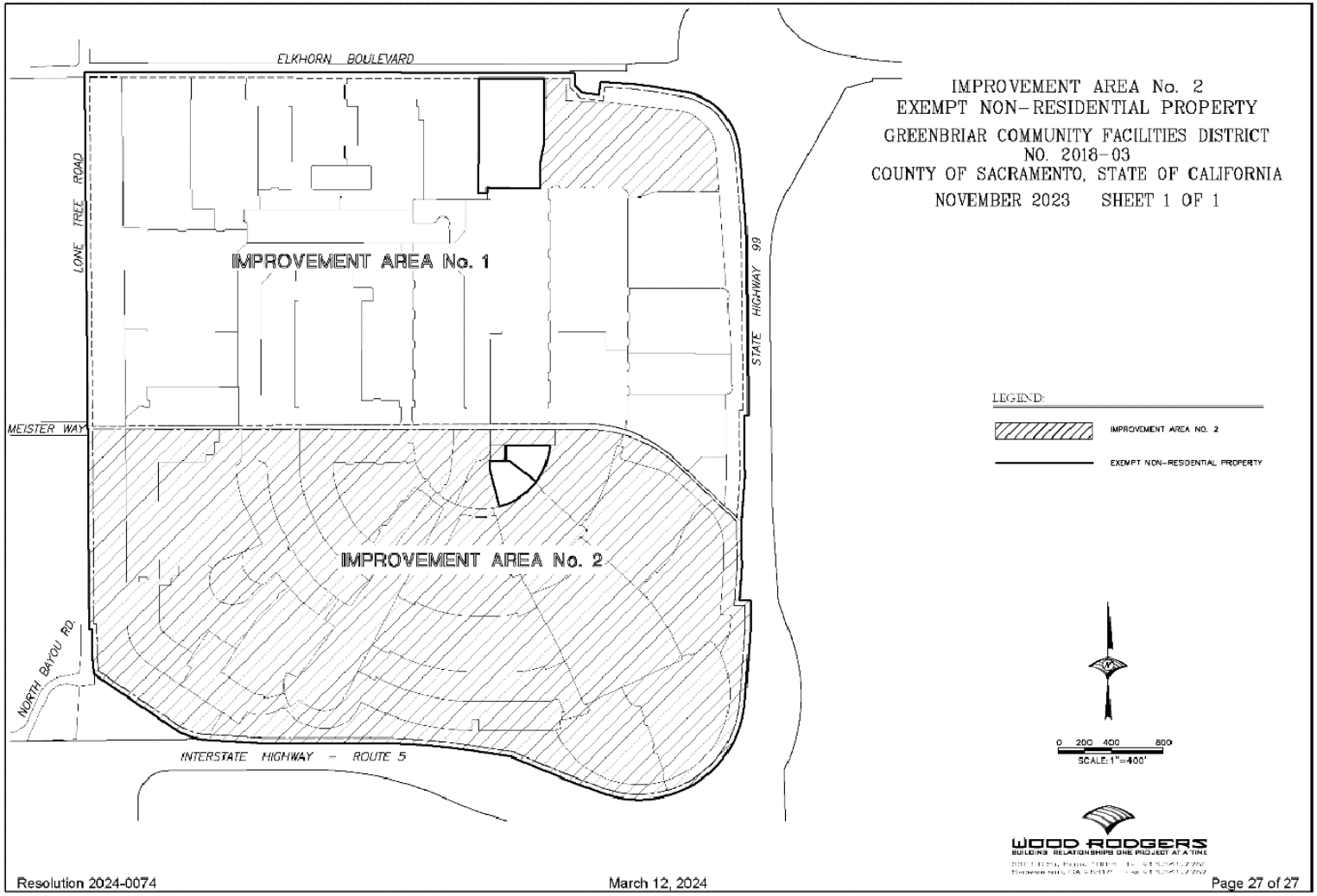


Resolution 2024-0074 March 12, 2024 Page 25 of 27

ATTACHMENT 4

IMPROVEMENT AREA NO. 2 OF THE
CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03
(IMPROVEMENTS)

IDENTIFICATION OF EXEMPT NON-RESIDENTIAL PROPERTY


ELKHORN BOULEVARD
LONE TREE ROAD
IMPROVEMENT AREA No. 1
STATE HIGHWAY 99
MEISTER WAY
IMPROVEMENT AREA No. 2
NORTH BAYOU RD.
INTERSTATE HIGHWAY - ROUTE 5
IMPROVEMENT AREA No. 2
EXEMPT NON-RESIDENTIAL PROPERTY
GREENBRIAR COMMUNITY FACILITIES DISTRICT
NO. 2018-03
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA
NOVEMBER 2023 SHEET 1 OF 1
LEGEND:
IMPROVEMENT AREA NO. 2
EXEMPT NON-RESIDENTIAL PROPERTY
0 200 400 800
SCALE: 1"=400'
WOOD RODGERS
BUILDING RELATIONSHIPS ONE PROJECT AT A TIME

APPENDIX B-1

APPRAISAL REPORT AND UPDATE APPRAISAL REPORT

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SMITH & ASSOCIATES

AN APPRAISAL REPORT OF

Greenbriar Community Facilities District No. 2018-03
Improvement Area No. 2
NWQ of Interstate 5 and State Highway 99
Sacramento, California 95835

Bay Area
23 Railroad Avenue, #32
Danville, California 94526
925-855-4950

Sacramento/Central Valley
111 Woodmere Road, Suite 140
Folsom, California 95630
916-357-5860

Real Estate Appraisal
and Consulting
www.smithassociatesinc.com

SMITH & ASSOCIATES

August 12, 2026

Ms. Claudia Lara, Debt Analyst
City of Sacramento
Office of the City Treasurer
915 "I" Street, 3rd Floor
Sacramento, CA 95814

RE: Greenbriar Community Facilities District No. 2018-03, Improvement Area No. 2
NWQ of Interstate 5 and State Highway 99
Sacramento, CA 95835

Dear Ms. Lara:

This appraisal report for Greenbriar Community Facilities District No. 2018-3, Improvement Area #2 (the "CFD") is written in conformance with the requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP) and the Appraisal Standards for Land Secured Financing, published by the California Debt and Investment Advisory Commission (2004). The CFD has been established to create a land-secured funding mechanism for authorized facilities, which may include fees paid for those facilities.

The subject property is generally located along the northwest quadrant of Interstate 5 and State Highway 99 in the Natomas community of the City of Sacramento. This project area encompasses a total land area of approximately 296.00 gross acres generally allocated among 127.1 acres identified for the development of 1,177 residential lots, 9.2 net acres identified for the development of 331 multi-family residential units with the balance for commercial uses and non-revenue generating parcels. Recently, the developer of the project has filed an application with the City of Sacramento to change the multi-family component, to reflect condominiums with a total of 111 Units. This change was not approved as of the effective date of valuation, and this project area is not considered in this assignment.

According to the Scope of Work, this analysis includes only the 127.1 acres for 1,177 residential lots/homes. Values are not identified for the multi-family residential components or the commercial components. In addition, non-revenue generating land uses are identified in this analysis, but no contributing value is assigned.

The revenue generating parcels for this project are comprised of 1,177 residential lots/homes. Site improvements and vertical improvements were ongoing as of the effective date of valuation. Development of homes has commenced as 439 homes are owned by individual buyers (closed escrow), with 738 residential lots as of the effective date of valuation. This includes 191 lots under the ownership of Lennar Homes of California and 547 lots under the ownership of Greenbriar Phase 2, LLC. The focal point of this project reflects the approximate 21.00 acre, man-made lake toward the center of this project. Entitlements for the proposed development as described in this report were secured as of the effective date of valuation.

Bay Area
23 Railroad Ave., #32
Danville, CA 94526
925-855-4950

Sacramento/Central Valley
111 Woodmere Rd., Ste. 140
Folsom, CA 95630
916-357-5860

Lots for this project range in lot size with minimum sizes at 2,788 square feet (41' x 68') to 5,500 square feet (55' x 100'). The following table summarizes these lots based on their lot size and project reference.

PROJECT	DIMENSIONS	LOT SIZE (SF)	TOTAL # LOTS	CLOSED HOMES	REMAINING LOTS	VILLAGES
SHOR	41' x 68'	2,788	193	67	126	1, 2
LAKELET	41' x 90'	3,690	173	72	101	4, 5, 11
WATERSYDE	50' x 80'	4,000	153	76	77	3, 6, 8
WAVMOR	45' x 100'	4,500	163	41	122	14, 15, 16, 17
CRESTVUE	55' x 85'	4,675	138	69	69	7, 9, 10
BLEAU	50' x 100'	5,000	110	12	98	12, 13
DRIFTON	55' x 110'	5,500	108	36	72	18, 19
V14/20	41' x 90'	3,690	139	66	73	14/20
PROJECT			**1,177**	**439**	**738**	

It is clearly noted that the developer has recently incorporated a village into this district (IA-2) which is located in the Phase 1 portion of this project. In that the Phase 2 portion of this project already includes Village 14, references to the project area (located in Phase 1) is noted as Village 14/20 throughout this report.

The table noted above is a consolidated summary for all the detached residential lots included in this analysis. All of these lots are for detached, market rate homes. Affordable housing requirements are satisfied with the approval of the Mixed-Income Strategy with the City of Sacramento. Essentially, the construction of 189 affordable units for senior residents (APN 201-0300-180) whose income does not exceed 80% of AMI for Sacramento County, fulfills this requirement. The only caveat is that the developer obtains a building permit for this project prior to issuance of 65% of the building permits for 2,425 market rate units (Total Project, Including Phase 2). This equates to 1,576 permits. However, since the building permit has been issued for this component, no restrictions are applicable to the subject property.

Non-revenue generating land uses for this project are excluded from valuation. In addition, the multi-family projects, as well as the regional shopping center site, and the community commercial site are not included as part of this scope of work. While no specific value is assigned for the man-made lake, the orientation within the community creates enhancement to the residential lots, especially those with direct frontage.

The purpose of this report is to provide an opinion of market value based on the hypothetical condition that as of the effective date of valuation, the Bonds had just been sold, and the properties were encumbered by CFD Bonds supported by Special Taxes as described herein. The market value estimate accounts for the impact of the lien of the Special Tax securing the Bonds.

The intended use of this report is for bond underwriting purposes. The Client is the City of Sacramento. The intended users are the City of Sacramento and its associated finance team. The appraisal is not intended for any other use or user. No party or parties other than the City of Sacramento and its associated finance team may use or rely on the information, opinions, and conclusions contained in this report.

Based on the analysis described in the attached report, in connection with the Assumptions and Limiting Conditions, and the Hypothetical Conditions, as of June 29, 2026, the effective date of valuation, my opinion of the cumulative, or aggregate value of the appraised properties, is as follows.

ENTITY	AGGREGATE MARKET VALUE
Hypothetical Market Value Individual Homes Closed 439 Units	**$283,415,500**
Hypothetical Market Value Greenbriar Phase 2, LLC 547 Lots **(A)**	**$73,000,000**
Hypothetical Market Value Lennar Homes of California, LLC 191 Lots/Homes **(B)**	**$53,986,053**
Aggregate, or Cumulative, Value of Appraised Properties	**$410,401,553**

(A) This component is comprised of finished lots, as well as lots with final map approval.

(B) This component is comprised of finished lots, as well as the allocated value of permits and fees paid as of the effective date of valuation ($16,736,053).

The value noted above is presented in conjunction with the **Hypothetical Condition** that as of the effective date of valuation, the Bonds had just been sold, and the properties were encumbered by CFD Bonds supported by Special Taxes as described herein. The estimate of market value, by ownership, accounts for the impact of the proposed lien of the special taxes securing the bonds.

Please feel free to call if there are any questions regarding this assignment.

Respectfully submitted,

SMITH & ASSOCIATES, INC.

John E. Carrothers, MAI
Certified General Real Estate Appraiser
CA License AG014187, Exp. 04/11/2027

SUBJECT PHOTOGRAPHS

Village 14/20

Village 14/20 Lots

Village 14/20 (Homes Under Construction)

Village 14/20 (Homes Under Construction)

Village 14/20

Village 14/20

SUBJECT PHOTOGRAPHS

Subject Project

Subject Project

Lots under Construction

Lots Under Construction

Completed Model Complex

Homes Under Construction

SUBJECT PHOTOGRAPHS

Homes Under Construction

Homes Under Construction

Northlake Elementary School

Northlake Elementary School

Southern End of Phase 2

Finished Lots

SUBJECT PHOTOGRAPHS

Northlake Elementary School

Homes Under Construction

Lots Under Construction

Lots Under Construction

Lots Under Construction

Lots Under Construction

SUBJECT PHOTOGRAPHS

View along Shore Vista Drive

View along Shore Vista Drive

Typical Street Scene

Typical Street Scene

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Assumptions and Limiting Conditions
Certification of the Appraiser
Glossary
Qualifications of the Appraiser
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Market Absorption Study

SUMMARY OF SALIENT FACTS

Property Type:	**Greenbriar Community Facilities District No. 2018-03, Improvement Area #2**
Property Address/Location:	The subject property is generally located along the NWQ of Interstate 5 and State Highway 99. It lies south of Elkhorn Boulevard, east of Lone Tree Road (Private Road) and south of the proposed Shore Vista Way. It is in the City of Sacramento and Zip Code 95835.
APN/Legal Description:	Refer to the Identification of the Subject Property Section of this report.
Site Description:	The subject property is generally located along the northwest quadrant of Interstate 5 and State Highway 99 in the Natomas community of the City of Sacramento. This project area encompasses a total land area of approximately 296.00 gross acres generally allocated among 127.1 acres identified for the development of 1,177 residential lots, 9.2 net acres identified for the development of 331 multi-family residential units with the balance for commercial uses and non-revenue generating parcels. Recently, the developer of the project has filed an application with the City of Sacramento to change the multi-family component, to reflect condominiums with a total of 111 Units. This change was not approved as of the effective date of valuation, and this project area is not considered in this assignment. According to the Scope of Work, this analysis includes only the 127.1 acres for 1,177 residential lots/homes. Values are not identified for the multi-family residential components or the commercial components. In addition, non-revenue generating land uses are identified in this analysis, but no contributing values are assigned. The revenue generating parcels for this project are comprised of 1,177 residential lots. Site improvements and vertical improvements were ongoing as of the effective date of valuation. Development of homes has commenced as 439 homes are owned by individual buyers (closed escrow), with 738 residential lots as of the effective date of valuation. This includes 191 lots under the ownership of Lennar Homes of California and 547 lots under the ownership of Greenbriar Phase 2, LLC. The focal point of this project reflects the approximate 21.00 acre, man-made lake toward the center of this project. Entitlements for the proposed development as described in this report were secured as of the effective date of valuation.

SUMMARY OF SALIENT FACTS (Continued)

Lots for this project range in lot size with minimum sizes at 2,788 square feet (41' x 68') to 5,500 square feet (55' x 100'). The following table summarizes these lots based on their lot size and project reference.

PROJECT	DIMENSIONS	LOT SIZE (SF)	TOTAL # LOTS	CLOSED HOMES	REMAINING LOTS	VILLAGES
SHOR	41' x 68'	2,788	193	67	126	1, 2
LAKELET	41' x 90'	3,690	173	72	101	4, 5, 11
WATERSYDE	50' x 80'	4,000	153	76	77	3, 6, 8
WAVMOR	45' x 100'	4,500	163	41	122	14, 15, 16, 17
CRESTVUE	55' x 85'	4,675	138	69	69	7, 9, 10
BLEAU	50' x 100'	5,000	110	12	98	12, 13
DRIFTON	55' x 110'	5,500	108	36	72	18, 19
V14/20	41' x 90'	3,690	139	66	73	14/20
PROJECT			**1,177**	**439**	**738**	

Site Description:

The table noted above is a consolidated summary for all the detached residential lots included in this analysis. All of these lots are for detached, market rate homes. In addition, 439 homes have closed escrow as of the effective date of valuation and are owned by individual buyers. These individual sales are summarized in this report. In addition, vertical improvements are ongoing and this project includes homes with final permits, and or building permits issued as of the effective date of valuation.

Affordable housing requirements are satisfied with the approval of the Mixed-Income Strategy with the City of Sacramento. Essentially, the construction of 189 affordable units for senior residents (APN 201-0300-180) whose income does not exceed 80% of AMI for Sacramento County, fulfills this requirement. The only caveat is that the developer obtains a building permit for this project prior to issuance of 65% of the building permits for 2,425 market rate units (Total Project, Including Phase 2). This equates to 1,576 permits. However, since the building permit has been issued for this component, no restrictions are applicable to the subject property.

Flood Zone:

According to the Federal Emergency Management Agency Flood Insurance Rate Maps (FIRM), Community-Panel Number 06067C-0045J, with an effective date of June 16, 2015, the subject property is identified in Zone A99. In this zone, the base flood elevation is the water-surface elevation of the 1% annual chance flood. The 1% annual chance flood (100-year flood), also known as the base flood, is the flood that has a 1% chance of being equaled or exceeded in any given year. Flood insurance is required.

SUMMARY OF SALIENT FACTS (Continued)

Unusual Seismic Hazards: Special Publication 42 (Interim Revision 2007), Fault Rupture Hazard Zones in California, prepared by the California Department of Conservation, California Geological Survey, describes active faults and fault zones pursuant to the Alquist-Priolo Earthquake Fault Zoning Act. According to Special Publication 42, the subject property is not within or near an Alquist-Priolo special study zone.

Highest and Best Use: The legally permissible uses of the subject are limited to the land uses as currently approved (single-family residential). The Highest and Best use is for near-term single-family residential development.

Effective Date(s) of Valuation: June 29, 2026

VALUE CONCLUSION:

ENTITY	AGGREGATE MARKET VALUE
Hypothetical Market Value Individual Homes Closed 439 Units	**$283,415,500**
Hypothetical Market Value Greenbriar Phase 2, LLC 547 Lots **(A)**	**$73,000,000**
Hypothetical Market Value Lennar Homes of California, LLC 191 Lots/Homes **(B)**	**$53,986,053**
Aggregate, or Cumulative, Value of Appraised Properties	**$410,401,553**

(A) This component is comprised of finished lots, as well as lots with final map approval.

(B) This component is comprised of finished lots, as well as the allocated value of permits and fees paid as of the effective date of valuation ($16,736,053).

The value noted above is presented in conjunction with the **Hypothetical Condition** that as of the effective date of valuation, the Bonds had just been sold, and the properties were encumbered by CFD Bonds supported by Special Taxes as described herein. The estimate of market value, by ownership, accounts for the impact of the proposed lien of the special taxes securing the bonds.

EXTRAORDINARY ASSUMPTIONS

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, could alter the appraiser's opinions or conclusions if found to be false. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends, or about the integrity of data used in an analysis. Extraordinary Assumptions specific to this assignment include the following:

1. According to the City of Sacramento, the master developer will receive reimbursement from Greenbriar Community Facilities District No. 2018-03, Improvement Area #2 Bond Proceeds in the amount estimated near $15,000,000. According to the City of Sacramento, bonding capacity is limited to a 3:1 value-to-lien on the aggregate of the value of the district, by ownership. Based on the opinions of value presented in this Appraisal Report, there is sufficient value to accommodate this bond district and therefore all authorized facilities are assumed paid and in place as of the effective date of valuation.

2. This appraisal assumes completion of the remaining flood protection projects, as stated in the ULOP report (included in the addenda of this report), within the timelines stipulated within the ULOP report and that no suspension of development approvals will be necessary. Alternatively, if deadlines are not met, the City will seek and be granted legislative extensions by the Central Valley Flood Protection Board and development will continue for the subject project.

HYPOTHETICAL CONDITIONS

A condition, as directly related to a specific assignment, is contrary to what is known by the appraiser to exist on the effective date of the assignment results but used for the purpose of the analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions or trends; or about the integrity of data used in an analysis. Hypothetical Conditions specific to this assignment include the following:

1. The opinion of market value as of the effective date of valuation is based on the hypothetical condition that Bonds for Greenbriar Community Facilities District (CFD) No. 2018-03, Improvement Area #2 had just been sold and the properties were encumbered by the first series CFD Bonds supported by Special Taxes as described herein. The estimate of market value, by ownership, accounts for the impact of the proposed lien of the special taxes securing the bonds.

It is clearly noted that the use of Extraordinary Assumptions and/or Hypothetical Conditions might affect the assignment results.

PART 1 – INTRODUCTION

IDENTIFICATION OF THE SUBJECT PROPERTY

The subject properties reflect the parcels identified within the Greenbriar Community Facilities District No 2018-03, Improvement Area No. 2. It is generally located along the NWQ of Interstate 5 and State Highway 99. It lies south of Elkhorn Boulevard, east of Lone Tree Road (Private Road) and south of the proposed Shore Vista Way. It is in the City of Sacramento and Zip Code 95835. An illustrative map of these properties is as follows.

The subject encompasses a total land area of approximately 296.00 gross acres. This includes properties beyond the scope of this assignment as the subject property is comprised of 127.1 net acres identified for 1,177 lots/homes. The subject properties are identified by the Sacramento County Assessor as numerous parcels. The overall descriptions are based on those identified from the Assessor's office, as well as review of the Preliminary Title Report prepared by First American Title Company, dated March 19, 2026

It is noted that this description includes only the components which comprise the residential lots and homes as part of the 1,177 total units in this project. The other land uses within this district are summarized in the Site Description of this report.

Descriptions for the twenty (20) residential villages are identified as follows.

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCES
Village 1	201-1540-001..011	Lots 38..48	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1540-026..061	Lots 1..6, 21..50	Greenbriar Phase 2, Village 1A	Recorded 10-14-2022, Book 442, Page 15
	201-1600-001..017	Lots 7..20, 51..53	Greenbriar Phase 2, Village 1A	Recorded 10-14-2022, Book 442, Page 15
	201-1770-001..040	Lots 1..40	Greenbriar Phase 2, Village 1B	Recorded 7-24-2025, Book 466, Page 3
Village 2	201-1540-012..025	Lots 49..62	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1760-001..050, 059..065	Lots 1..75	Greenbriar Phase 2, Village 2	Recorded 10-10-2025, Book 470, Page 1
	201-1770-041..058			
Village 3	201-1520-001..011	Lots 1..11	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
Village 4	201-1720-001..068	Lots 1..68	Greenbriar Phase 2, Village 4	Recorded 12-12-24, Book 462, Page 5
Village 5	201-1550-001..003	Lots 63..65	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1590-001..058	Lots 1..58	Greenbriar Phase 2, Village 5	Recorded 8-1-2022, Book 440, Page 2
Village 6	201-1550-016..019	Lots 78..81	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1640-001..050	Lots 1..50	Greenbriar Phase 2, Village 6	Recorded 3-19-2024, Book 454, Page 4
Village 7	201-1530-001..026	Lots 12..37	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
Village 8	201-1550-010..015	Lots 72..77	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1710-001..082	Lots 1..82	Greenbriar Phase 2, Village 8	Recorded 12-12-2024, Book 462, Page 4
Village 9	201-1550-005..009	Lots 67..71	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1710-085..132	Lots 1..48	Greenbriar Phase 2, Village 9	Recorded 7-24-2025, Book 466, Page 4
Village 10	201-1550-004	Lot 66	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1550-020..035	Lots 26..41	Greenbriar Phase 2, Village 10	Recorded 3-1-2024, Book 454, Page 3
	201-1630-001..042	Lots 1..25, 42..58	Greenbriar Phase 2, Village 10	Recorded 3-1-2024, Book 454, Page 3
Village 11	201-1520-012..014	Lots 82..84	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1700-063..103	Lots 1..41	Greenbriar Phase 2, Village 11	Recorded 10-10-2025, Book 470, Page 2
Village 12	201-1700-001..060	Lots 1..60	Greenbriar Phase 2, Village 12	Recorded 12-12-2024, Book 462, Page 3
Village 13	201-1780-001..050	Lots 1..50	Greenbriar Phase 2, Village 13	Recorded 2-13-2026, Book 472, Page 7
Village 14	201-1570-047..100	Lots 1..54	Greenbriar Phase 2, Village 14	Recorded 7-24-2025, Book 466, Page 5
Village 15	201-1790-001..029	Lots 1..29	Greenbriar Phase 2, Village 15	Recorded 2-13-2026, Book 472, Page 2
Village 16	201-1570-102..135	Lots 1..34	Greenbriar Phase 2, Village 16	Recorded 2-13-2026, Book 472, Page 3
Village 17	201-1570-001..046	Lots 1..46	Greenbriar Phase 2, Village 17 (Includes 2 Lots in Village 15)	Recorded 10-14-2022, Book 442, Page 6
Village 18	201-1580-001..059	Lots 1..59	Greenbriar Phase 2, Village 18	Recorded 10-14-2022, Book 443, Page 1
Village 19	201-1580-063..111	Lots 1..49	Greenbriar Phase 2, Village 19	Recorded 10-24-2025, Book 446, Page 5
Village 14/20	201-1490-038..108	Lots 1..27, 37..80	Greenbriar Phase 1, Village 14A	Recorded 5-6-2024, Book 455, Page 2
	201-1660-001..009	Lots 28..36		
	201-1730-001..059	Lots 1..59	Greenbriar Phase 1, Village 14B	Recorded 7-24-2025, Book 466, Page 2

The revenue generating parcels for this project are comprised of 1,177 residential lots. Site improvements and vertical improvements were ongoing as of the effective date of valuation. Development of homes has commenced as 439 homes are owned by individual buyers (closed escrow), with 738 residential lots as of the effective date of valuation. This includes 191 lots under the ownership of Lennar Homes of California and 547 lots under the ownership of Greenbriar Phase 2, LLC. The focal point of this project reflects the approximate 21.00 acre, man-made lake toward the center of this project.

The legal description was identified in the Preliminary Title Report prepared by First American Title Company, dated March 19, 2026. This description is lengthy, and a copy of this report is included in the addenda of this report.

The subject property is currently vested for development of the proposed uses identified in this report. This project identified as P11-083 was approved by the City of Sacramento in 2017 including the following:

1) Certification of the Environmental Impact Report including adoption of the mitigation monitoring and reporting program;
2) Approval of the Development Agreement;
3) Adoption of the 2017 Greenbriar Financing plan;
4) Resolution Authorizing Building Permits and Multi-Unit Dwellings pursuant to Sacramento City Code Floodplain Management Regulations;
5) Directing the Greenbriar Development Impact Fees to be allocated to the North Natomas Regional Park;
6) Amending the General Plan Land Use and Urban Form Diagram to change land use designations for various parcels consistent with the development project;
7) Amending the zoning of the project;
8) Amending the Planned Unit Development Guidelines;
9) Approving the Mixed-Income Housing Strategy;
10) Approving the tentative map and project design with conditions of approval.

This project is fully vested for development from both a planning and environmental viewpoint.

SCOPE OF WORK

This appraisal report is prepared in conjunction with current Uniform Standards of Professional Appraisal Practice as well as the Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (2004). Elements inherent with this process include the following:

1. Review of all documents provided to determine the purpose, intended use, and intended user of the appraisal report. Identify the appraisal problem and appropriate approaches to value necessary to provide credible results.

2. Complete a physical inspection of each of the properties from an exterior basis.

3. Research of the neighborhood, city and county factors was based on neighborhood analysis, information from local government sources, and data sources utilized by Smith & Associates, Inc. Through the research of this element along with meetings with city officials, the properties can be accurately described, and a market analysis conducted for each property type.

4. In developing the approaches to value, market data was used and verified. Data sources included in-house data files, brokers and agents, property owners, and other knowledgeable market participants. Further data is generated from the City of Sacramento as to the municipal debt for all existing properties in the analysis.

5. Review and analyze all pertinent data to determine the subject's highest and best use. Steps 1-4 noted above were considered with particular emphasis placed on current market conditions and trends.

6. Assemble and analyze the data outlined above and opinions of value formulated. The sales comparison approach and the extraction method will be utilized to develop the individual value for finished lots for each product type (based on lot size). These values are reconciled, and opinions of

value are identified for each village are noted. Values are then allocated per ownership including the 191 lots/homes owned by Lennar Homes of California, LLC, as well as the remaining 547 lots owned by Greenbriar Phase 2, LLC. The overall value for the 547 lots are developed through discounted cash flow (DCF Model). The revenues for the remaining lots are developed, and utilized in conjunction with agents of production, including remaining site development costs, as well as other expenses in a discounted cash flow to develop the bulk value for 547 residential lots held by Greenbriar Phase 2, LLC. Values identified for the 439 homes are based on assessed values for the homes, dictated by most recent transaction pricing as provided from Sacramento County public records.

7. Review the report for content and compliance with current USPAP, California Debt and Investment Advisory Commission (2004) and client requirements.

8. Preparation of an appraisal report with information presented to the client that is adequate to allow for an understanding of the appraisal process and the opinion of value. The depth of discussion contained in this report is specific to the needs of the client and for the intended use.

PROPERTY RIGHTS APPRAISED

The property rights appraised reflect the Fee Simple Interest. A definition of the individual property rights appraised is included in the Glossary contained in the Addenda of this appraisal report.

PURPOSE, INTENDED USE AND INTENDED USER OF THE APPRAISAL

The purpose of this report is to provide an opinion of market value based on the hypothetical condition that as of the effective date of valuation, the Bonds had just been sold, and the properties were encumbered by CFD Bonds supported by Special Taxes as described herein. The market value estimate accounts for the impact of the lien of the Special Tax securing the Bonds.

The intended use of this report is for bond underwriting purposes. The Client is the City of Sacramento. The intended users are the City of Sacramento and its associated finance team. The appraisal is not intended for any other use or user. No party or parties other than the City of Sacramento and its associated finance team may use or rely on the information, opinions, and conclusions contained in this report.

Two definitions cited in the Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (2004) are illustrated below as they are pertinent in the analysis of this property.

> **Retail Value** is defined as the price an end user, namely a homeowner or business owner, would pay for a home or completed buildings under the conditions requisite to a fair sale.
>
> **Bulk Sale Value** is the most probable price, in a competitive market, for the sale of all parcels within a tract or development project, to a single purchaser or to multiple buyers, discounted to present value. The bulk sale value reflects the necessary time to sell the land (the absorption period), the cost of developing the land, and the developer's profit from the project.

DEFINITION OF MARKET VALUE

The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States.

The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

a. Buyer and seller are typically motivated;
b. Both parties are well informed or well advised, and acting in what they consider their best interests;
c. A reasonable time is allowed for exposure in the open market;
d. Payment is made in terms of cash in U.S. dollars or financial arrangements comparable thereto; and
e. The price reflects the normal consideration by the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

"12 CFR, Part 34, Subpart C-Appraisals, 34.42(h)"

OWNERSHIP AND HISTORY OF THE PROPERTY

Title to the subject property is vested in several ownerships, as of the effective date of valuation. Greenbriar Phase 2 LLC, a Delaware limited liability company holds title to 547 lots in this project. Recent activity includes the transfer of Village 14/20 from The Greenbriar Project Owner, LLC, a Delaware limited liability company to the ownership noted above on May 31, 2024 (Document # 20240531-0851). There was no consideration for this transaction as it was between related parties. This transfer included APN 201-0300-179, as well as a portion of APNs 201-1490-037 and 201-0300-187. The latter two parcels were included as part of the transfer which were used for the creation of the final map for this project, which was recorded May 6, 2024 in Book 455 of Maps, at Page 2.

Lennar Homes of California, LLC, a California limited liability company holds title to 191 lots as of the effective date of valuation. In turn, Lennar Homes of California, LLC, has sold 439 completed homes to end users (homebuyers). The table below shows a summary of the nine individual takedowns of lots sold from Greenbriar Phase 2, LLC to Lennar Homes of California, LLC. It is noted that the overall price reported is based on review of documentary transfer tax at the time of recording.

TAKEDOWN	COE DATE	FINISHED LOTS	PRICE	$/LOT	DOC #
Takedown 1	3/13/2024	76	$16,288,000	$214,316	20240313-0581
Takedown 2	6/13/2024	68	$14,910,500	$219,272	20240613-0278
Takedown 3	9/12/2024	64	$14,727,000	$230,109	20240912-0721
Takedown 4	12/12/2024	88	$22,634,500	$257,210	20241212-0747
Takedown 5	3/11/2025	57	$13,780,000	$241,754	20250311-1125
Takedown 6	6/12/2025	67	$16,487,500	$246,082	20250612-0720
Takedown 7	9/11/2025	61	$13,025,500	$213,533	20250911-0786
Takedown 8	12/12/2025	65	$13,250,500	$203,854	20251212-0573
Takedown 9	3/19/2026	83	$17,671,500	$212,910	20260319-1135
TOTALS		**629**	**$142,775,000**	**$226,987**	

These lots were part of a purchase and sales agreement for all 1,177 lots (including Village 14/20) between Integral Communities (Greenbriar Phase 2, LLC) and Lennar with quarterly takedowns on lots through September 2028. A copy of this document was reviewed by the appraiser. An affiliate of Lennar, Len-Land West, LLC, owns some interest in the developer of this project (Integral Communities operating as Greenbriar Phase 2, LLC) and significant interest in the property where the developer is using to fund the backbone infrastructure on this property. There is no material impact on value as it reflects a non-arm's length transaction. The buyer for this property reflects a related party to the developer of this project. Upon review of Sacramento County public records, there have been no other sale or transfer of ownership that has occurred within the past three years, and no other offerings or contracts encumber the individual project areas.

PART 2 – LOCATION AND PROPERTY DESCRIPTIONS

REGIONAL DESCRIPTION

The Sacramento region is comprised of four counties, which include Sacramento, El Dorado, Placer and Yolo Counties. The region encompasses approximately 5,361 square miles from the Sacramento River Delta to the Sierra Nevada Mountain Range. At the center of this region is the City and County of Sacramento that includes approximately 1,105 square miles near the middle of the 400-mile long central valley. The region is the north-central part of California, approximately 382 miles north of Los Angeles, 273 miles south of the Oregon border, and 85 miles northeast of San Francisco.

Geography, Climate, & Seismic Conditions

The topography of the region ranges from relatively flat land along the valley floor to steep mountain terrain. Elevations range from 15 feet below sea level near the Sacramento/San Joaquin River Delta to 10,000 feet above sea level at the summit of the Sierra Nevada Mountains. The American River and the Sacramento River are the two major waterways in the region. The American River flows from the east and travels west along the southern portion of the Sacramento Metropolitan Statistical Area (MSA) and joins the Sacramento River just north of Old Sacramento. The Sacramento River flows from the north and heads south along the west side of the area and marks the western boundary of the region.

The climate of Sacramento is warm and dry in the summer with an average daytime temperature of 91°F, and a cool 58°F at night. During winter months, temperatures range from 36°F to 61°F. Due to the Sierra Nevada Mountains, the region has adequate water supply during summer months and is shielded from snowstorms in the winter. During the rainy season, November through April, an accumulation of 17 to 18 inches is the norm. Besides the relatively mild climate, the area is known for its stable seismic conditions. According to information published by the California Department of Mines and Geology, in accordance with the Alquist-Priolo Special Studies Zone Act of 1972, there are no areas within the Sacramento region identified as a special fault-hazard zone. Unlike the Bay Area and Los Angeles, Sacramento and adjoining cities rank among the lowest in the state for the probability of a major earthquake. This factor has attributed to job growth and expansion into the area.

Transportation

The region's strategic location in Northern California makes it easy to access other Western cities. The metropolitan area includes four major freeways, which converge in Sacramento, including two of the nation's most vital interstate routes. Interstate 5 runs from Canada to Mexico, and Interstate 80 stretches from the Atlantic Ocean in New York City to the Pacific Ocean in San Francisco. They link up in Sacramento with State Highway 99, which parallels Interstate 5 throughout the length of California, and US Highway 50, which connects the capital with Lake Tahoe, and extends to the east coast.

By rail, intercity commuter rail service is throughout the region, with the hub of freight operations located in Roseville. In 1998, Union Pacific made its western headquarters in Roseville. The Roseville headquarters is among the largest and most modern rail systems in the western United States. Rail service is available near the subject location, however, there are no spurs identified within the immediate vicinity for heavier distribution users.

Sacramento International Airport is served by several commercial airlines. The 60-year-old airport is located just off Interstate 5, about a 15 minute drive northwest of downtown. The total number of passengers has drastically increased since the arrival of Southwest Airlines in 1991 and its discounted fares. Passenger travel peaked in 2007 with 10.7 million passengers but declined to 8.9 million passengers in 2009. A large construction occurred at Sacramento International Airport with the modernization of Terminal B. This project broke ground in June 2008 and was completed in 2011. Sacramento County officials reduced the budget to $1.08 billion from $1.3 billion by eliminating plans for a parking garage and hotel. The project included an automatic train system and a new central terminal building and concourse which is more than 670,000 square feet.

Furthermore, a new $1.3 billion expansion project recently commenced which will include construction of a $140 million pedestrian walkway that will connect Terminal B to Concourse B. Additional projects include expansion to both Terminal A and Concourse B, which will add gates and amenities, a new Terminal B parking garage; and a consolidated ground transportation center that will centralize taxi, rideshare, and off-site shuttle providers into a single area that is walkable from both terminals. These improvements are nearing completion.

Sacramento is linked to the Pacific Ocean by a 42-mile deep-water ship channel into San Francisco Bay. The inland Port of West Sacramento is located 79 nautical miles northeast of San Francisco and is centered in one of the richest agricultural and industrial regions in the world.

Population

The Sacramento region experienced slow growth from 2,397,382 residents in the 2020 Census to the current 2026 estimate (State of California Department of Finance) of 2,478,928 (0.8% per annum, compounded). The following table represents the total population increase in the Sacramento region based on census figures, as well as estimates compiled by the State of California Department of Finance.

COUNTY	2020 (CENSUS)	2025 POPULATION (ESTIMATES)	2026 POPULATION (ESTIMATES)	% CHANGE 2025-2026
Yolo	216,403	225,554	225,904	0.2%
El Dorado	191,185	190,397	189,852	-0.3%
Placer	404,739	428,880	434,823	1.4%
Sacramento	1,585,055	1,619,023	1,628,349	0.6%
Total Region	**2,397,382**	**2,463,854**	**2,478,928**	**0.6%**
State of California	39,538,223	39,646,907	39,592,978	-0.1%

Source: State of California Department of Finance

There is continued population growth in the region, albeit at slower rates than identified in the earlier part of the decade. This has changed 0.6% in the past year with the overall addition of 81,546 residents since the 2020 census. It is at a higher rate than evidenced by the State of California which shows slight reductions in the past year, and is slightly above projections noted in the 2020 census.

Local Economy/Job Formation

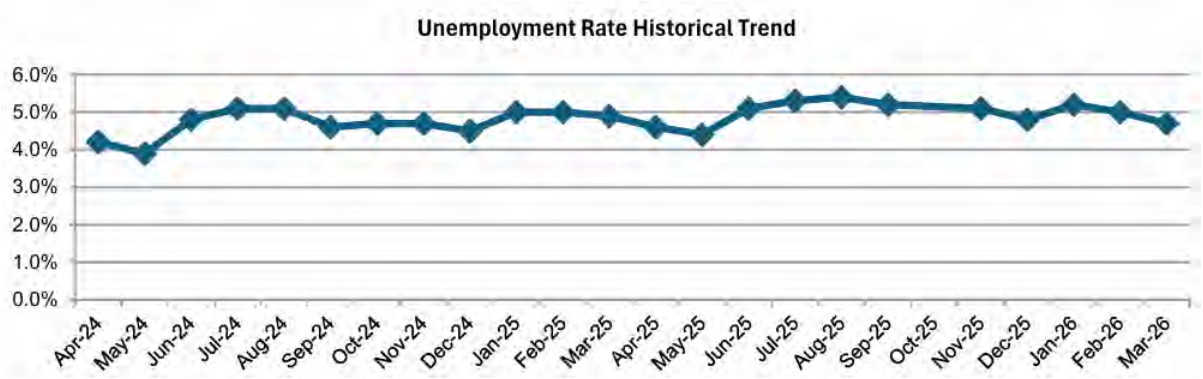
The unemployment rate in the Sacramento-Roseville-Folsom MSA was 4.7 percent in March 2026, down from a revised 5.0 percent in February 2026, and below the year-ago estimate of 4.9 percent. This compares with an unadjusted unemployment rate of 5.2 percent for California and 4.3 percent for the nation during the same period. The unemployment rate was 4.9 percent in El Dorado County, 4.0 percent in Placer County, 4.8 percent in Sacramento County, and 5.7 percent in Yolo County.

The total labor force for the region is currently identified at 1,197,900 workers, with 1,141,000 currently employed. The following table illustrates historic employment for the entire region since 2000. It is noted that these numbers vary slightly to the previous numbers as they are not seasonally adjusted.

YEAR	LABOR FORCE	EMPLOYMENT	UNEMPLOYED	RATE
2026	1,197,900	1,141,000	56,900	4.7%
2025	1,196,100	1,138,200	58,000	4.8%
2024	1,180,700	1,125,600	55,100	4.7%
2023	1,129,200	1,080,500	48,600	4.3%
2022	1,112,100	1,069,700	42,400	3.8%
2021	1,105,400	1,034,400	71,000	6.4%
2020	1,096,900	1,010,500	86,400	7.9%
2019	1,104,600	1,069,600	35,000	3.2%
2018	1,111,000	1,071,600	39,300	3.5%
2017	1,088,700	1,037,900	50,800	4.7%
2016	1,073,600	1,017,300	56,300	5.2%
2015	1,060,200	998,100	62,100	5.9%
2014	1,050,800	976,100	74,700	7.1%
2013	1,049,100	958,200	90,900	8.7%
2012	1,049,500	941,300	108,200	10.3%
2011	1,045,200	921,300	123,600	11.8%
2010	1,049,800	920,100	129,700	12.4%
2009	1,051,200	937,100	114,200	10.9%
2008	1,045,300	971,000	74,200	7.1%
2007	1,036,200	981,000	55,200	5.3%
2012	1,022,800	974,900	47,900	4.7%
2005	1,012,000	962,600	49,400	4.9%
2004	998,300	943,700	54,700	5.5%
2003	983,700	927,200	56,400	5.7%
2002	965,000	911,900	53,100	5.5%
2001	935,300	893,400	41,900	4.5%
2000	910,000	871,000	39,000	4.3%

Source: State of CA EDD. Information through March 2026.

Historic changes in the unemployment rate are depicted on the following chart.



Between February 2026 and March 2026, total nonfarm employment in the counties of El Dorado, Placer, Sacramento, and Yolo increased by 1,300 to total 1,109,900 jobs. Over the month, government reported the largest employment gain, adding 2,300 jobs. Local government (up 2,000 jobs) accounted for 87 percent of the increase while state government picked up 300 jobs. Federal government remained unchanged. Private education and health services continued its upward trend with a gain of 600 jobs, reaching 222,000 jobs in the region. Healthcare and social assistance (up 700 jobs) was responsible for the growth. Private educational services experienced a slight drop of 100 jobs. Construction led month-over declines with a loss of 900 jobs. Employment in professional and business services fell by 800 jobs in March. Within the industry sector, administrative and support and waste services (down 700 jobs) and professional, scientific, and technical services (down 200 jobs) reported losses. Management of companies and enterprises showed a slight gain of 100 jobs.

Between March 2025 and March 2026, total jobs in the region increased by 8,300 or 0.8 percent. Over the year, private education and health services (up 10,500 jobs) registered the largest employment increase. Healthcare and social assistance was responsible for the expansion, adding 10,700 jobs. Meanwhile, private educational services shed 200 jobs. Trade, transportation, and utilities advanced by 2,700 jobs compared to last March. Employment gains were spread across retail trade (up 1,900 jobs), transportation, warehousing and utilities (up 700 jobs), and wholesale trade (up 100 jobs). Government employment accounted for the largest year-over decline, shedding 4,100 jobs. Job declines in state government (down 4,200 jobs) and federal government (down 900 jobs) were offset by a gain of 1,000 jobs in local government.

Housing

The Sacramento housing market is adjusting in response to current market conditions with inflationary pressures arising with conflicts in the middle east and rising inflation. The table below shows the median home pricing for the four-county region according to the California Association of Realtors, including comparisons from the past two years.

AREA ALL HOMES	MEDIAN PRICE MAR 2024	MEDIAN PRICE MAR 2025	MEDIAN PRICE MAR 2026	%Δ 24-26	%Δ 25-26
Yolo	$635,830	$615,000	$647,500	1.8%	5.3%
El Dorado	$677,000	$722,500	$659,000	-2.7%	-8.8%
Placer	$659,000	$665,000	$675,750	2.5%	1.6%
Sacramento	$530,000	$560,000	$550,000	3.8%	-1.8%
CALIFORNIA	**$854,490**	**$910,160**	**$889,190**	**4.1%**	**-2.3%**

Home prices in the Sacramento Region have fluctuated since 2024. Pricing is up in all regions except El Dorado County. California shows an increase of 4.1% over the same time frame. Changes are generally lower in the past 12 months with Placer and Yolo Counties reflecting positive gains. California is down 2.3% over the same time frame.

Current levels of inventory are changing and pricing is adjusting in the resale market. The following table shows the total number of homes sold in each county according to Metrolist since 2021. Home prices are shown in terms of median price.

COUNTY	2021	2022	2023	2024	2025	2026 YTD	ACTIVE*
Sacramento	19,344	15,142	11,314	12,045	12,027	3,776	**2,282**
Placer	7,006	5,615	4,618	4,978	5,022	1,565	**1,090**
El Dorado	3,329	2,502	1,894	1,948	2,077	643	**684**
Yolo	2,076	1,589	1,290	1,374	1,353	401	**280**
Totals	**31,755**	**24,848**	**19,116**	**20,345**	**20,479**	**6,385**	**4,336**
COUNTY	**2021**	**2022**	**2023**	**2024**	**2025**	**2026 YTD**	**ACTIVE**
Sacramento	$480,304	$520,000	$510,000	$530,100	$530,000	$525,000	**$569,925**
Placer	$625,000	$669,447	$642,375	$649,000	$650,000	$640,000	**$733,495**
El Dorado	$621,000	$650,000	$630,000	$654,000	$658,000	$695,000	**$694,000**
Yolo	$550,000	$600,000	$611,678	$609,420	$620,000	$600,000	**$667,000**
MEDIAN SF	**2021**	**2022**	**2023**	**2024**	**2025**	**2026 YTD**	**ACTIVE**
Sacramento	1,539	1,532	1,557	1,579	1,584	1,583	**1,738**
Placer	2,020	2,010	2,040	1,992	2,032	1,977	**2,247**
El Dorado	2,096	2,034	2,049	2,017	2,079	2,148	**2,173**
Yolo	1,607	1,633	1,741	1,709	1,739	1,694	**1,823**
MEDIAN $/SF	**2021**	**2022**	**2023**	**2024**	**2025**	**2026 YTD**	**ACTIVE**
Sacramento	$312.09	$334.67	$321.52	$331.56	$329.91	$328.31	**$326.73**
Placer	$309.41	$342.72	$329.71	$341.66	$337.06	$338.54	**$344.43**
El Dorado	$296.28	$324.71	$315.52	$324.82	$324.82	$325.01	**$332.53**
Yolo	$342.25	$364.49	$351.94	$354.95	$362.52	$344.91	**$397.46**

Source: Metrolist, Active information processed as of May 5, 2026.

According to this information, pricing is changing in 2026. The following table shows changes for each individual county, as well as total inventory of homes.

COUNTY	2025 PRICING	2026 PRICING	% CHANGE	ACTIVE INVENTORY	SALES RATE/ TOTAL INVENTORY
Sacramento	$530,000	$525,000	-0.9%	**2,282**	889/mo. – 2.6 months
Placer	$650,000	$640,000	-1.5%	**1,090**	368/mo. – 3.0 months
El Dorado	$658,000	$695,000	5.6%	**684**	160/mo. – 4.2 months
Yolo	$620,000	$600,000	-3.2%	**280**	83/mo. – 3.0 months
Totals				**4,336**	**1,502/mo. – 2.9 months**

Source: Metrolist, Active information processed as of May 5, 2026.

The median home price is mostly stable with only El Dorado County showing gains above 2025 levels. Inventory levels in the resale market are stable with 4,336 homes on the market as of May 5, 2026, representing approximately 2.9 months of inventory. This is based on the overall sales rate for 2026 (4.25 Months of Sale).

The average price of a new home ranges from $520,840 (Yuba County) to $940,358 (El Dorado County) in the Sacramento region by the end of 1st Quarter 2026. According to the Gregory Group (New Housing Trends), 1st Quarter 2026, the historic average pricing for the Sacramento region is identified on the following table.

COUNTY	1Q 2024	1Q 2025	1Q 2026	%Δ 24-26	%Δ 25-26
El Dorado County	$969,494	$890,204	$940,358	-3.0%	5.6%
Placer County	$792,792	$799,150	$781,289	-1.4%	-2.2%
Sacramento County	$683,456	$682,694	$664,570	-2.7%	-2.7%
Sutter County	$601,936	$696,000	$566,422	-5.9%	4.5%
Yolo County	$648,964	$588,732	$727,545	32.5%	-3.8%
Yuba County	$512,338	$541,282	$520,840	1.6%	-2.9%
REGIONWIDE	**$663,990**	**$668,993**	**$657,990**	**-0.9%**	**-1.6%**

Pricing changes from 2024 to 2026 (1st quarter), as well as changes over the past year are identified on the table above. This information shows that pricing has decreased in the entire region by 0.9% since the 1st Quarter of 2024 through the 1st Quarter of 2026. The region appears to be stable in terms of pricing as indicated by the year-over-year change in new home pricing at (-1.6%) on an overall basis.

Altogether, there were 8,099 new homes sold in the Sacramento region during 2021. However, with inflationary pressures and rising interest rates in 2022, and total sales dropped to 5,568 in 2022. However, in 2023 total sales increased to 7,019, and in 2024 total sales are identified 8,044. Sales decreased in 2025 to a total of 6,665 sales. These elements are identified as follows.

COUNTY	2021	2022	2023	2024	2025	2026 QTD
El Dorado County	358	228	271	268	256	51
Placer County	2,958	2,170	2,571	2,268	2,033	540
Sacramento County	3,859	2,557	3,351	4,441	3,531	996
Sutter County	102	53	33	82	94	39
Yolo County	432	196	434	518	199	40
Yuba County	390	364	359	467	552	114
REGIONWIDE	**8,099**	**5,568**	**7,019**	**8,044**	**6,665**	**1,780**

Source: The Gregory Group, 1st Quarter 2026

The subject property is located in the Sacramento County market area. New home sales dropped 20.5% in the past year as the market retreated back to levels identified between 2022 and 2024.

Leisure Activities

For leisure activities, Sacramento's best asset is its location. The city makes a good base camp to sample the sights of Northern California. San Francisco, Lake Tahoe, Yosemite National Park, the Napa Valley, Monterey Bay, and historic towns of the gold rush era are all within a few hours by car. In Sacramento itself there are the Kings of the National Basketball Association, professional opera and ballet companies, a symphony orchestra and the West's oldest public art museum. The Oakland A's will play the 2026 and 2027 season in Sutter Health Park in West Sacramento. Mild weather makes most outdoor sports

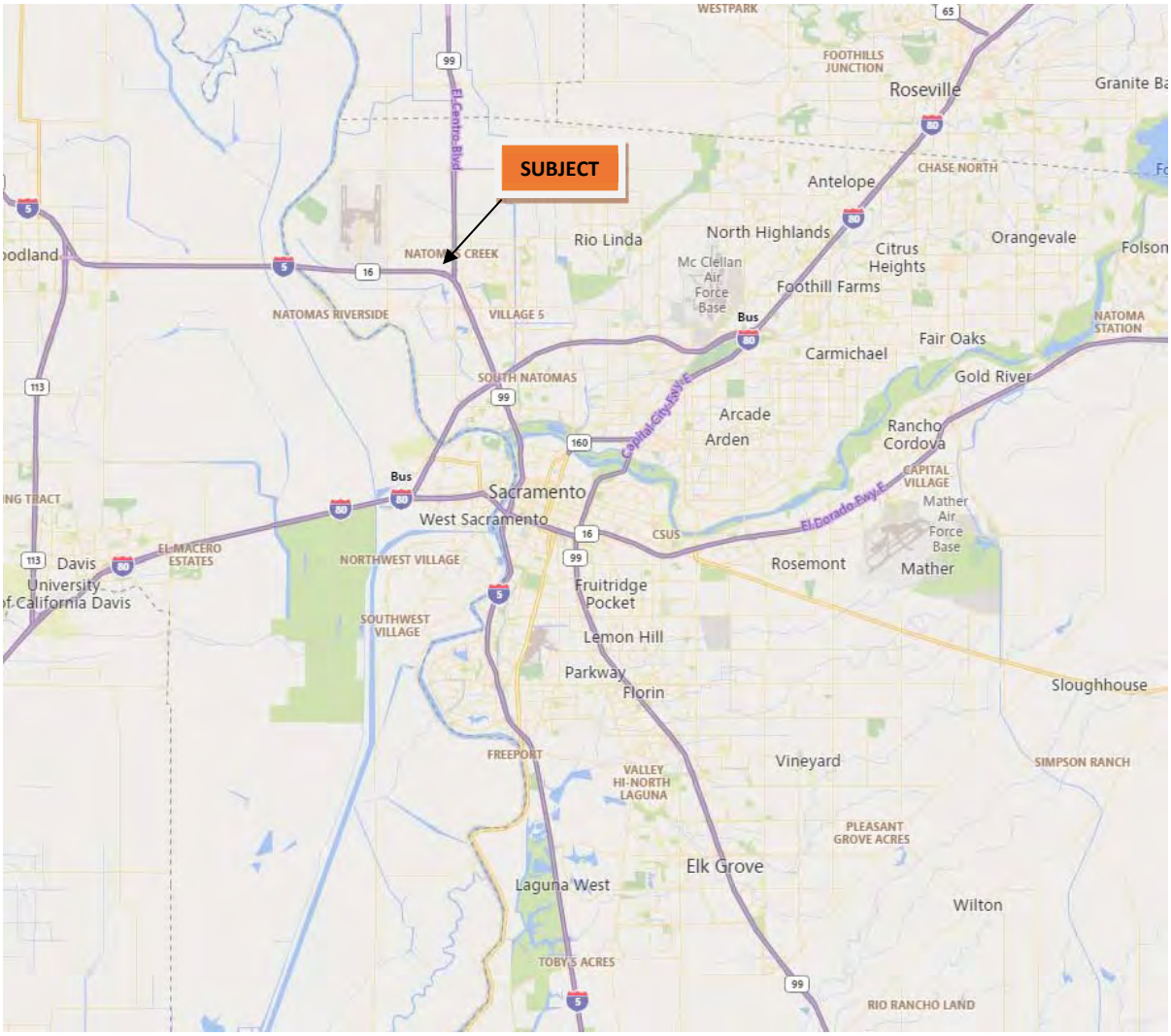
available year-round, including tennis, golf, boating and bicycling. With picturesque Gold Rush-era towns dotting the foothills east of Sacramento, and with the majestic Sierra Nevada beckoning skiers, backpackers, boaters, and anglers, it is easy to understand the Sacramento appeal to tourists. About 20 percent of Sacramento's visitors came to town while vacationing, 17 percent were visiting friends and relatives, and 20 percent were passing through. The construction and subsequent opening of the Golden One Center in Downtown Sacramento in 2016 has had a positive impact on tourism in the region.

Conclusion

The Sacramento region enjoys a favorable location, central within California and the West Coast. All forms of transportation are well developed and easily accessible. The work force is relatively stable, educational facilities are abundant, and the generally favorable government attitude allows the area to be attractive to both individuals and corporations. Currently, economic conditions are still influenced by the inflationary economy. Inflation was at a 40-year high in 2022, and rising interest rates are the main vehicle used to combat rising inflation in all sectors. This impacted the housing market with slower levels of sales and pricing starting to reverse course after two years of high levels of appreciation. While new home sales are showing higher levels of pricing, the rising interest rates will compress affordability ratios and pricing will have to adjust to levels to stimulate sales. Recently, rates were lowered in January 2025, and again in September, October, and December 2025. Rates have held flat since this time.

It is likely rates will hold steady in the short term. However, with US tensions in the middle east, accompanied with higher fuel prices, inflation could become an issue once again and rates could increase again to deflect this element.

REGIONAL MAP



AREA DESCRIPTION

The subject property is located in the northern portion of the City of Sacramento in the Natomas area. It is a part of a development project which includes mixed-use residential and commercial development centered on common lake/detention basin northwest of the interchange of Interstate 5 and State Highway 99 in the North Natomas Area of Sacramento. It is generally north of the North Natomas Community Plan area and east of Sacramento International Airport and Metro Air Park.

The immediate area lies at the northernmost border of the City of Sacramento. Land uses north of the subject property as well as to the west are under Sacramento County jurisdiction including the airport and Metro Air Park. This region just west of the subject is a growth area for industrial development based on proximity to the airport. It was approved in 1993 to allow development of approximately 1,893 acres for light manufacturing, distribution, airport related, high-tech/R&D, office, hotel, and limited support retail development along with land to accommodate drainage and wildlife concerns. Development in this region was subject to more than one economic cycle but has emerged with larger development patterns in the past few years. Amazon emerged in 2016 and occupied an 855,000 square foot distribution center in late 2017. Other development includes 128 acres sold to NorthPoint Development LLC to move into the region, and plans are underway for a 97-room Candlewood Suites. Furthermore, a building permit was approved for a 1.15 million-square foot distribution center in 2019 for Walmart. The recent completion of a freeway offramp serving this facility further enhances the overall desirability of this location. Development provides demand generators for the subject property based on the overall location with the addition of jobs to the region. Most recently, a proposal for a new 4-story, 85-room, Best Western Plus hotel was submitted to the City of Sacramento along the SWC of Metro Air Parkway and Elkhorn Boulevard.

Additionally, Sacramento Regional Transit (SacRT) has proposed a light rail project to connect the existing Green Line rail that starts in Downtown Sacramento and runs north to the River District with the Natomas Communities, and the Sacramento International Airport. It is noted that details on timing, funding, and final design, and locations for the Green Line stations in the Natomas area have not been confirmed and may change. Initial design renderings for the Green Line are as follows.

North Natomas is a major employment center for the Sacramento region with multiple office and light industrial employment centers. The majority of North Natomas jobs are either in office or industrial sectors. Northgate Industrial Park, located in the south portion of the Panhandle, provides light industrial and manufacturing jobs for North Natomas and regional employees. There is a cluster of office parks along Interstate 5 and Arena Boulevard that provide jobs for North Natomas and regional employees. Unlike other areas of Sacramento that have large federal and state employment centers, only a small amount of North Natomas jobs are in the public sector. The jobs-to-housing ratio is relatively balanced with 1.2 jobs for every housing unit in the incorporated area. The Downtown-Natomas-Airport (DNA line) will eventually link the employment centers and the airport to the greater Sacramento area.

In 2018, Centene, a health insurer and Fortune 100 member, signed a lease with Houston-based Hines Securities for a new five-building, 1.25-million-SF campus. The approximately 70-acre site is located between Interstate 5 and E Commerce Way, adjacent to Sleep Train Arena. To lure St. Louis-based Centene, the City of Sacramento approved a $13.5 million incentive package, based on the company creating 5,000 jobs and 1,500 new jobs. Recently, this space has been placed on the market and offered for sub-lease including more than 500,000 square feet, as well as an 18,000 square foot facility for child care.

Other development in the region includes the recent completion of the Amazon fulfillment center in the Metro Air Park employing approximately 1,500 workers. Other major employers in the Natomas area include the corporate headquarters for Sutter Health, the California Farm Bureau, and multiple agencies of the State of California. At present, there is a total of 6.8 million square feet of office space in the combined north and south Natomas areas housing 25,000 office workers.

North Natomas has local-serving retail plazas, the regional-scale retail center, Natomas Marketplace, and the Promenade located at the corner of Truxel Road and Interstate 80, which serves the retail goods and services needs of North Natomas, South Natomas, and North Sacramento, as well as the region.

Other key features in the area include the Sleep Train Arena Sports complex, former home to the NBA's Sacramento Kings and is the site of other sports, cultural, and entertainment events. This facility was demolished in late 2022 and is viewed as a "large-scale" redevelopment project. Recent movement on this facility included the land sale of this facility to Argent Development comprised of approximately 183 acres.

The entire project, identified as Innovation Park, is identified for infrastructure work within the next few years. The first phase includes the proposed development to replace the Sleep Train Area with a new 14-story, 400-bed California Northstate University hospital and medical campus with later phases comprising high-density residential, office, mixed-use, and residential development. Innovation Park is entitled for 2,500 residential units, as well as office and lab space and supporting retail uses. Initial renderings of this facility include the following.

A Resolution of Intent to fund an Enhanced Infrastructure Improvement District (EIFD) was recently approved by City Council. While there are still hurdles for final approval, it could accelerate development of homes in Innovation Park with funding for infrastructure improvements.

Residential development flourished in this area starting with the development of Natomas Park. Over 5,000 homes have been constructed in this master planned community, to the point where vacant land for residential uses is diminishing in this area. However, this area in not immune from the contraction in the housing market, which has impacted resale pricing as well as the new home markets.

Another variable that influenced building in the region was the decertification of the flood areas in North Natomas in December 2008. At this time, the Federal Emergency Management Agency (FEMA) issued new flood risk maps for the Natomas region. These maps moved Natomas from a moderate risk "X" flood zone to a higher risk "AE" flood zone – a change that triggered the federal flood insurance requirement. This change was in response to a major levee upgrade for the region at a total estimated cost of $618 million. This created a de-facto building moratorium. More specifically, if residential projects in the area did not pull building permits (prior to December 2008), they would not be issued. FEMA changed the flood boundaries for this property to A99, within the 100-year flood with the map issued in June 2015. Development of residential and commercial properties generally started up again in 2016.

These flood elements were not necessarily bad news with respect to home development. At this time, the market was entering a recession as new home prices were driven downward as demand disappeared. Foreclosures entered the market, to the point of an over-supply from 2009-2011, but it appears that these additional inventory units have been absorbed.

The North Natomas region has re-emerged as an entry-level and first move-up housing market. Local sales trends are examined for this property with the use of Metrolist. Information on the table below is predicated on information for Zip Codes 95834 and 95835. Sales trends are examined for this region since 2010 and noted on the following table.

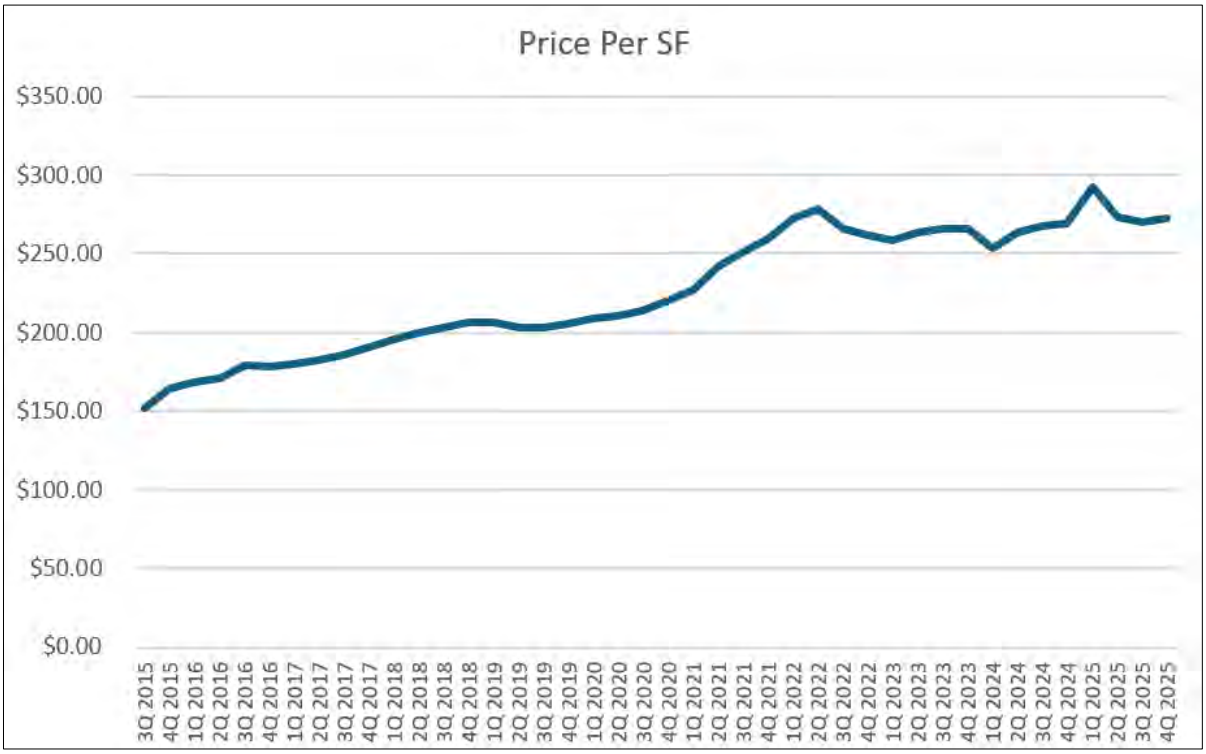
YEAR	#	MEDIAN PRICE	MEDIAN SF	MEDIAN $/SF	% CHANGE	AVG. PRICE	AVG. SF	AVG. $/SF	% CHANGE
2010	1,324	$210,000	1,815	$115.70	--	$210,849	1,931	$109.19	--
2011	1,424	$180,000	1,792	$100.45	-13.2%	$187,872	1,901	$98.83	-9.5%
2012	1,427	$200,000	1,871	$106.89	6.4%	$202,946	1,981	$102.45	3.7%
2013	1,104	$250,500	1,796	$139.48	30.5%	$258,082	1,937	$133.24	30.1%
2014	1,041	$285,000	1,800	$158.33	13.5%	$292,407	1,922	$152.14	14.2%
2015	1,094	$304,750	1,796	$169.68	7.2%	$309,738	1,908	$162.34	6.7%
2016	1,178	$325,000	1,769	$183.72	8.3%	$336,130	1,919	$175.16	7.9%
2017	1,132	$355,000	1,800	$197.22	7.3%	$362,919	1,885	$192.53	9.9%
2018	1,320	$381,000	1,869	$203.85	3.4%	$386,525	1,939	$199.34	3.5%
2019	1,168	$385,000	1,802	$213.65	4.8%	$396,317	1,901	$208.48	4.6%
2020	1,135	$420,000	1,849	$227.15	6.3%	$429,104	1,915	$224.08	7.5%
2021	1,229	$519,000	1,811	$286.58	26.2%	$522,302	1,904	$274.32	22.4%
2022	923	$555,000	1,786	$310.75	8.4%	$561,405	1,873	$299.74	9.3%
2023	622	$522,000	1,764	$291.12	-6.3%	$536,346	1,855	$297.85	-0.6%
2024	626	$535,000	1,763	$299.13	2.7%	$543,388	1,840	$305.38	2.5%
2025	722	$530,000	1,763	$293.50	-1.9%	$536,981	1,863	$297.80	-2.5%
2026	247	$500,000	1,651	$294.55	0.4%	$513,852	1,785	$297.09	-0.2%
Active	198	$554,450	1,992	$289.54		$589,191	1,996	$301.22	

Source: Metrolist. YTD information as of May 5, 2026.

Residential values have escalated in the immediate area. This is measured through price per square foot characteristics. The main jump was from 2012 to 2013 as the median price increased 30.5% and the average price increased 30.1%. The median price increased from 3.4% to 13.5%, per annum since this time through the end of 2020. Average prices increased 3.5% to 14.2% over the same time frame. However, the market escalated again in 2021 with median pricing showing 26.2% year-over-year increases and average pricing showing 22.4% year-over-year increases. Pricing dropped in 2022 with rising interest rates. The median price per square foot dropped 6.3%, whereas the average price per square foot dropped 0.6%. Year-to-date indicators for 2026 show generally similar pricing to annualized levels noted in 2025.

The current inventory of homes on the market is 198 homes, which reflects 3.4 months of existing supply (the pace of sales to liquidate current inventory) based on the 2026 rate of sales.

In addition, the North Natomas area includes 16 new home developments. According to information compiled by The Gregory Group (1Q 2026), these projects demonstrate an average net price of $638,755 with the average square footage identified at 2,416 square feet. The following table shows historic information for North Natomas based on information compiled by The Gregory Group dating back to 3Q 2015. This time frame is most applicable due to the lack of building caused by the flood zone elements discussed above.



Source: The Gregory Group

Quarter	Number of Projects	Average Lot Size (SF)	Average Home Size (SF)	Average Net Price	Price Per SF	Quarterly Sold	Unsold Inventory	Unoffered Inventory	Abs. Rate Quarterly	Abs. Rate 12-Month
3Q 2015	3	3,533	2,194	$334,120	$152.29	30	11	146	3.1/Mo.	7.7/Mo.
4Q 2015	10	3,597	1,997	$327,724	$164.11	98	72	781	3.0/Mo.	6.2/Mo.
1Q 2016	10	3,442	1,997	$335,853	$168.18	123	40	690	3.8/Mo.	4.5/Mo.
2Q 2016	10	3,597	1,934	$331,005	$171.15	107	48	682	3.3/Mo.	4.3/Mo.
3Q 2016	14	3,382	1,892	$339,602	$179.49	123	71	1,103	2.7/Mo.	3.2/Mo.
4Q 2016	15	3,333	1,913	$340,802	$178.15	156	127	1,174	3.2/Mo.	4.1/Mo.
1Q 2017	16	3,511	1,935	$348,587	$180.15	211	86	1,084	4.0/Mo.	4.1/Mo.
2Q 2017	19	3,604	1,992	$363,310	$182.38	344	74	925	5.6/Mo.	4.5/Mo.
3Q 2017	21	3,857	2,019	$375,039	$185.75	249	185	733	3.6/Mo.	4.3/Mo.
4Q 2017	21	3,792	1,983	$378,995	$191.12	214	113	803	3.1/Mo.	3.9/Mo.
1Q 2018	22	3,757	1,972	$386,736	$196.11	252	102	852	3.5/Mo.	4.1/Mo.
2Q 2018	20	3,435	1,962	$391,823	$199.71	227	99	721	3.5/Mo.	4.2/Mo.
3Q 2018	20	3,356	1,964	$399,011	$203.16	236	104	585	3.6/Mo.	4.1/Mo.
4Q 2018	22	3,439	1,915	$396,024	$206.80	162	168	598	2.3/Mo.	3.8/Mo.
1Q 2019	23	3,421	1,921	$397,492	$206.92	229	186	435	3.1/Mo.	3.7/Mo.
2Q 2019	21	3,491	1,950	$396,855	$203.52	282	132	927	4.1/Mo.	4.1/Mo.
3Q 2019	21	3,071	2,018	$409,411	$202.88	245	144	716	3.6/Mo.	3.8/Mo.
4Q 2019	19	3,067	1,957	$402,341	$205.59	161	136	886	2.6/Mo.	3.4/Mo.
1Q 2020	20	3,154	1,950	$407,195	$208.82	260	147	1,054	4.0/Mo.	3.4/Mo.
2Q 2020	18	3,038	1,898	$400,034	$210.77	170	132	1,044	2.9/Mo.	3.3/Mo.
3Q 2020	17	3,096	1,866	$399,525	$214.11	260	55	955	4.1/Mo.	4.0/Mo.
4Q 2020	13	3,050	1,837	$404,813	$220.37	179	55	888	4.2/Mo.	4.1/Mo.
1Q 2021	20	3,825	2,184	$496,069	$227.14	281	45	1,848	4.3/Mo.	4.7/Mo.
2Q 2021	19	3,927	2,231	$540,511	$242.27	237	33	1,633	3.8/Mo.	4.1/Mo.
3Q 2021	18	3,983	2,252	$565,987	$251.33	195	22	1,449	3.3/Mo.	3.8/Mo.
4Q 2021	17	4,065	2,300	$596,465	$259.33	90	26	1,263	3.3/Mo.	3.7/Mo.
1Q 2022	16	4,065	2,365	$644,454	$272.50	222	49	1,018	3.9/Mo.	4.3/Mo.
2Q 2022	16	4,065	2,365	$658,450	$278.41	138	65	831	3.7/Mo.	2.6/Mo.
3Q 2022	16	4,065	2,365	$629,226	$266.06	64	74	759	3.4/Mo.	1.2/Mo.
4Q 2022	16	4,065	2,365	$620,025	$262.17	55	90	690	2.9/Mo.	2.5/Mo.
1Q 2023	15	4,250	2,396	$619,787	$258.68	173	535	72	3.8/Mo.	2.4/Mo.
2Q 2023	14	4,250	2,433	$640,611	$263.30	159	378	55	3.8/Mo.	2.7/Mo.
3Q 2023	13	4,250	2,482	$659,527	$265.72	109	290	34	2.8/Mo.	3.1/Mo.
4Q 2023	12	4,250	2,519	$670,421	$266.15	100	282	29	2.8/Mo.	3.8/Mo.
1Q 2024	10	3,911	2,505	$636,019	$253.90	71	23	1,163	2.4/Mo.	2.9/Mo.
2Q 2024	9	3,921	2,455	$647,884	$263.90	63	26	1,236	2.3/Mo.	3.4/Mo.
3Q 2024	9	3,921	2,455	$657,242	$267.72	86	30	1,146	3.2/Mo.	2.8/Mo.
4Q 2024	10	3,818	2,416	$650,698	$269.33	70	81	1,104	2.3/Mo.	2.9/Mo.
1Q 2025	10	3,818	2,393	$700,135	$292.58	75	69	1,041	2.5/Mo.	2.9/Mo.
2Q 2025	13	3,983	2,410	$659,354	$273.59	71	81	1,287	1.8/Mo.	2.9/Mo.
3Q 2025	14	3,927	2,386	$644,961	$270.31	114	80	1,242	2.7/Mo.	2.6/Mo.
4Q 2025	14	3,927	2,374	$646,712	$272.41	88	66	1,170	2.1/Mo.	2.5/Mo.
1Q 2026	16	4,061	2,416	$638,755	$264.39	113	106	1,137	2.1/Mo.	2.3/Mo.

The Natomas submarket has re-emerged as a primary housing area of the Sacramento region. Net pricing dropped in 3Q 2022 as the result of average incentives at $21,172 per project, however pricing in 4Q 2023 increased to an average net price of $670,421. This dropped slightly in Q1 2024 and increased by Q1 2025 to $700,135. This dropped slightly in Q4 2025. In addition, inventory levels increased in the past quarter as the subject property (Phase 2 – Northlake) were included in the individual projects.

Total sales in this region, measured relative to Sacramento County, as well as the entire region are noted on the following table. This is based on information provided by the Gregory Group.

Quarter	Quarterly Sold (Natomas)	Quarterly Sold (Sacramento County)	Capture %	Quarterly Sold (Sacramento Region)	Capture %
3Q 2015	30	349	8.6%	805	3.7%
4Q 2015	98	494	19.8%	1,049	9.3%
TOTALS	**128**	**843**	**15.2%**	**1,854**	**6.9%**
1Q 2016	123	638	19.3%	1,352	9.1%
2Q 2016	107	555	19.3%	1,329	8.1%
3Q 2016	123	576	21.4%	1,207	10.2%
4Q 2016	156	558	28.0%	1,199	13.0%
TOTALS	**509**	**2,327**	**21.9%**	**5,087**	**10.0%**
1Q 2017	211	667	31.6%	1,541	13.7%
2Q 2017	344	896	38.4%	1,966	17.5%
3Q 2017	249	492	50.6%	1,053	23.6%
4Q 2017	214	485	44.1%	113	189.4%
TOTALS	**1,018**	**2,540**	**40.1%**	**4,673**	**21.8%**
1Q 2018	252	697	36.2%	1,448	17.4%
2Q 2018	227	693	32.8%	1,514	15.0%
3Q 2018	236	764	30.9%	1,290	18.3%
4Q 2018	162	520	31.2%	982	16.5%
TOTALS	**877**	**2,674**	**32.8%**	**5,234**	**16.8%**
1Q 2019	229	770	29.7%	1,457	15.7%
2Q 2019	282	960	29.4%	1,698	16.6%
3Q 2019	245	755	32.5%	1,428	17.2%
4Q 2019	161	735	21.9%	1,413	11.4%
TOTALS	**917**	**3,220**	**28.5%**	**5,996**	**15.3%**
1Q 2020	260	944	27.5%	1,846	14.1%
2Q 2020	170	634	26.8%	1,333	12.8%
3Q 2020	226	1,068	21.2%	2,243	10.1%
4Q 2020	179	1,239	14.4%	2,368	7.6%
TOTALS	**835**	**3,885**	**21.5%**	**7,790**	**10.7%**
1Q 2021	281	1,173	24.0%	2,676	10.5%
2Q 2021	237	1,015	23.3%	2,143	11.1%
3Q 2021	195	747	26.1%	1,473	13.2%
4Q 2021	181	924	19.6%	1,807	10.0%
TOTALS	**894**	**3,859**	**23.2%**	**8,099**	**11.0%**
1Q 2022	222	1,164	19.1%	2,356	9.4%
2Q 2022	138	744	18.5%	1,580	8.7%
3Q 2022	64	296	21.6%	792	8.1%
4Q 2022	55	353	15.6%	840	6.5%
TOTALS	**479**	**2,557**	**18.7%**	**5,568**	**8.6%**
1Q 2023	173	745	23.2%	1,782	9.7%
2Q 2023	159	945	16.8%	1,910	8.3%
3Q 2023	109	867	12.6%	1,929	5.7%
4Q 2023	100	794	12.6%	1,398	7.2%
TOTALS	**541**	**3,351**	**16.1%**	**7,019**	**7.7%**
1Q 2024	71	1,220	5.8%	2,355	3.0%
2Q 2024	63	999	6.3%	2,008	3.1%
3Q 2024	86	1,285	6.7%	2,067	4.2%
4Q 2024	70	937	7.5%	1,614	4.3%
TOTALS	**290**	**4,441**	**6.5%**	**8,044**	**3.6%**
1Q 2025	75	958	7.8%	1,889	4.0%
2Q 2025	71	713	10.0%	1,389	5.1%
3Q 2025	114	906	12.6%	1,630	7.0%
4Q 2025	88	954	9.2%	1,757	5.0%
TOTALS	**348**	**3,531**	**9.9%**	**6,665**	**5.2%**
1Q 2026	113	996	11.3%	1,780	6.3%

The Natomas sub-market has shown annualized sales between 479 and 1,018 sales per annum since 2016. Data for 2015 is based on two quarters and reflects the time period when building commenced in the region after several years of no activity. Sales for 2021 show 894 total sales, which dropped in 2022 to 479 sales. Information for 2025 shows 348 sales. However, this is primarily due to the sales of most homes in Northlake Phase 1. It is noted that the project is named Northlake, which is synonymous with

Greenbriar. This portion of the project is generally north of the subject is nearing build out, as well as the entire Natomas sub-market with the exception of Panhandle. It is noted that the master developer renamed the entire community Northlake, whereas final map references still identify the project as Greenbriar.

Construction has commenced in Northlake Phase 2 (Subject Property). This is synonymous with the subject property identified as Greenbriar Phase 2. Model homes are completed and vertical improvements are under construction as 439 homes have sold with an additional 191 lots owned by Lennar Homes of California, LLC.

Sales in the Northlake project are following suit. Initial homes for Northlake (Greenbriar Improvement Area 1) which include 1,137 homes commenced offering sales in January 2021. Through 1Q 2026, 1,472 homes sold in the project, which equates to an average absorption of 3.0 sales per month, per project (8 total). The following table summarizes sales activity in this community. Current pricing is reported as of the effective date of valuation.

Project	LOT SIZE (SF)	PLAN SIZE (SF)	AVG. INCENTIVES	NET BASE PRICE	TOTAL PLANNED	TOTAL SOLD	INVENTORY	AVERAGE
Bleau	5,000 SF	2,150 - 3,460	$47,150	$623,840 - $793,840	348	258	90	3.8/Mo.
Crestvue	4,675 SF	1,797 - 3,178	$31,711	$569,279 - $729,279	235	166	69	2.4/Mo.
Drifton	5,500 SF	2,282 - 3,425	$28,361	$644,629 - $818,629	236	174	62	2.6/Mo.
Lakelet	3,690 SF	2,114 - 2,362	$35,776	$579,214 - $629,214	307	211	96	3.1/Mo.
Shor	2,788 SF	1,774 - 2,190	$22,821	$555,169 - $621,169	337	206	131	3.0/Mo.
Waters Edge (V14/20)	3,690 SF	1,454 - 1,907	$24,413	$517,577 - $570,577	139	65	74	2.8/Mo.
Watersyde	4,000 SF	2,307 - 2,968	$21,938	$639,052 - $737,052	276	195	81	2.9/Mo.
Wavmor	4,500 SF	2,134 - 2,786	$31,450	$600,540 - $679,540	320	197	123	2.9/Mo.
TOTALS					**2,198**	**1,472**	**726**	**3.0/Mo.**

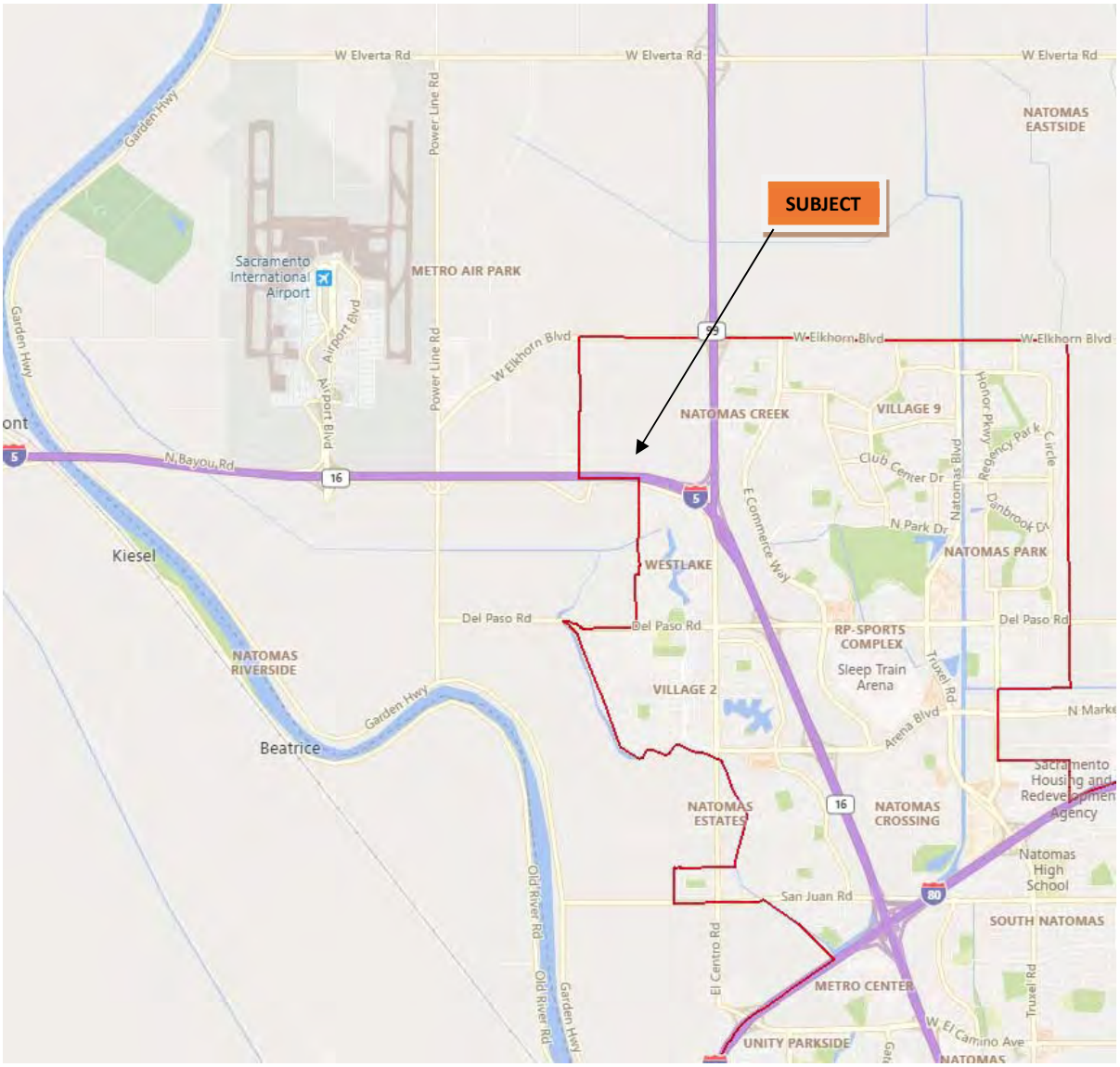
Overall pricing of homes in this project ranges from $517,577 to $818,629. All of these projects are well received, which bodes well for the subject lots as they will reflect a continuation of these existing projects. Concession levels identified are at higher levels, but sufficient to keep ongoing rates of sale. It is noted that tables noted above exclude the ALTA project, which was only offered in Phase 1 of Northlake.

Another amenity in the region is the current construction of Northlake TK-8 school located in the Phase 2 project area. This facility at 3651 Oyster Point Way opened in August 2024. The school is open one class per grade level, depending on community response. As housing progresses, additional classrooms will be opened each year thereafter.

Conclusion

Overall, the immediate area is carefully planned to facilitate long term growth. The development of Metro Air Park, as well as other proposed projects provide demand generators for housing. Future development with Innovation Park and continued residential development in Northlake and future development in the "panhandle" provide a positive outlook for the region.

AREA MAP



SITE DESCRIPTION

Location

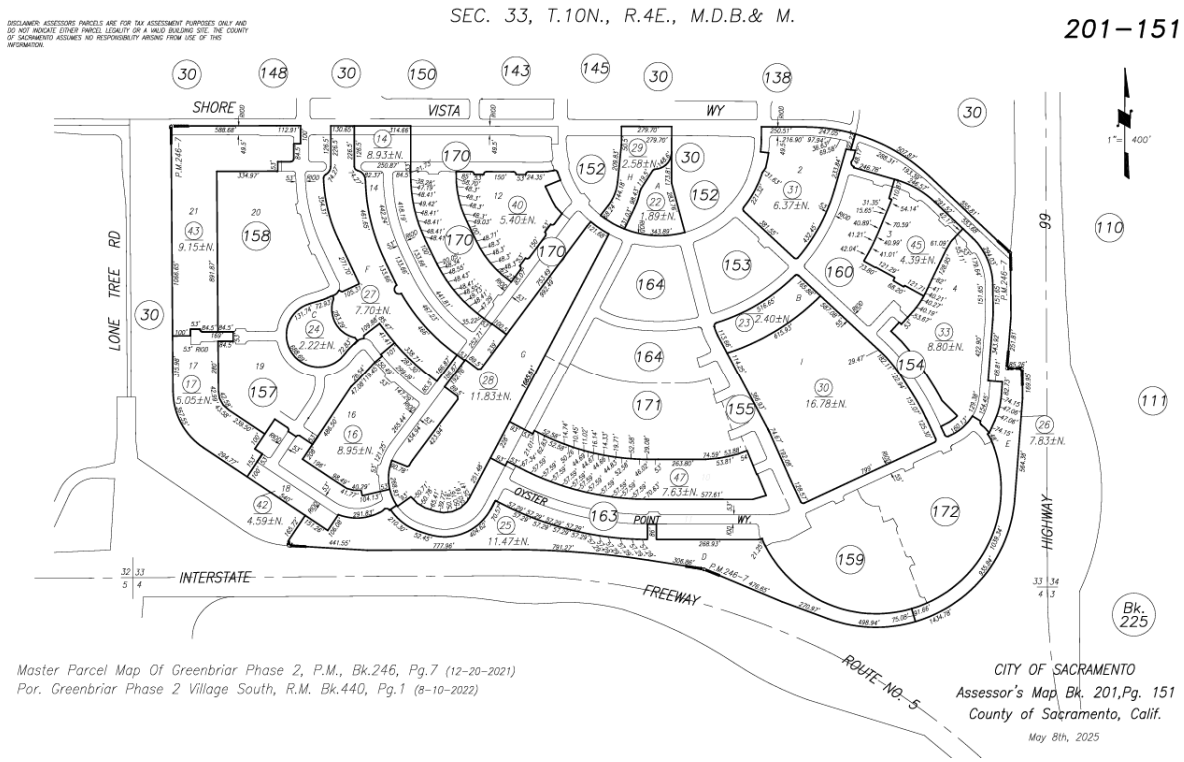
The subject properties reflect the parcels identified within the Greenbriar Community Facilities District No 2018-03, Improvement Area No. 2. It is generally located along the northwest quadrant of Interstate 5 and State Highway 99. The overall boundary map is identified as follows.

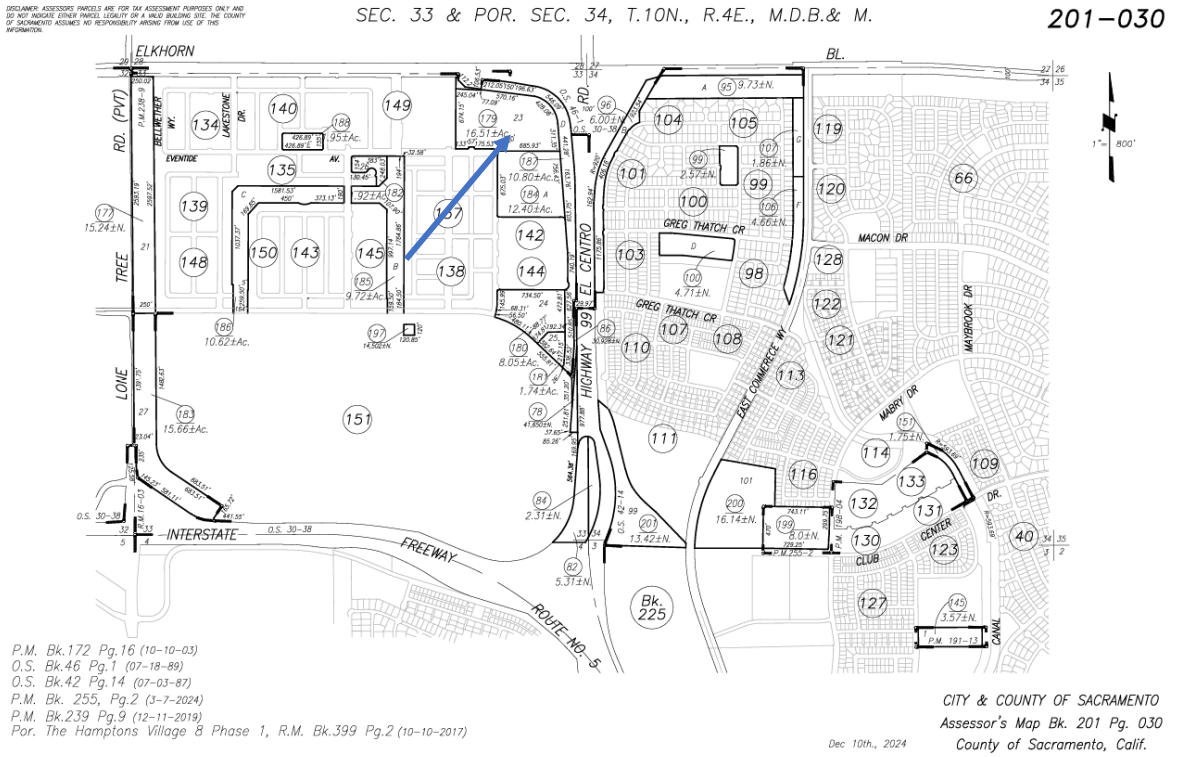
APN/Legal Description

The subject properties are identified by the Sacramento County Assessor as numerous parcels. The overall descriptions are based on those identified from the Assessor's office, as well as review of the Preliminary Title Report prepared by First American Title Company, dated March 19, 2026. It is noted that this description includes only the components which comprise the residential lots and homes as part of the 1,177 total units in this project. This includes the following.

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCES
Village 1	201-1540-001..011	Lots 38..48	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1540-026..061	Lots 1..6, 21..50	Greenbriar Phase 2, Village 1A	Recorded 10-14-2022, Book 442, Page 15
	201-1600-001..017	Lots 7..20, 51..53	Greenbriar Phase 2, Village 1A	Recorded 10-14-2022, Book 442, Page 15
	201-1770-001..040	Lots 1..40	Greenbriar Phase 2, Village 1B	Recorded 7-24-2025, Book 466, Page 3
Village 2	201-1540-012..025	Lots 49..62	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1760-001..050, 059..065	Lots 1..75	Greenbriar Phase 2, Village 2	Recorded 10-10-2025, Book 470, Page 1
	201-1770-041..058			
Village 3	201-1520-001..011	Lots 1..11	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
Village 4	201-1720-001..068	Lots 1..68	Greenbriar Phase 2, Village 4	Recorded 12-12-24, Book 462, Page 5
Village 5	201-1550-001..003	Lots 63..65	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1590-001..058	Lots 1..58	Greenbriar Phase 2, Village 5	Recorded 8-1-2022, Book 440, Page 2
Village 6	201-1550-016..019	Lots 78..81	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1640-001..050	Lots 1..50	Greenbriar Phase 2, Village 6	Recorded 3-19-2024, Book 454, Page 4
Village 7	201-1530-001..026	Lots 12..37	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
Village 8	201-1550-010..015	Lots 72..77	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1710-001..082	Lots 1..82	Greenbriar Phase 2, Village 8	Recorded 12-12-2024, Book 462, Page 4
Village 9	201-1550-005..009	Lots 67..71	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1710-085..132	Lots 1..48	Greenbriar Phase 2, Village 9	Recorded 7-24-2025, Book 466, Page 4
Village 10	201-1550-004	Lot 66	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1550-020..035	Lots 26..41	Greenbriar Phase 2, Village 10	Recorded 3-1-2024, Book 454, Page 3
	201-1630-001..042	Lots 1..25, 42..58	Greenbriar Phase 2, Village 10	Recorded 3-1-2024, Book 454, Page 3
Village 11	201-1520-012..014	Lots 82..84	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1700-063..103	Lots 1..41	Greenbriar Phase 2, Village 11	Recorded 10-10-2025, Book 470, Page 2
Village 12	201-1700-001..060	Lots 1..60	Greenbriar Phase 2, Village 12	Recorded 12-12-2024, Book 462, Page 3
Village 13	201-1780-001..050	Lots 1..50	Greenbriar Phase 2, Village 13	Recorded 2-13-2026, Book 472, Page 7
Village 14	201-1570-047..100	Lots 1..54	Greenbriar Phase 2, Village 14	Recorded 7-24-2025, Book 466, Page 5
Village 15	201-1790-001..029	Lots 1..29	Greenbriar Phase 2, Village 15	Recorded 2-13-2026, Book 472, Page 2
Village 16	201-1570-102..135	Lots 1..34	Greenbriar Phase 2, Village 16	Recorded 2-13-2026, Book 472, Page 3
Village 17	201-1570-001..046	Lots 1..46	Greenbriar Phase 2, Village 17 (Includes 2 Lots in Village 15)	Recorded 10-14-2022, Book 442, Page 6
Village 18	201-1580-001..059	Lots 1..59	Greenbriar Phase 2, Village 18	Recorded 10-14-2022, Book 443, Page 1
Village 19	201-1580-063..111	Lots 1..49	Greenbriar Phase 2, Village 19	Recorded 10-24-2025, Book 446, Page 5
Village 14/20	201-1490-038..108	Lots 1..27, 37..80	Greenbriar Phase 1, Village 14A	Recorded 5-6-2024, Book 455, Page 2
	201-1660-001..009	Lots 28..36		
	201-1730-001..059	Lots 1..59	Greenbriar Phase 1, Village 14B	Recorded 7-24-2025, Book 466, Page 2

The current assessor's parcel maps are noted as follows. They reflect the master parcel maps, as individual maps for each village are noted later in this section.





Most recent map for Village 14/20 shows larger parcel. This project has been subdivided, and copies of the individual maps are depicted later in this section.

This description includes all of the parcels within the boundaries of the Greenbriar Community Facilities District No 2018-03, Improvement Area #2, as depicted on the prior page. Residential Components of this project include the following.

Phase 1

LOT NO./ VILLAGE NO.	GENERAL PLAN/ ZONING DESIGNATION	USE		ACRES GROSS	ACRES NET	UNITS	NET DENSITY
1	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(50' x 100')	4.6	3.0	23	7.7
2A	SNLD/R-1(PUD)	SINGLE FAMILY RES.	(60' x 110')	9.1	7.4	45	6.1
2B	SNLD/R-1(PUD)	SINGLE FAMILY RES.	(60' x 110')	15.8	12.1	71	5.9
3A	SNMD/R-1(PUD)	SINGLE FAMILY RES.	(55' x 100')	11.6	8.7	63	7.2
3B	SNMD/R-1(PUD)	SINGLE FAMILY RES.	(55' x 100')	14.4	9.8	73	7.4
4A	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(50' x 100')	5.0	3.7	30	8.1
4B	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(50' x 100')	9.5	6.1	49	8.0
5A	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(45' x 100')	11.5	7.7	70	9.1
5B	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(45' x 100')	5.8	4.1	34	8.3
5C	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(45' x 100')	8.5	5.9	53	9.0
6	SNMD/R-1-A (PUD)	SINGLE FAMILY RES.	(50' x 85')	10.7	7.5	67	8.9
7A	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(55' x 85')	11.5	7.7	60	7.8
7B	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(55' x 85')	7.2	5.2	42	8.1
8	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(41' x 90')	15.6	8.7	87	10.0
9	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(41' x 90')	9.1	5.3	51	9.6
10A	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(41' x 68')	8.9	5.8	85	14.7
10B	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(41' x 68')	5.7	3.5	51	14.6
11	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(50'x80'/100')	11.7	6.8	64	9.4
12A	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(50' x 100')	13.0	9.4	77	8.2
12B	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(50' x 100')	6.9	5.1	42	8.2
14	SNMD/R-1A(PUD)	SINGLE FAMILY RES.	(41' x 90')	19.7	14.7	139	9.5
SUBTOTAL				**215.8**	**148.2**	**1,276**	**8.6**

Village 14 is the only village from the Phase 1 portion of this project identified as part of Greenbriar Community Facilities District No 2018-03, Improvement Area #2

Phase 2

LOT NO./ VILLAGE NO.	GENERAL PLAN/ ZONING DESIGNATION	USE		ACRES(G)	ACRES(N)	UNITS	NET DENSITY
1	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(41' x 68')	12.4	7.4	104	14.1
2	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(41' x 68')	10.7	7.0	89	12.7
3	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(50' x 80')	2.0	1.4	11	7.9
4	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(41' x 90')	11.6	6.8	68	10.0
5	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(41' x 90')	8.6	6.2	61	9.8
6	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(50' x 80')	9.5	5.7	54	9.5
7	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(55' x 85')	6.4	3.3	26	7.9
8	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(50' x 80')	13.0	8.8	88	10.0
9	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(55' x 85')	9.3	6.3	53	8.4
10	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(55' x 85')	10.1	7.0	59	8.4
11	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(41' x 90')	6.2	4.6	44	9.6
12	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(50' x 100')	10.8	7.3	60	8.2
13	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(50' x 100')	8.2	6.1	50	8.2
14	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(45' x 100')	8.9	6.2	54	8.7
15	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(45' x 100')	5.3	3.7	31	8.4
16	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(45' x 100')	5.0	3.7	34	9.2
17	SNMD/R-1A(PUD)	SINGLE FAMILY RESIDENTIAL	(45' x 100')	8.1	5.6	44	7.9
18	SNMD/R-1(PUD)	SINGLE FAMILY RESIDENTIAL	(55' x 100')	12.2	8.7	59	6.8
19	SNMD/R-1(PUD)	SINGLE FAMILY RESIDENTIAL	(55' x 100')	8.3	6.6	49	7.4
SUBTOTAL				**166.6**	**112.4**	**1,038**	**9.2**

The table noted above excludes information for Village 14/20 which is depicted on the prior table.

PROJECT	DIMENSIONS	MINIMUM LOT SIZE (SF)	VILLAGE	# LOTS	LAKE FRONT LOTS	% OF TOTAL
SHOR	41' x 68'	2,788	1	104	0	0%
	41' x 68'	2,788	2	89	0	0%
TOTALS - SHOR - 2,788 SF (41' x 68')				**193**	**0**	**0%**
LAKELET	41' x 90'	3,690	4	68	0	0%
	41' x 90'	3,690	5	61	0	0%
	41' x 90'	3,690	11	44	0	0%
TOTALS - LAKELET - 3,690 SF (41' x 90')				**173**	**0**	**0%**
WATERSYDE	50' x 80'	4,000	3	11	7	64%
	50' x 80'	4,000	6	54	14	26%
	50' x 80'	4,000	8	88	7	8%
TOTALS - WATERSYDE - 4,000 (50' x 80')				**153**	**28**	**18.3%**
WAVMOR	45' x 100'	4,500	14	54	16	30%
	45' x 100'	4,500	15	31	0	0%
	45' x 100'	4,500	16	34	0	0%
	45' x 100'	4,500	17	44	3	7%
TOTALS - WAVMORE - 4,500 SF (45' x 100')				**163**	**19**	**11.7%**
CRESTVUE	55' x 85'	4,675	7	26	0	0%
	55' x 85'	4,675	9	53	5	9%
	55' x 85'	4,675	10	59	10	17%
TOTALS - CRESTVUE - 4,675 SF (55' x 85')				**138**	**15**	**10.9%**
BLEAU	50' x 100'	5,000	12	60	14	23%
	50' x 100'	5,000	13	50	26	52%
TOTALS - BLEAU - 5,000 SF (50' x 100')				**110**	**40**	**36.4%**
DRIFTON	55' x 100'	5,500	18	59	13	22%
	55' x 100'	5,500	19	49	0	0%
TOTALS - DRIFTON - 5,500 SF (55' x 100')				**108**	**13**	**12.0%**
V14/20 PRODUCT LINE (Waters Edge)	41' x 90'	3,690	14/20	139	0	0%
TOTALS - V14/20 - 3,360 SF (41' x 90')				**139**	**0**	**0.0%**
PROJECT TOTALS				**1,177**	**115**	**9.8%**

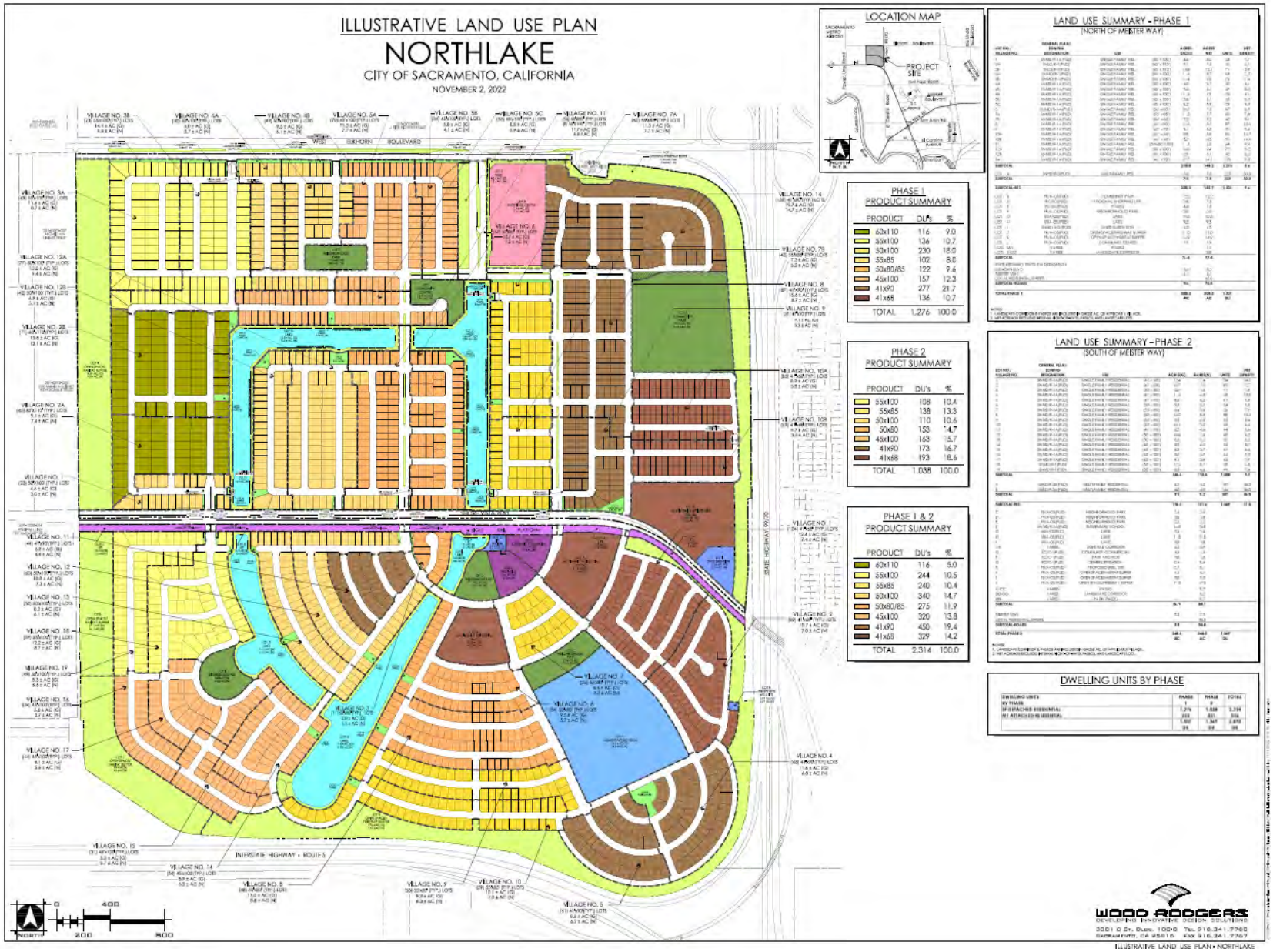
The following table shows the remaining land uses identified within the boundaries of this district.

VILLAGE/LOT #	LAND AREA (Net)	CURRENT APN	USE
2	5.2 AC	201-1510-031	187-Unit Multi-Family Site**
15	4.0 AC	201-1640-051	144-Unit Multi-Family Site**
B	2.4 AC	201-1510-023	Neighborhood Park
A	1.89 AC	201-1510-022	Neighborhood Park
C	2.2 AC	201-1510-024	Neighborhood Park
I	16.78 AC	201-1510-030	Elementary School Site
F	7.7 AC	201-1510-027	Man-Made Lake
G	11.83 AC	201-1510-028	Man-Made Lake
H	1.8 AC	201-1510-029	Man-Made Lake
J-N	5.9 AC	Portion of Small Lot Final Maps	Light Rail Corridor
O	1.5 AC	Por. of 201-1510-001	Community Commercial
P	1.8 AC	Por. of 201-1510-001	Park and Ride Lot
Q	0.4 AC	201-0300-197	Sewer Lift Station
R	0.1 AC	Por. of 201-1510-026	Proposed Well Site
S	6.1 AC	Por. of 201-0300-183	Open Space/Habitat Buffer
T	9.0 AC	Por. of 201-0300-183	Open Space/Habitat Buffer
U	17.5 AC	Por. of 201-1510-025	Open Space/Habitat Buffer
V-CC	0.7 AC	Portion of Small Lot Final Maps	Paseo
DD-GG	0.2 AC	Portion of Small Lot Final Maps	Landscape Corridor
HH	0.7 AC	Portion of Small Lot Final Maps	Park/Paseo
D/Phase 1	7.5	Por. Of 201-1490-037	Shopping Center

**Developers recently submitted applications for these projects to create 63 and 48, condominium units respectively. Project totals 111 units and is at the application stage only with no entitlements as of the effective date of valuation.

While they are identified within the boundaries of this district, they are not revenue generating lots and not part of the subject collateral. All of the properties noted in the prior table are located in the Phase 2 portion of this project.

An overall map illustrating these components is as follows.


ILLUSTRATIVE LAND USE PLAN
NORTHLAKE
CITY OF SACRAMENTO, CALIFORNIA
NOVEMBER 2, 2022
LOCATION MAP
PROJECT SITE
PHASE 1 PRODUCT SUMMARY
PRODUCT DU's %
60x110 116 9.0
55x100 136 10.7
50x100 230 18.0
55x85 102 8.0
50x80/85 122 9.6
45x100 157 12.3
41x90 277 21.7
41x68 136 10.7
TOTAL 1,276 100.0
PHASE 2 PRODUCT SUMMARY
PRODUCT DU's %
55x100 108 10.4
55x85 138 13.3
50x100 110 10.6
50x80 155 14.7
45x100 163 15.7
41x90 173 16.7
41x68 193 18.6
TOTAL 1,038 100.0
PHASE 1 & 2 PRODUCT SUMMARY
PRODUCT DU's %
60x110 116 5.0
55x100 244 10.5
55x85 240 10.4
50x100 340 14.7
50x80/85 275 11.9
45x100 320 13.8
41x90 450 19.4
41x68 329 14.2
TOTAL 2,314 100.0
LAND USE SUMMARY - PHASE 1
(NORTH OF MEISTER WAY)
LAND USE SUMMARY - PHASE 2
(SOUTH OF MEISTER WAY)
DWELLING UNITS BY PHASE
INTERSTATE HIGHWAY - ROUTE 5
STATE HIGHWAY 99/70
WOOD RODGERS
DEVELOPING INNOVATIVE DESIGN SOLUTIONS
3301 C St., Bldg. 100B Tel. 916.341.7760
Sacramento, CA 95816 Fax 916.341.7767
ILLUSTRATIVE LAND USE PLAN • NORTHLAKE

Lot Size (AC)

The total acreage for the district is identified at approximately 296.00 gross acres. This includes 127.1 net acres identified for the development of 1,177 residential lots, 9.2 net acres for the multi-family components (beyond scope), 88.1 acres for the non-revenue generating parcels, and 58.8 acres for roadways and local residential streets.

This project is identified for the development of twenty (20) residential villages which comprise the 1,177 lots/homes in this project.

Current Development

The land uses for this project are allocated based on the minimum lot size. This project is ultimately identified for development of 1,177 residential lots/homes allocated among the parcels described in prior sections. This section of the report identifies the individual villages.

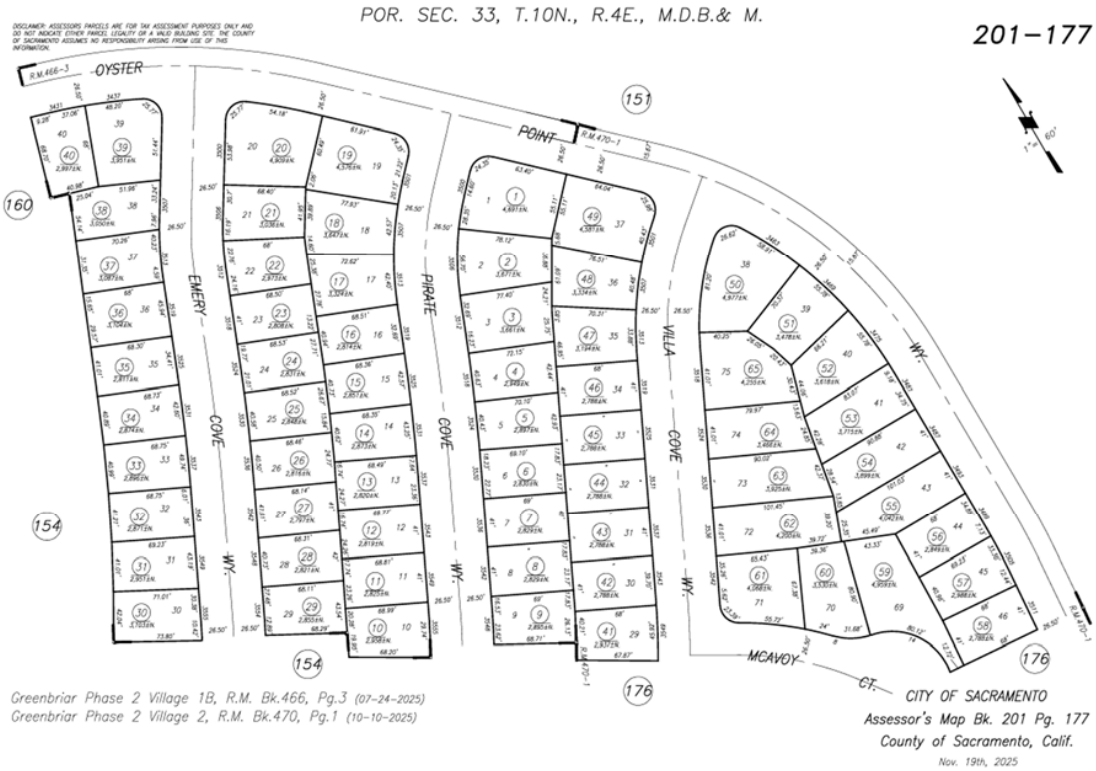
Village 1:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCES
Village 1	201-1540-001..011	Lots 38..48	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1540-026..061	Lots 1..6, 22..50	Greenbriar Phase 2, Village 1A	Recorded 10-14-2022, Book 442, Page 15
	201-1600-001..017	Lots 7..20, 51..53	Greenbriar Phase 2, Village 1A	Recorded 10-14-2022, Book 442, Page 15
	201-1770-001..040	Lots 1..40	Greenbriar Phase 2, Village 1B	Recorded 7-24-2025, Book 466, Page 3

Individual Maps are noted as follows.

Yellow = Village South: Green = Village 1A

Green = Village 1A

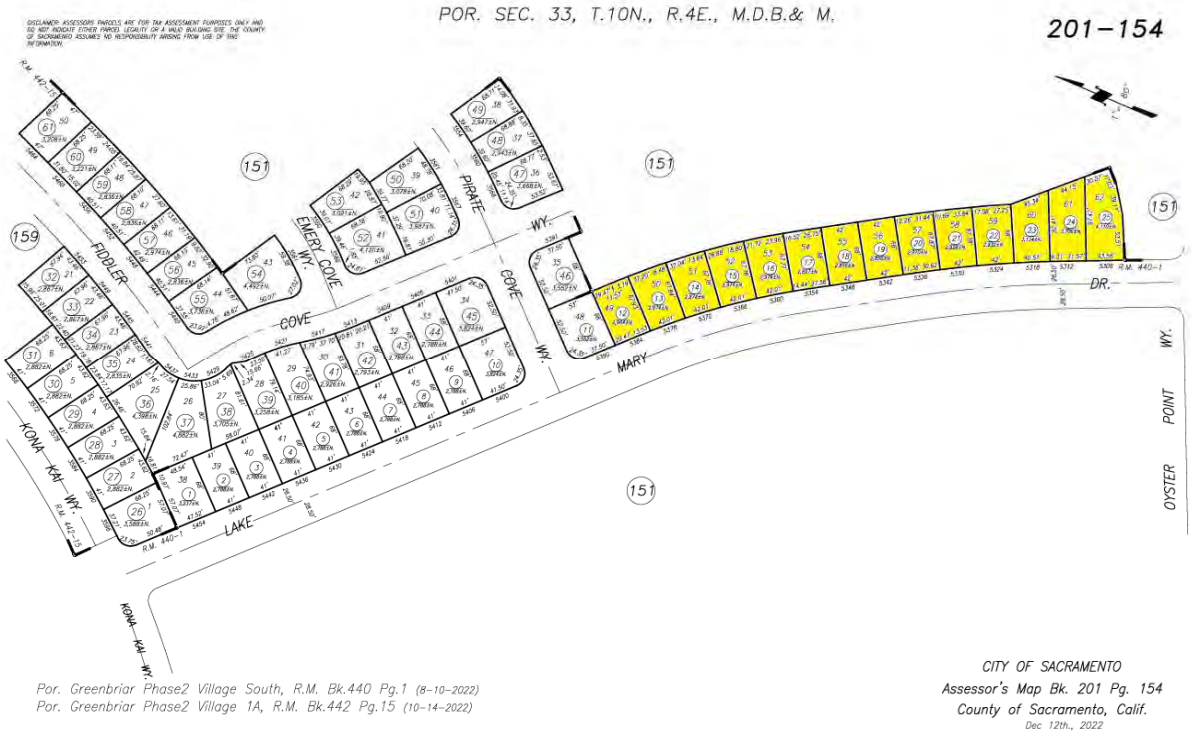


Village 1 comprises 104 lots identified for development of the SHOR product line. It is comprised of a net land area of 7.4 AC, showing a density of 14.1 du/ac. Lots represent a typical size of 2,788 SF (41' x 68'). There are no lots with lake frontage for this product line. As of the effective date of valuation, 53 units have closed escrow to individual homeowners.

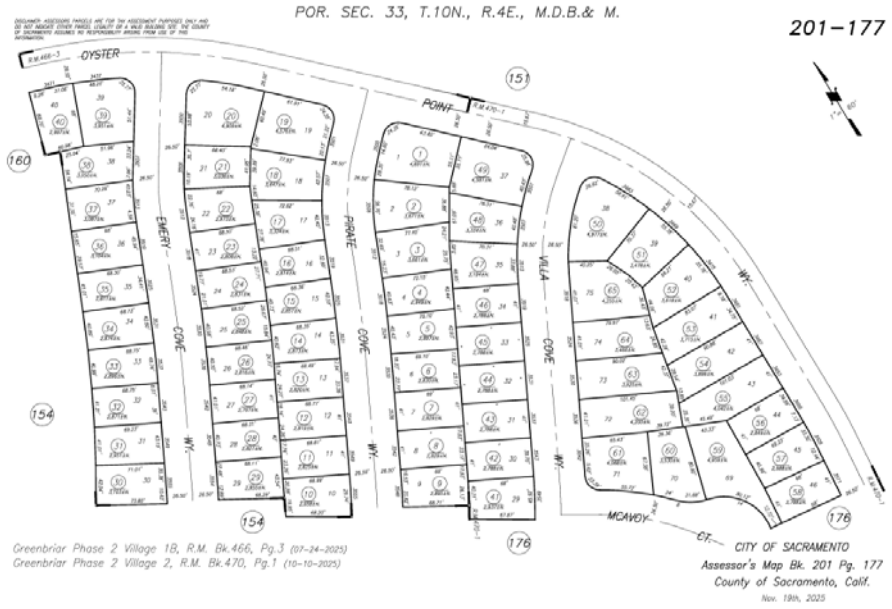
Village 2:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 2	201-1540-012..025	Lots 49..62	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1760-001..050, 059..065	Lots 1..75	Greenbriar Phase 2, Village 2	Recorded 10-10-2025, Book 470, Page 1
	201-1770-041..058			

Individual Maps are noted as follows.



Yellow = Village South

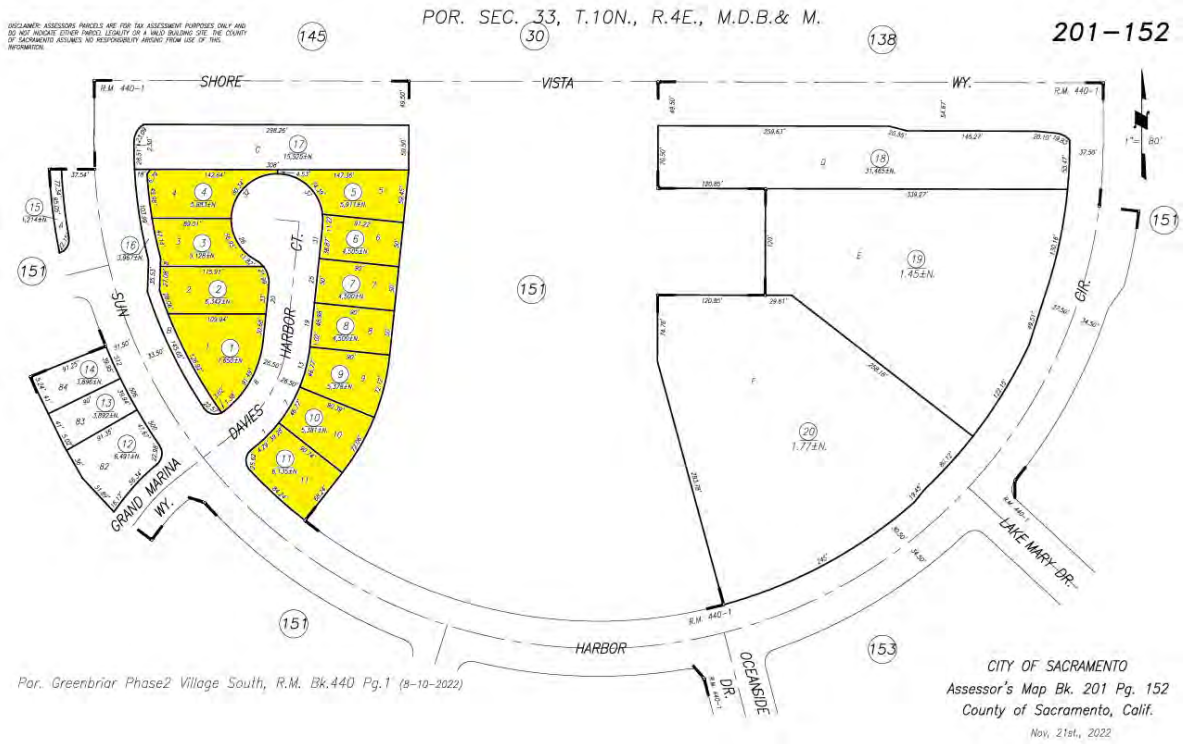


Village 2 comprises 89 lots identified for development of the SHOR product line. It is comprised of a net land area of 7.0 AC, showing a density of 12.7 du/ac. Lots represent a typical size of 2,788 SF (41' x 68'). There are no lots with lake frontage for this product line. As of the effective date of valuation, 14 units have closed escrow to individual homeowners.

Village 3:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 3	201-1520-001..011	Lots 1..11	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1

The individual Map is noted as follows.

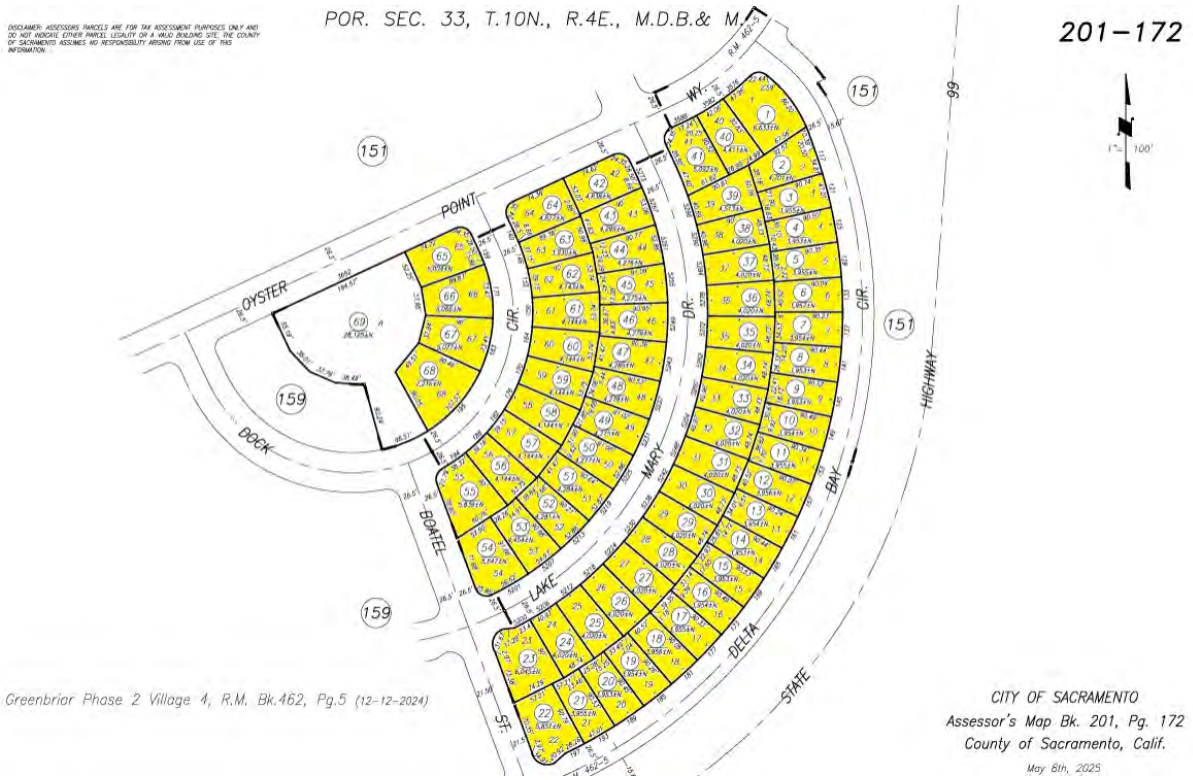


Village 3 comprises 11 lots identified for development of the WATERSYDE product line. It is comprised of a net land area of 1.4 AC, showing a density of 7.9 du/ac. Lots represent a typical size of 4,000 SF (50' x 80'). There are 7 lots with lake frontage for this product line. As of the effective date of valuation, 9 units have closed escrow to individual homeowners. They reflect model homes sold to individual investors.

Village 4:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 4	201-1720-001..068	Lots 1..68	Greenbriar Phase 2, Village 4	Recorded 12-12-2024, Book 462, Page 5

The individual Map is noted as follows.

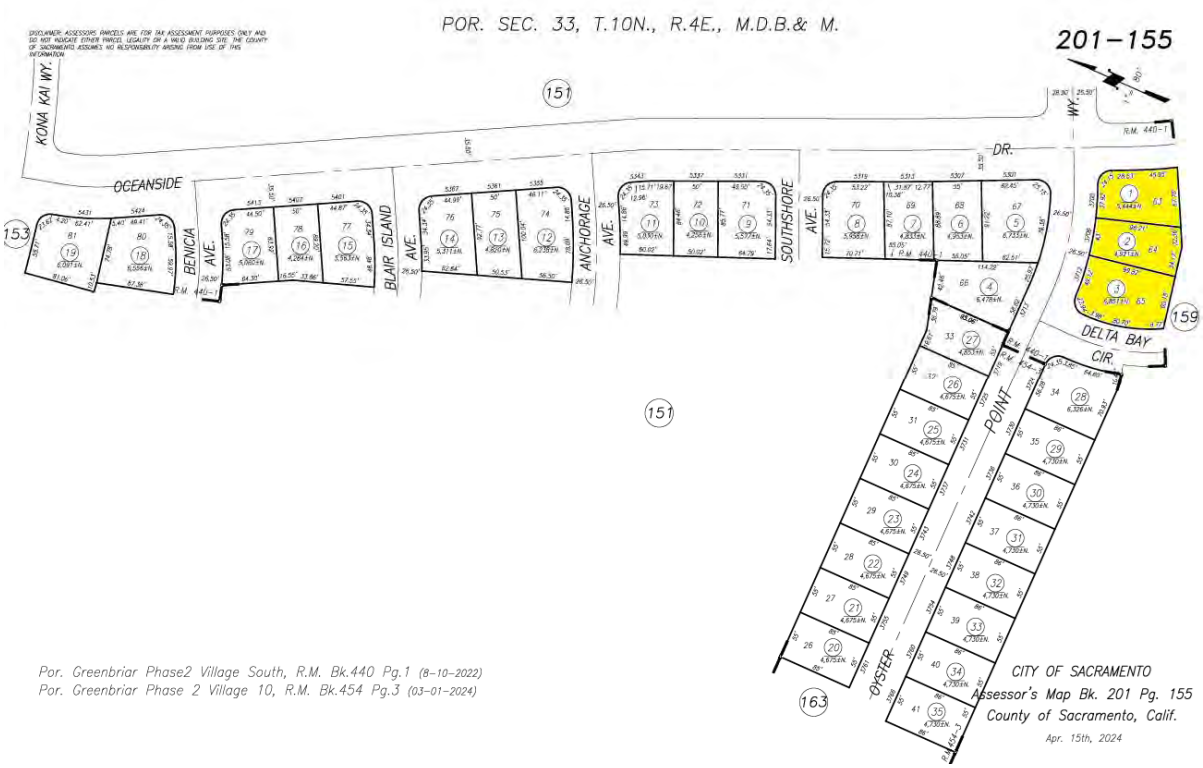


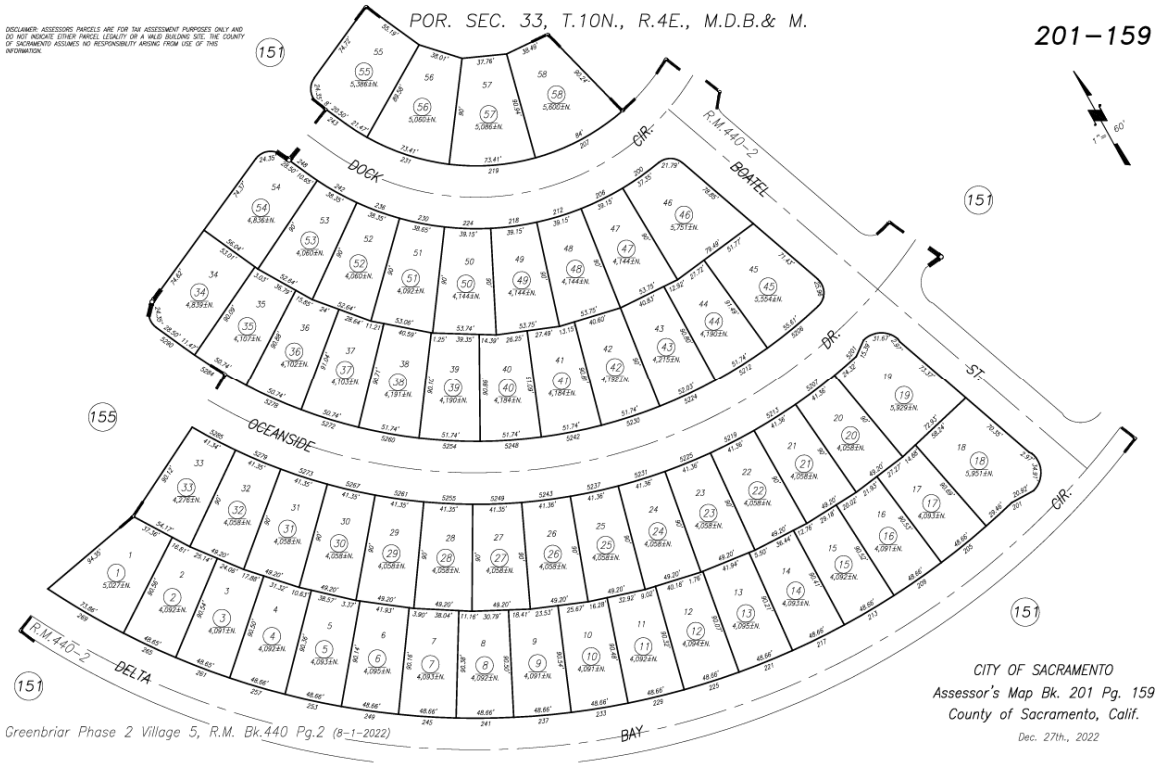
Village 4 comprises 68 lots identified for development of the LAKELET product line. It is comprised of a net land area of 6.8 AC, showing a density of 10.0 du/ac. Lots represent a typical size of 3,690 SF (41' x 90'). There are no lots with lake frontage for this product line. It is noted that this larger land area includes 0.7 AC of land for a Paseo Park. As of the effective date of valuation, 9 homes have closed escrow to individual homeowners.

Village 5:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 5	201-1550-001..003	Lots 63..65	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1590-001..058	Lots 1..58	Greenbriar Phase 2, Village 5	Recorded 8-1-2022, Book 440, Page 2

Individual Maps are noted as follows.



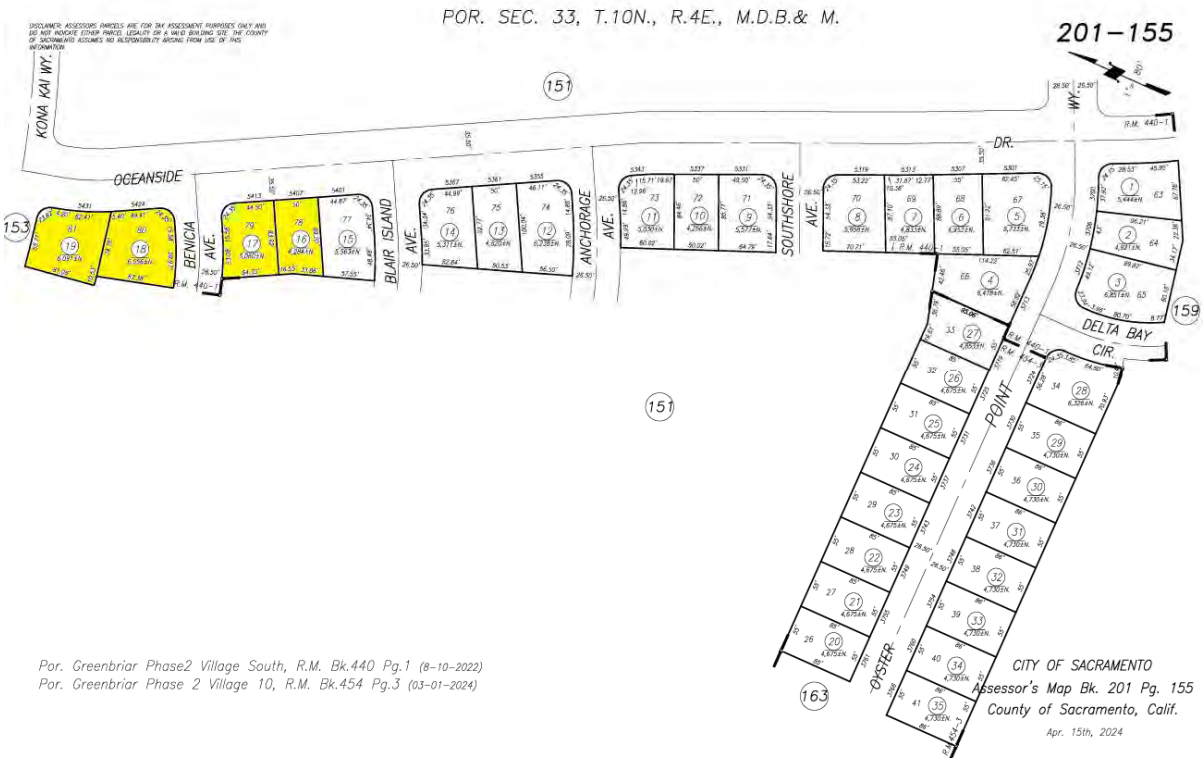


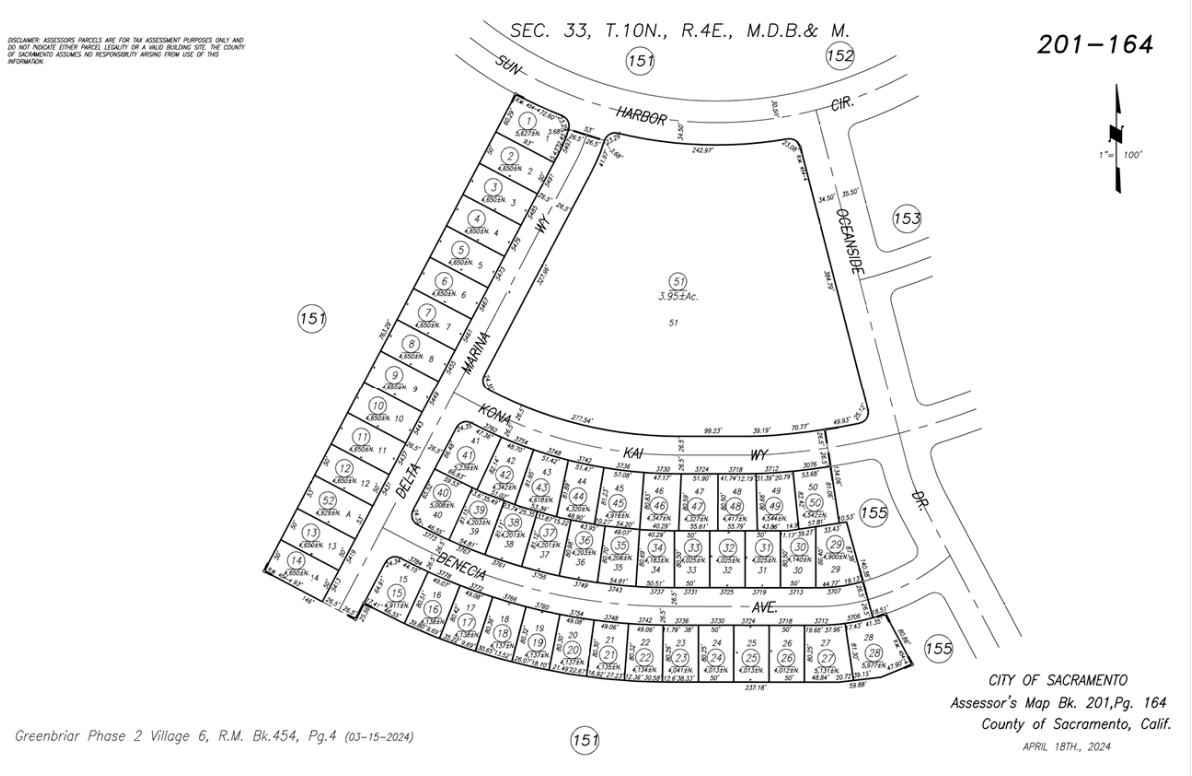
Village 5 comprises 61 lots identified for development of the LAKELET product line. It is comprised of a net land area of 6.2 AC, showing a density of 9.8 du/ac. Lots represent a typical size of 3,690 SF (41' x 90'). There are no lots with lake frontage for this product line. As of the effective date of valuation, 60 homes have closed escrow to individual homeowners.

Village 6:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCES
Village 6	201-1550-016..019	Lots 78..81	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1640-001..050	Lots 1..50	Greenbriar Phase 2, Village 6	Recorded 3-19-2024, Book 454, Page 4

Individual Maps are noted as follows.



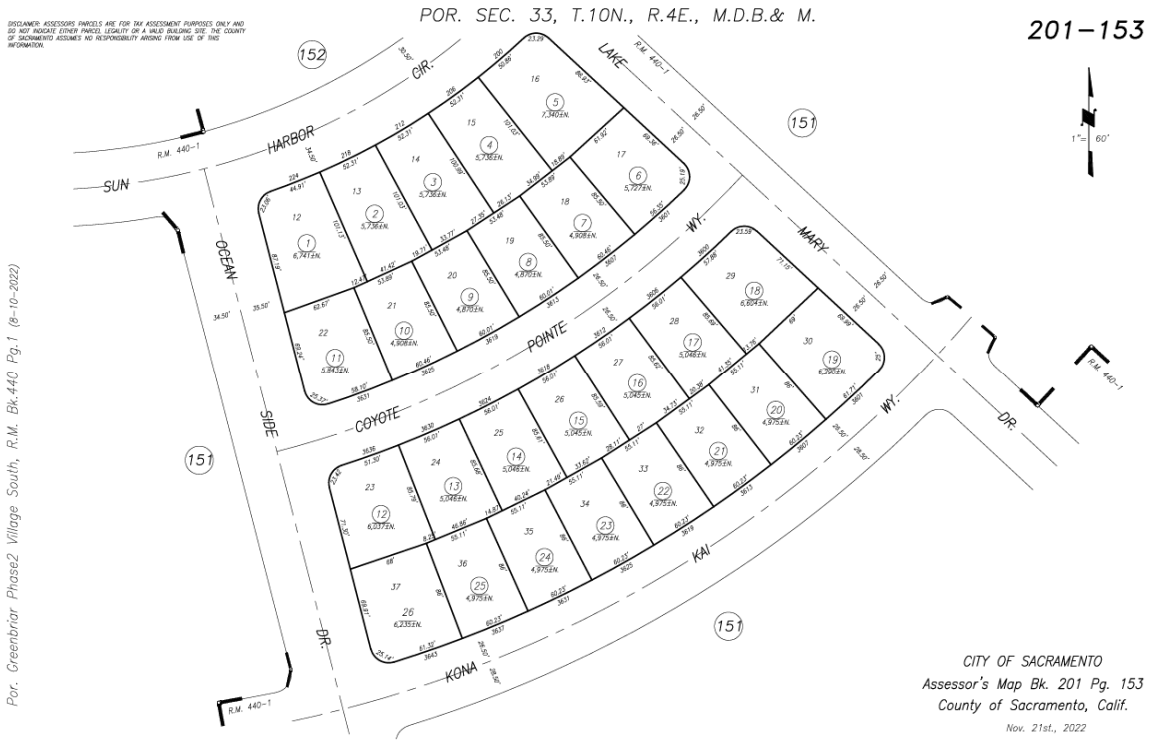


Village 6 comprises 54 lots identified for development of the WATERSYDE product line. It is comprised of a net land area of 5.7 AC, showing a density of 9.5 du/ac. Lots represent a typical size of 4,000 SF (50' x 80'). There are 14 lots with lake frontage for this product line. As of the effective date of valuation, 54 homes have closed escrow to individual homeowners.

Village 7:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 7	201-1530-001..026	Lots 12..37	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1

The individual Map is noted as follows.

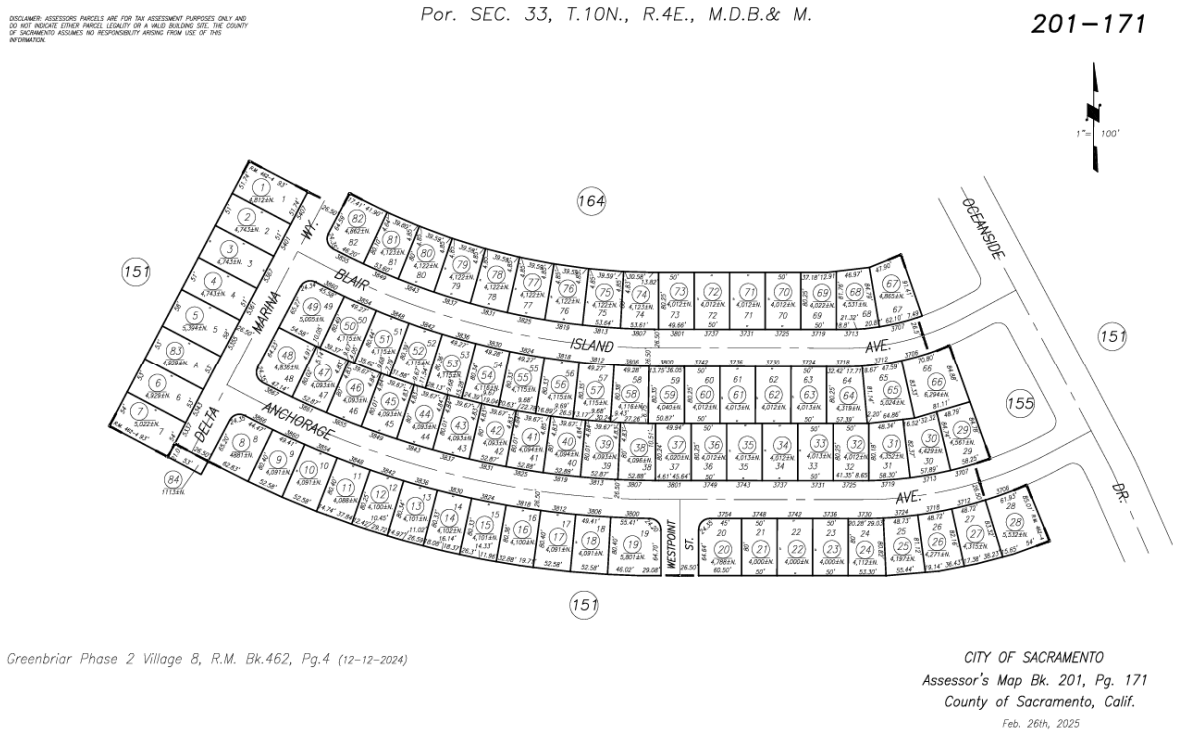


Village 7 comprises 26 lots identified for development of the CRESTVUE product line. It is comprised of a net land area of 3.3 AC, showing a density of 7.9 du/ac. Lots represent a typical size of 4,675 SF (55’ x 85’). There are no lots with lake frontage for this product line. As of the effective date of valuation, 21 homes have closed escrow to individual homeowners.

Village 8:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCES
Village 8	201-1550-010..015	Lots 72..77	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1710-001..082	Lots 1..82	Greenbriar Phase 2, Village 8	Recorded 12-12-2024, Book 462, Page 4

Individual Maps are noted as follows.

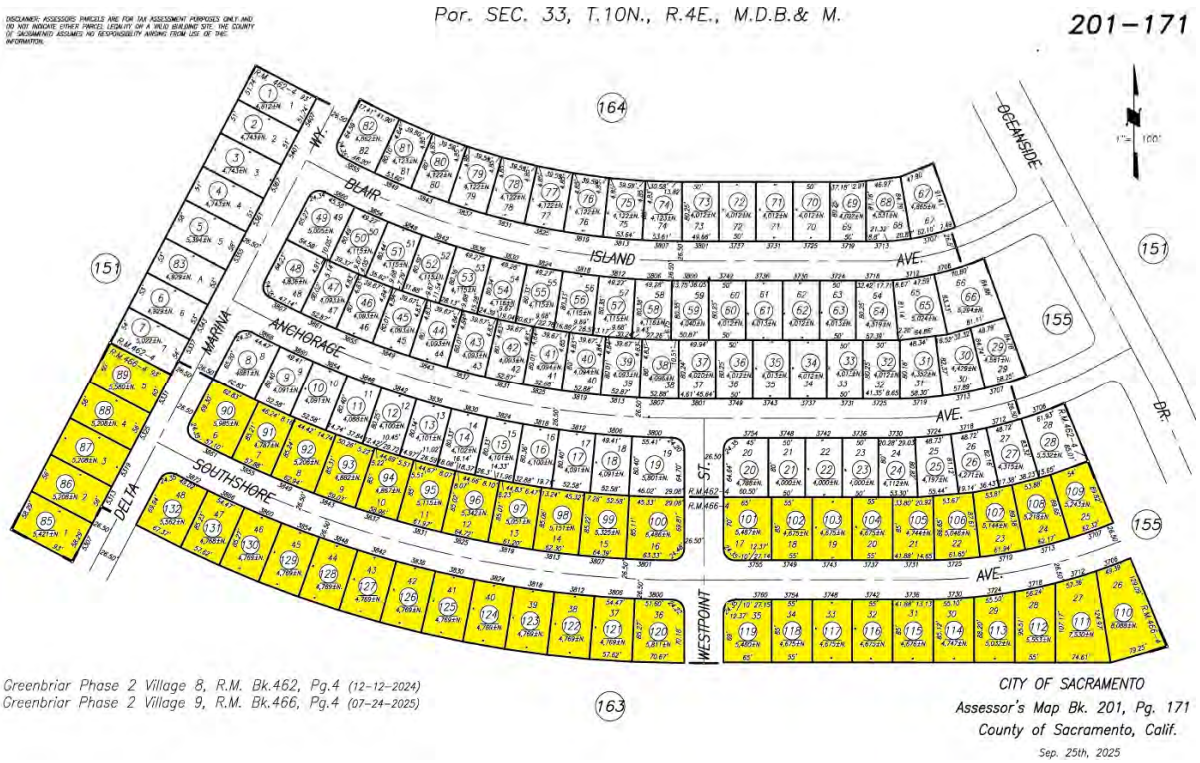


Village 8 comprises 88 lots identified for development of the WATERSYDE product line. It is comprised of a net land area of 8.8 AC, showing a density of 10.0 du/ac. Lots represent a typical size of 4,000 SF (50' x 80'). There are 7 lots with lake frontage for this product line. As of the effective date of valuation, 13 homes have closed escrow to individual homeowners.

Village 9:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 9	201-1550-005..009	Lots 67..71	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1710-085..132	Lots 1..48	Greenbriar Phase 2, Village 9	Recorded 7-24-2025, Book 466, Page 4

Individual Maps are noted as follows.



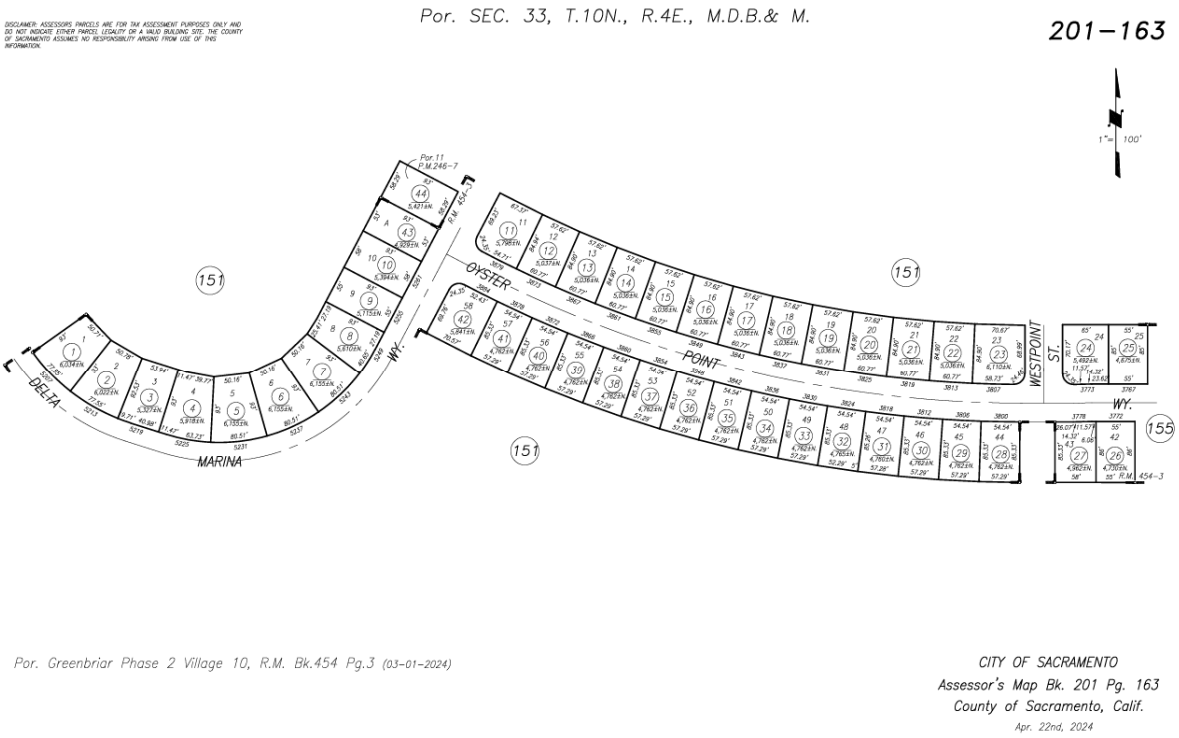
Village 9 comprises 53 lots identified for development of the CRESTVUE product line. It is comprised of a net land area of 6.3 AC, showing a density of 8.4 du/ac. Lots represent a typical size of 4,675 SF (55' x 85'). There are 5 lots with lake frontage for this product line. As of the effective date of valuation, 5 homes have closed escrow to individual homeowners.

Village 10:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCES
Village 10	201-1550-004	Lot 66	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1550-020..035	Lots 26..41	Greenbriar Phase 2, Village 10	Recorded 3-1-2024, Book 454, Page 3
	201-1630-001..042	Lots 1..25, 42..58	Greenbriar Phase 2, Village 10	Recorded 3-1-2024, Book 454, Page 3

Individual Maps are noted as follows.

Yellow = Village South: Green = Village 10



Por. Greenbriar Phase 2 Village 10, R.M. Bk.454 Pg.3 (03-01-2024)

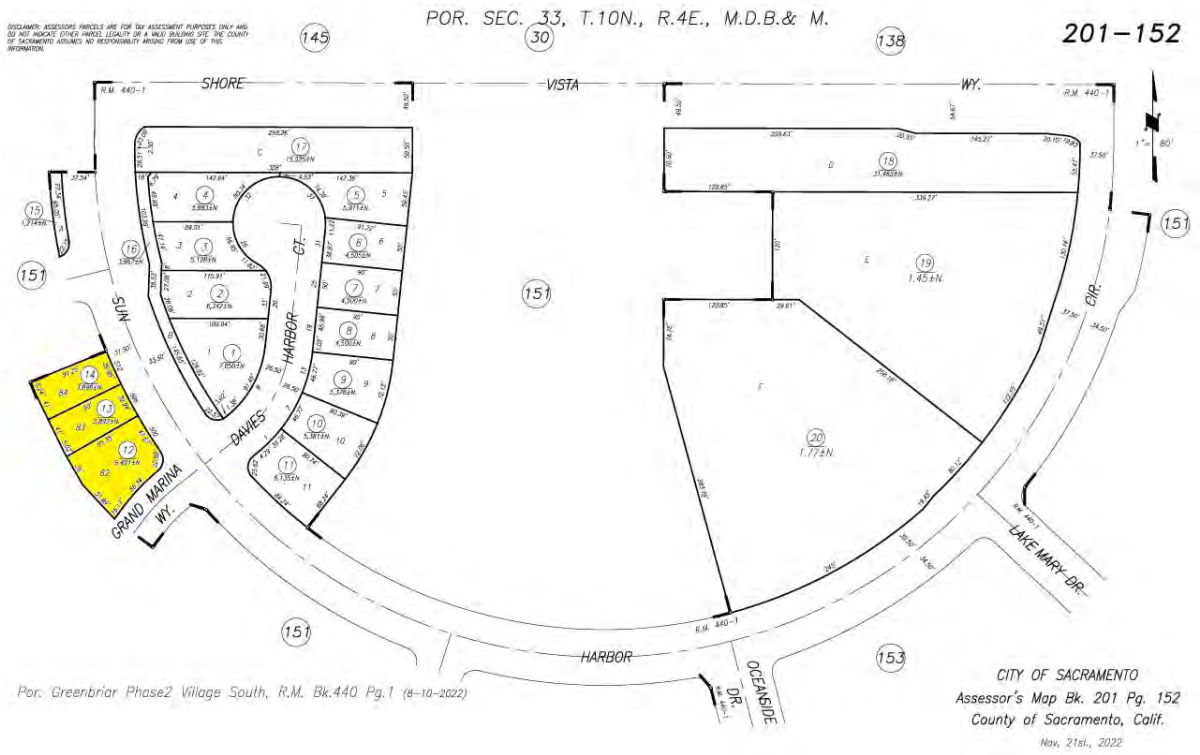
CITY OF SACRAMENTO
Assessor's Map Bk. 201 Pg. 163
County of Sacramento, Calif.
Apr. 22nd, 2024

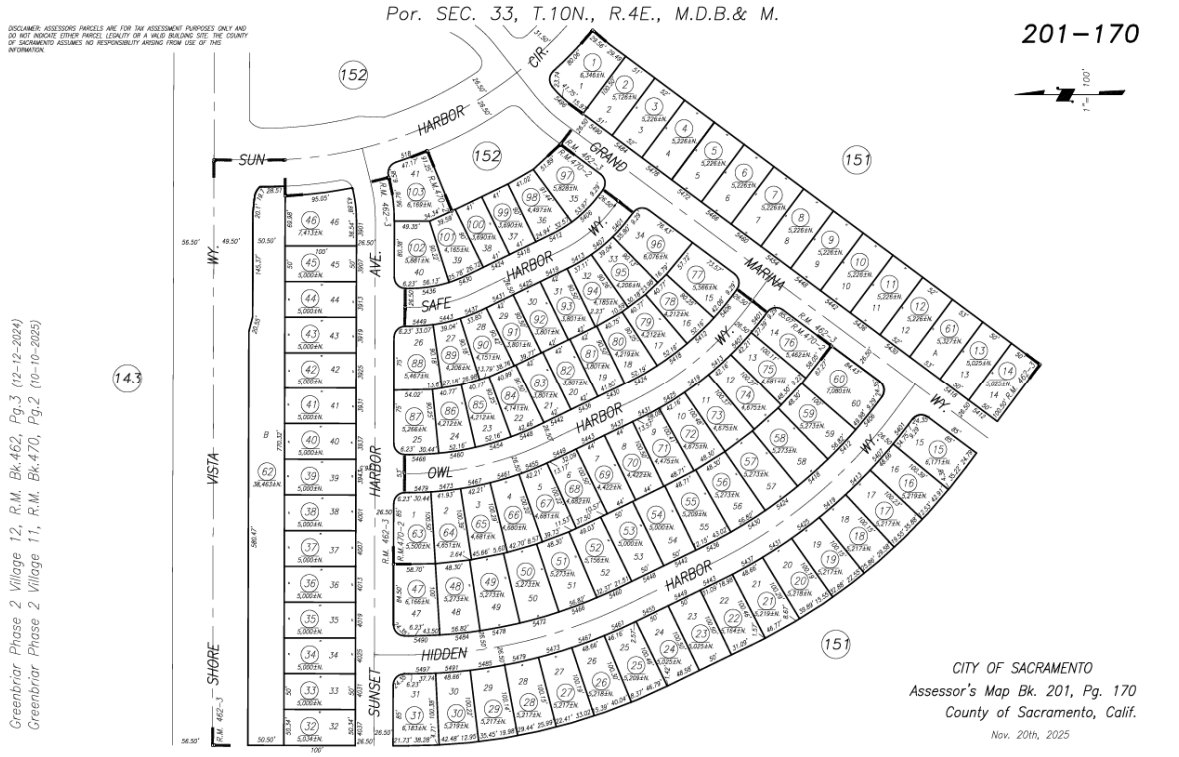
Village 10 comprises 59 lots identified for development of the CRESTVUE product line. It is comprised of a net land area of 7.0 AC, showing a density of 8.4 du/ac. Lots represent a typical size of 4,675 SF (55' x 85'). There are 10 lots with lake frontage for this product line. It is noted that this includes APN 201-1630-044, which was recorded as a portion of Lot 11. It is identified as Lot 11A. As of the effective date of valuation, 43 homes have closed escrow to individual homeowners.

Village 11:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 11	201-1520-012..014	Lots 82..84	Greenbriar Phase 2, Village South	Recorded 8-1-2022, Book 440, Page 1
	201-1700-063..103	Lots 1..41	Greenbriar Phase 2, Village 11	Recorded 10-10-2025, Book 470, Page 2

Individual Maps are noted as follows.



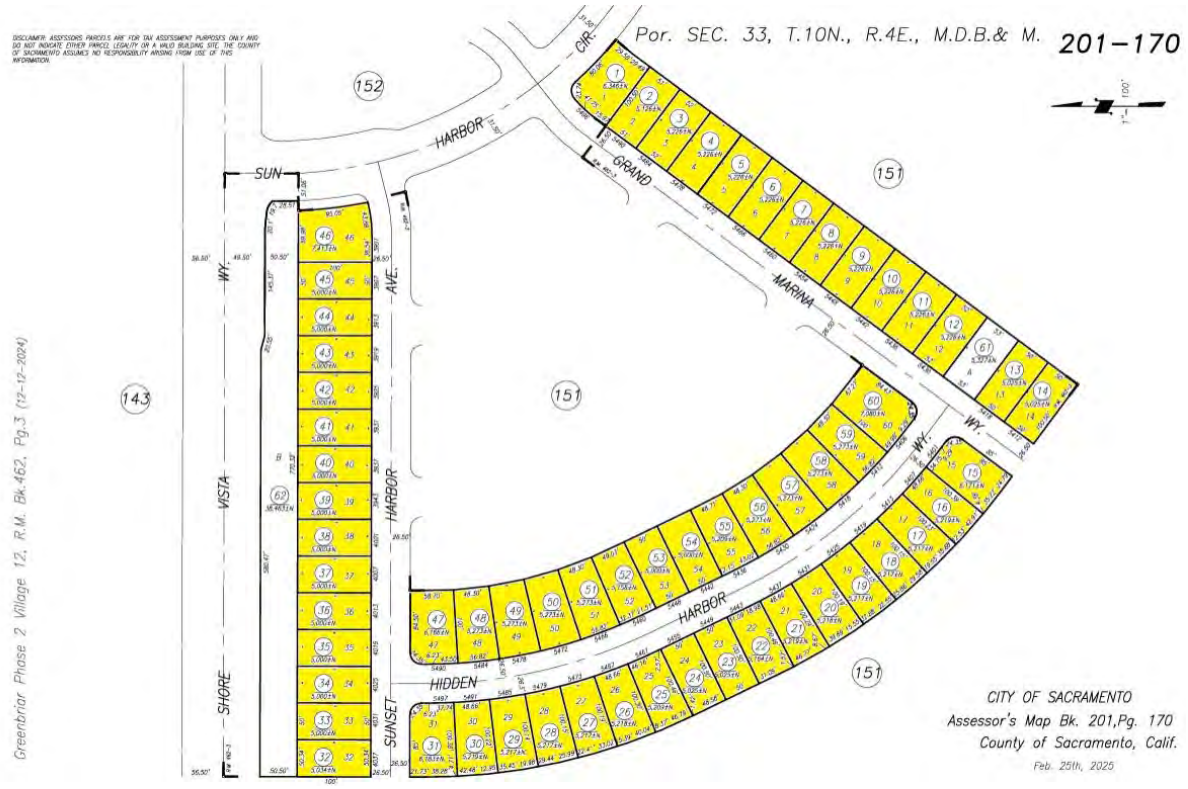


Village 11 comprises 44 lots identified for development of the LAKELET product line. It is comprised of a net land area of 4.6 AC, showing a density of 9.6 du/ac. Lots represent a typical size of 3,690 SF (41' x 90'). There are no lots with lake frontage for this product line. As of the effective date of valuation, 3 homes have closed escrow to individual homeowners.

Village 12:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 12	201-1700-001..060	Lots 1..60	Greenbriar Phase 2, Village 12	Recorded 12-12-2024, Book 462, Page 3

The individual Map is noted as follows.

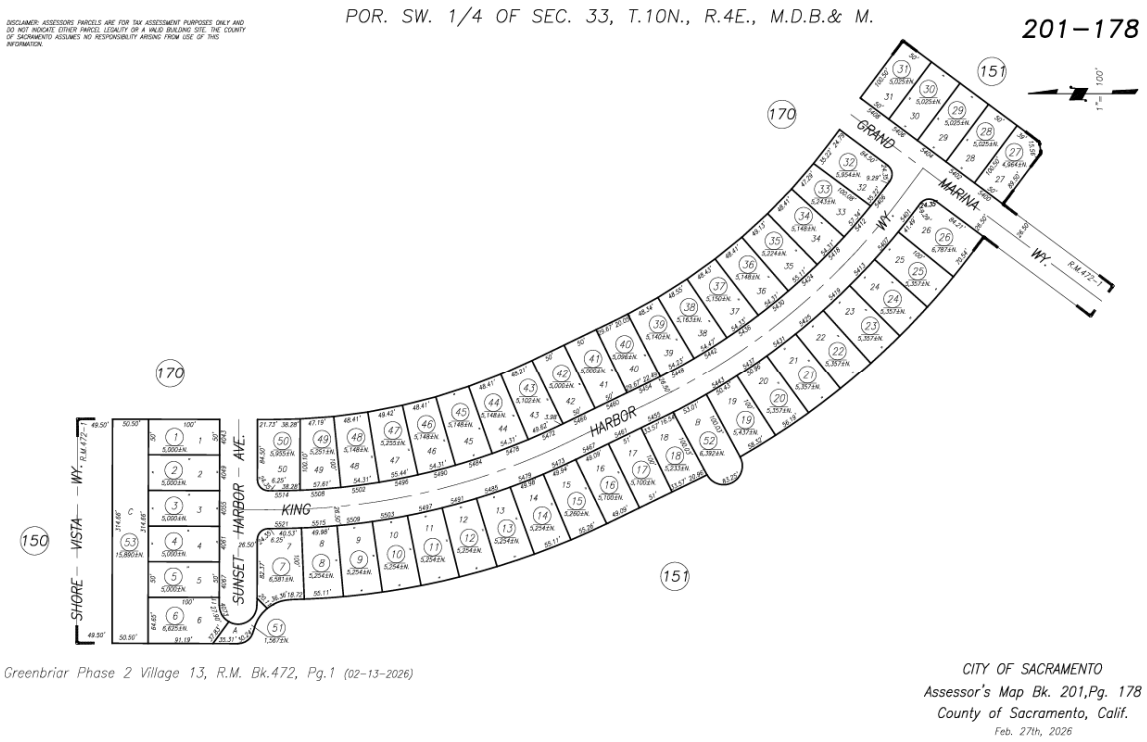


Village 12 comprises 60 lots identified for development of the BLEAU product line. It is comprised of a net land area of 7.3 AC, showing a density of 8.2 du/ac. Lots represent a typical size of 5,000 SF (50' x 100'). There are 14 lots with lake frontage for this product line. As of the effective date of valuation, 12 homes have closed escrow to individual homeowners.

Village 13:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 13	201-1780-001..050	Lots 1..50	Greenbriar Phase 2, Village 13	Recorded 2-13-2026, Book 472, Page 7

The individual Map is noted as follows.



Village 13 comprises 50 lots identified for development of the BLEAU product line. It is comprised of a net land area of 6.1 AC, showing a density of 8.2 du/ac. Lots represent a typical size of 5,000 SF (50' x 100'). There are 26 lots with lake frontage for this product line. As of the effective date of valuation, 0 homes have closed escrow to individual homeowners.

Village 14:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 14	201-1570-047..100	Lots 1..54	Greenbriar Phase 2, Village 14	Recorded 7-24-2025, Book 466, Page 5

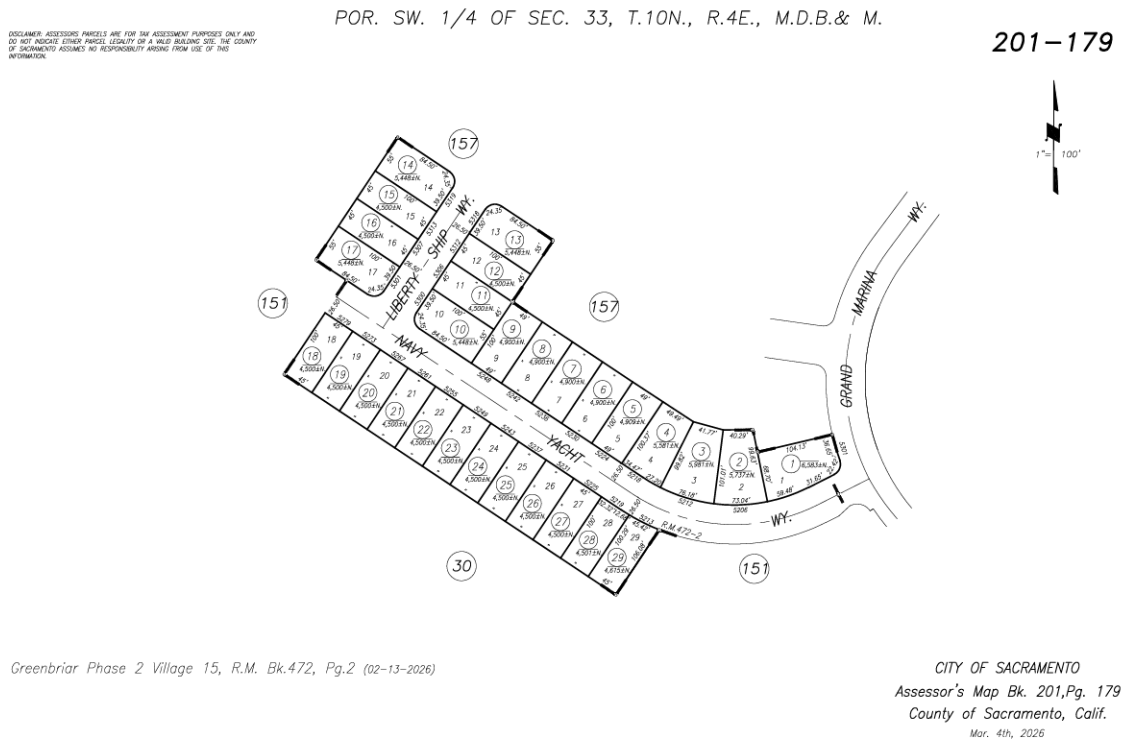
The individual Map is noted as follows.

Village 14 comprises 54 lots identified for development of the WAVMOR product line. It is comprised of a net land area of 6.2 AC, showing a density of 8.7 du/ac. Lots represent a typical size of 4,500 SF (45' x 100'). There are 16 lots with lake frontage for this product line. As of the effective date of valuation, 0 homes have closed escrow to individual homeowners.

Village 15:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCES
Village 15	201-1790-001..029	Lots 1..29	Greenbriar Phase 2, Village 15	Recorded 2-13-2026, Book 472, Page 2

The individual Map is noted as follows.

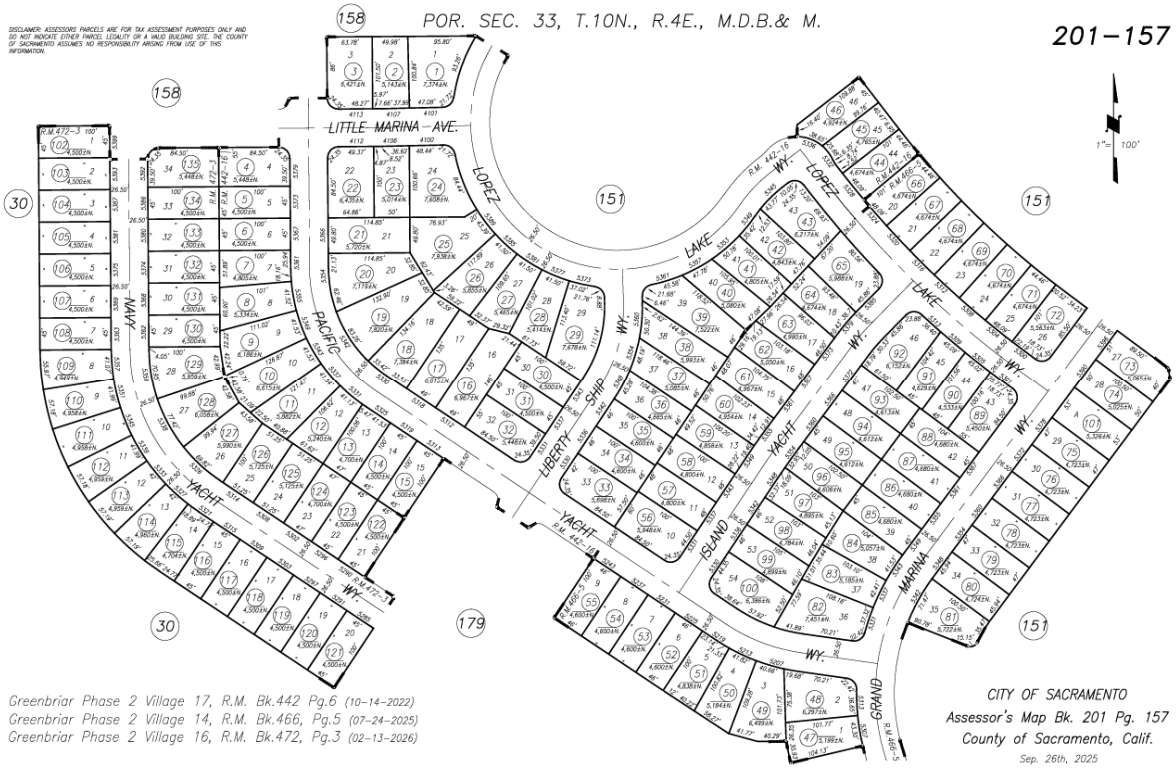


Village 15 comprises 31 lots identified for development of the WAVMOR product line. This includes 2 lots recorded with Village 17 (APNs 201-1570-032, 033). It is comprised of a net land area of 3.7 AC, showing a density of 8.4 du/ac. Lots represent a typical size of 4,500 SF (45' x 100'). There are no lots with lake frontage for this product line. As of the effective date of valuation, 2 homes have closed escrow to individual homeowners. This includes the 2 lots recorded with Village 17.

Village 16:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 16	201-1570-102..135	Lots 1..34	Greenbriar Phase 2, Village 16	Recorded 2-13-2026, Book 472, Page 3

The individual Map is noted as follows.



Village 16 comprises 34 lots identified for development of the WAVMOR product line. It is comprised of a net land area of 3.7 AC, showing a density of 9.2 du/ac. Lots represent a typical size of 4,500 SF (45' x 100'). There are no lots with lake frontage for this product line. As of the effective date of valuation, 0 homes have closed escrow to individual homeowners.

Village 17:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 17	201-1570-001..046	Lots 1..46	Greenbriar Phase 2, Village 17 (Includes 2 lots in Village 15)	Recorded 10-14-2022, Book 442, Page 16

The individual Map is noted as follows.

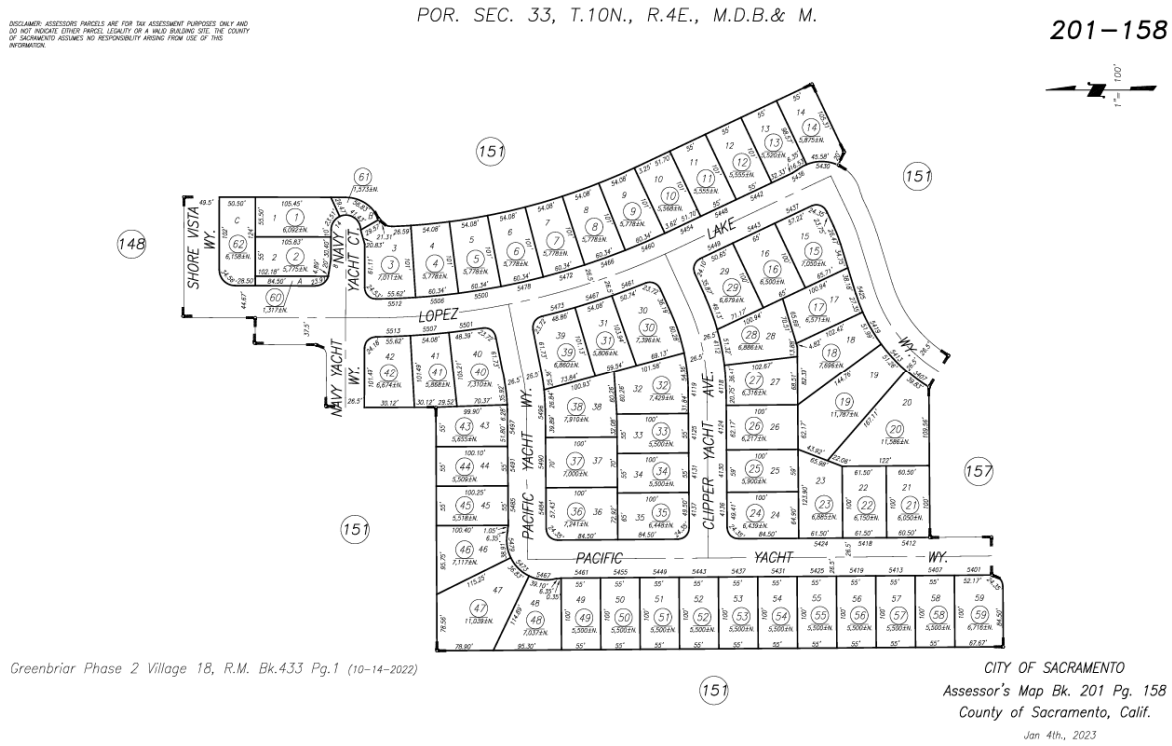
Note: Lots 32 & 33 are part of Village 15. They are shaded blue.

Village 17 comprises 44 lots identified for development of the WAVMOR product line. It is comprised of a net land area of 5.6 AC, showing a density of 7.9 du/ac. Lots represent a typical size of 4,500 SF (45' x 100'). There are 3 lots with lake frontage for this product line. As of the effective date of valuation, 39 homes have closed escrow to individual homeowners.

Village 18:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCES
Village 18	201-1580-001..059	Lots 1..59	Greenbriar Phase 2, Village 18	Recorded 10-14-2022, Book 443, Page 1

The individual Map is noted as follows.



Village 18 comprises 59 lots identified for development of the DRIFTON product line. It is comprised of a net land area of 8.7 AC, showing a density of 6.8 du/ac. Lots represent a typical size of 5,500 SF (55' x 100'). There are 13 lots with lake frontage for this product line. As of the effective date of valuation, 36 homes have closed escrow to individual homeowners.

Village 19:

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCES
Village 19	201-1580-063..111	Lots 1..49	Greenbriar Phase 2, Village 19	Recorded 10-24-2025, Book 446, Page 5

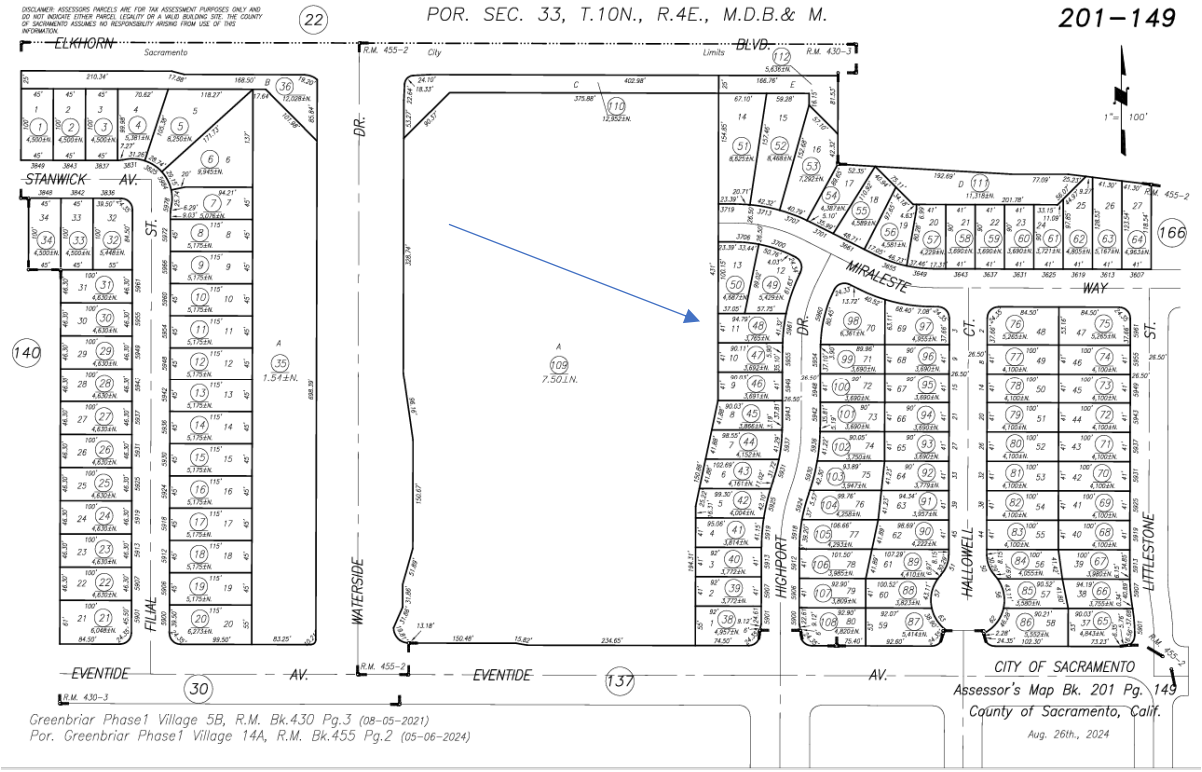
The individual Map is noted as follows.

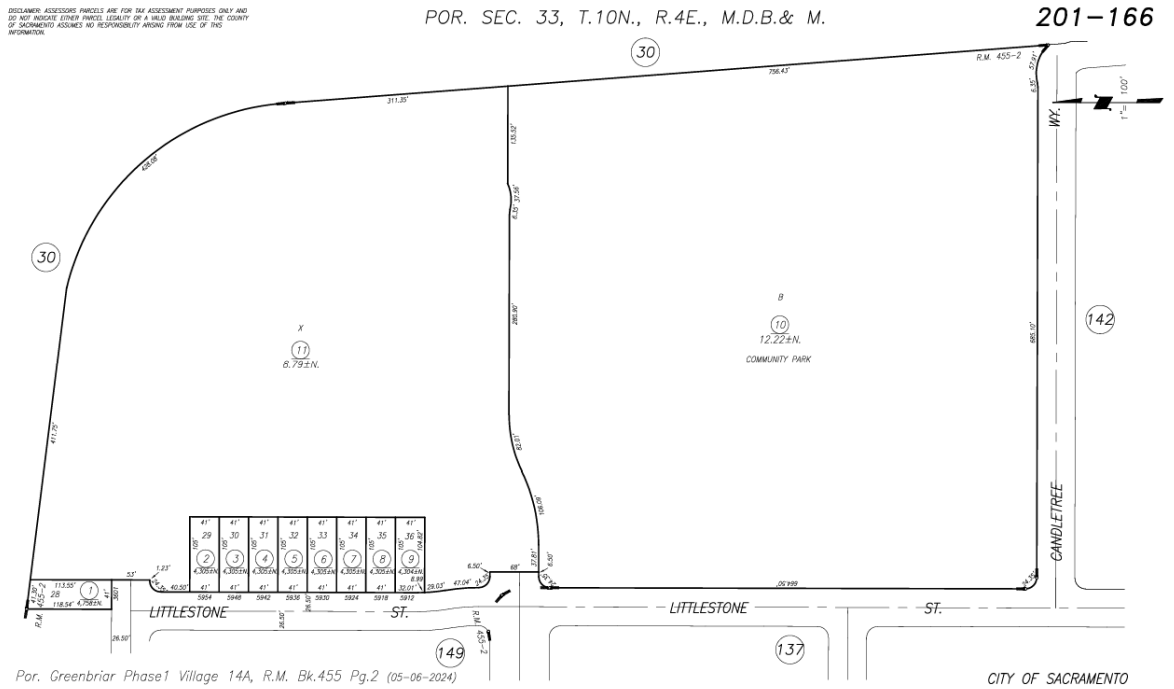
Village 19 comprises 49 lots identified for development of the DRIFTON product line. It is comprised of a net land area of 6.6 AC, showing a density of 7.4 du/ac. Lots represent a typical size of 5,500 SF (55' x 100'). There are no lots with lake frontage for this product line. As of the effective date of valuation, 0 homes have closed escrow to individual homeowners.

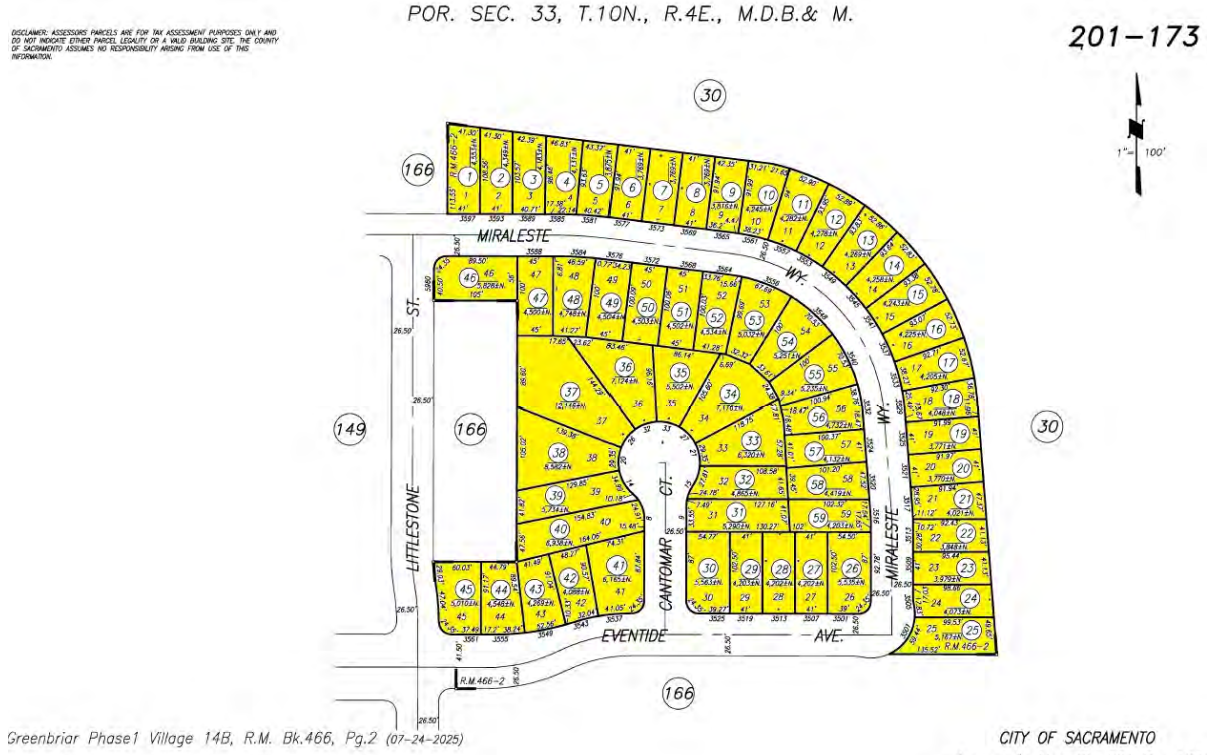
Village 14/20: This village area is noted in the Phase 1 portion of this project. It was recently rezoned to accommodate residential units and for purposes of this analysis and identified by the developer, references to this specific project note it as Village 14/20). This is to differentiate this project from Village 14 previously discussed. It includes the following.

VILLAGE	APN	LEGAL	FINAL MAP	REFERENCE
Village 14/20	201-1490-038..108	Lots 1..27, 37-80	Greenbriar Phase 1, Village 14A	Recorded 5-6-2024, Book 455, Page 2
	201-1660-001..009	Lots 28..36		
	201-1730-001..059	Lots 1..59	Greenbriar Phase 1, Village 14B	Recorded 7-24-2025, Book 466, Page 2

Individual Maps are noted as follows.




DISCLAIMER: ASSESSORS PARCELS ARE FOR TAX ASSESSMENT PURPOSES ONLY AND DO NOT INDICATE EITHER PARCEL LEGALITY OR A VALID BUILDING SITE. THE COUNTY OF SACRAMENTO ASSUMES NO RESPONSIBILITY ARISING FROM USE OF THIS INFORMATION.
POR. SEC. 33, T.10N., R.4E., M.D.B.& M.
201–166
30
142
137
149
11
6.79±N.
10
12.22±N.
COMMUNITY PARK
CANDLETREE
WY.
LITTLESTONE
ST.
Por. Greenbriar Phase1 Village 14A, R.M. Bk.455 Pg.2 (05-06-2024)
CITY OF SACRAMENTO
Assessor's Map Bk. 201 Pg. 166
County of Sacramento, Calif.
Aug. 26th, 2024


DISCLAIMER: ASSESSORS PARCELS ARE FOR TAX ASSESSMENT PURPOSES ONLY AND DO NOT INDICATE EITHER PARCEL LEGALITY OR A VALID BUILDING SITE. THE COUNTY OF SACRAMENTO ASSUMES NO RESPONSIBILITY ARISING FROM USE OF THIS INFORMATION.
POR. SEC. 33, T.10N., R.4E., M.D.B.& M.
201–173
1" = 100'
30
166
149
MIRALESTE
WY.
ST.
LITTLESTONE
CANTOMAR
CT.
EVENTIDE
AVE.
R.M.466-2
Greenbriar Phase1 Village 14B, R.M. Bk.466, Pg.2 (07-24-2025)
CITY OF SACRAMENTO
Assessor's Map Bk. 201 Pg. 173
County of Sacramento, Calif.
Sep. 25th, 2025

Village 14/20 comprises 139 lots identified for development of the V14/20 product line. It is comprised of a net land area of 14.7 AC, showing a density of 9.5 du/ac. Lots represent a typical size of 3,690 SF (41' x 90'). There are no lots with lake frontage for this product line. As of the effective date of valuation, 66 homes have closed escrow to individual homeowners.

Overall: The 1,177 residential lots for this project are delineated as follows. This includes the total project allocation, as the total number of homes sold and closed are also noted in this table.

PROJECT	DIMENSIONS	LOT SIZE (SF)	TOTAL # LOTS	CLOSED HOMES	REMAINING LOTS
SHOR	41' x 68'	2,788	193	67	126
LAKELET	41' x 90'	3,690	173	72	101
WATERSYDE	50' x 80'	4,000	153	76	77
WAVMOR	45' x 100'	4,500	163	41	122
CRESTVUE	55' x 85'	4,675	138	69	69
BLEAU	50' x 100'	5,000	110	12	98
DRIFTON	55' x 110'	5,500	108	36	72
V14/20	41' x 90'	3,690	139	66	73
PROJECT			**1,177**	**439**	**738**

The table above shows the overall calculation of the allocation of lots within this project. As noted, 439 of these lots have sold to individual homeowners.

Utilities and Municipal Providers/Site Development Costs

Site development was underway as of the effective date of valuation. This project is served by public utilities including the following providers.

Park District:	City of Sacramento
Fire Protection:	City of Sacramento
School District:	Twin Rivers Unified School District
Sewer:	Sacramento Area Sewer District
Storm Drain:	City of Sacramento
Water:	City of Sacramento
Electricity:	SMUD
Gas:	PG&E

These improvements are currently under construction at the subject property. The current ownership of this project is in the process of delivering finished lots. According to the purchase and sale agreement for this project, finished lots are defined as follows.

"Finished lots" means rough graded residential building lots which have been completed in accordance with the subdivision improvement plans approved by the City and other applicable agencies and authorities (collectively, the "Applicable Authorities"), the subdivision improvement plans relating thereto, and all civil and soils engineering costs related thereto have been fully paid.

Without limiting the foregoing, “Finished Lot” shall refer to a lot:

1. which is graded substantially in accordance with the grading plans approved by the City, with the pad elevations +/- 0.1 feet certified by Seller’s civil engineer and compaction certification by Seller’s geotechnical engineer in accordance with recommendations of Seller’s geotechnical engineer;

2. that has water service installed and stubbed into the Lot from the property line or back of sidewalk with curb markings to indicate the location of the water lateral, with a water meter box and lid set to grade; that includes a curb stop and a sleeve under the sidewalk, marked with a protective barrier and capable of being energized for immediate service upon completion of a single-family residence on the Lot;

3. that has sewer service installed and stubbed into the Lot from the property line or back of sidewalk with curb markings to indicate the location of the sewer lateral and sewer clean-outs set to grade, marked with a protective barrier and capable of being energized for immediate service upon completion of a single-family residence on the Lot;

4. that has all gas, electricity, telephone, and cable television conduits installed and stubbed into the Lot from the property line or back of sidewalk and capable of being energized/pressurized/connected for immediate service upon completion of the single family residence on such Lot;

5. that has all public storm drain systems, public water systems, sanitary sewer systems, curb, gutter, sidewalk, driveway approaches, joint gas/electric/phone/CATV utilities, including all required utility boxes, and street pavement for public access and Lot frontage improvements constructed and installed;

6. that includes PVC conduit sleeving under sidewalks for future irrigation water lines and private lot drainage, on both sides of each lot (two per Lot). Buyer shall be required to install full front yard landscaping and irrigation water lines, including the landscape strip between the back of the curb and sidewalk, for the entire street frontage of each Lot and both street frontages on corner Lots. This lot irrigation system will include a separate exterior lockable controller and be serviced by each individual domestic water meter except where specifically designated by Seller as common area subject to maintenance by the City;

7. that has all property corners staked or pinned by the project engineer and property lines identified on sidewalks, all retaining walls installed around utility boxes and/or property lines(s) as may be required by plans and/or specifications;

8. where streetlights are in place and energized;

9. where all offsite improvements have been constructed, fully paid for, and energized/pressurized/connected for immediate service or bonded for such that building permits and occupancies can be obtained; and

10. where all required masonry walls and entry and roadway landscaping has been constructed and installed or bonded for such that building permits and occupancies can be obtained.

The buyer of this project is responsible for any work related to the vertical construction of the homes on the lots, but not limited to the following:

- engineering survey work to locate home foundations;
- lot finish grading required for home foundations and landscape drainage, front, and rear yard drainage;
- on-lot SWPPP best management practices following Seller's initial installation;
- front yard landscaping and irrigation;
- privacy fencing;
- installation, at its sole cost and expense, of street trees, mow strips and all other improvements not included in this definition of a Finished Lot; and
- side yard and rear yard retaining walls that are not required under the subdivision improvement plans or grading plans approved by Applicable Authorities.

The developer of this project provided the overall costs for site development of this project. This is allocated among Backbone Costs, Amenities, and Intract Costs. Certain additional costs for this project include entitlement costs and costs for the Shore Vista overcrossing. These costs are as of June 15, 2026 and include the following:

ENTITLEMENT COSTS

The total entitlement costs for this project are identified at $4,604,155. Based on the schedule of costs provided by the developer, $4,456,986 have been incurred with remaining costs identified at **$147,169.**

BACKBONE COSTS

The total backbone costs for this project were identified at $92,678,083 including applicable contingencies, bonds, and soft costs. This cost reflects the costs to extend improvements to each individual village identified for this analysis, as well as drainage improvements and roadway costs for this project. These costs are allocated as follows.

ITEM	TOTAL COSTS	COSTS INCURRED	REMAINING COSTS	% INCURRED	REIMBURSED THROUGH CFD
GRADING AND EARTHWORK	$10,857,031	$10,652,224	$204,807	98.1%	$0
SEWER	$4,700,172	$4,700,103	$69	100.0%	$5,808,007
DRAINAGE	$12,179,804	$12,179,772	$32	100.0%	$2,851,872
WATER	$8,455,946	$8,446,029	$9,917	99.9%	$6,482,265
CONCRETE/ROADWAY	$10,316,988	$10,253,385	$63,603	99.4%	$6,472,483
LANDSCAPING	$4,508,248	$3,022,487	$1,485,761	67.0%	$1,000,000
WALLS AND FENCING	$3,196,286	$2,737,704	$458,582	85.7%	
DRY UTILITIES	$6,832,250	$6,829,553	$2,697	100.0%	$3,308,997
DEVELOPMENT (SOFT COSTS)	$3,870,508	$3,741,790	$128,718	96.7%	
DEVELOPMENT FEES	$2,054,663	$2,101,114	-$46,451	102.3%	
BUILDERS FEES	$16,614,317	$16,600,618	$13,699	99.9%	
PROJECT (SOFT COSTS)	$5,779,000	$5,025,671	$753,329	87.0%	$0
PERFORMANCE BONDS	$2,141,540	$2,116,525	$25,015	98.8%	$0
SUB-TOTAL	**$91,506,753**	**$88,406,975**	**$3,099,778**	**96.6%**	**$25,923,624**
Hard Cost Contingency	$1,171,300	$0	$1,171,300	0.0%	$0
TOTAL BACKBONE COSTS	**$92,678,053**	**$88,406,975**	**$4,271,078**	**95.4%**	**$25,923,624**

The total backbone costs for this project are identified at $92,678,053. These costs include remaining contingencies at $1,171,300. Development has commenced as of the effective date of valuation, as the developer has completed $88,406,975 in costs, or approximately 95.0% of the total hard costs (including contingencies). The remaining costs are identified at **$4,271,078.**

SHORE VISTA OVERCROSSING

The development of this project includes design and construction of the overcrossing at Shore Vista Way. Total costs are identified at $22,101,730. These costs are consistent with the engineers costs prepared by Wood Rodgers, dated November 7, 2023 as provided for review in preparation of this assignment.

It was identified that these improvements started in the Summer of 2025. With rising costs caused by inflation, these costs are likely a low indicator to the actual costs, especially based on the proposed completion date. As such, these costs are escalated at 8% due this element and total costs are projected at $23,869,868. This escalation is consistent with the rising costs. Original estimates in 2016 were noted at $11,805,277. The 2023 costs prepared by Wood Rodgers were identified at $22,006,078. The difference between the 2016 costs and the 2023 costs are noted at 86.4%, which equates to 8.1% per annum.

Recently, the developer's provided a revised estimate at $23,504,391 as of November 2025. At this time, the developer and the City reached a development agreement for construction of this facility, including bonding the total costs at $39.1 million. As part of the Third Amendment, the City of Sacramento will reimburse costs identified at $6,112,239. Based on the allocation of costs, net costs to the developer are identified at $17,392,152. Lastly, the developer has completed $1,751,981 in costs for this component, and remaining costs are identified at **$15,640,171.** Completion of these improvements are not tied to the individual lots. They reflect a total costs to Integral Development and given that these costs have a performance bond tied to their completion, they are excluded from this analysis.

AMENITIES

In addition, this project includes public amenities which are being constructed concurrent with backbone improvements. They include costs for the neighborhood and community parks. These costs are allocated as follows.

ITEM	TOTAL COSTS	COSTS INCURRED	REMAINING COSTS	% INCURRED
NEIGHBORHOOD PARK	$1,841,222	$1,763,653	$77,569	95.8%
COMMUNITY PARK	$1,438,973	$1,277,890	$161,083	88.8%
COMMUNITY PARK	$1,512,596	$1,335,227	$177,369	88.3%
SUB-TOTAL	**$4,792,791**	**$4,376,770**	**$416,021**	**91.3%**

The total remaining costs for project amenities are identified at **$416,021.**

INTRACT IMPROVEMENTS

Intract improvements reflect the overall costs to complete the interior subdivision improvements for each village. Budgets were provided for these costs, and the following table summarizes the total costs allocated to intract improvements. These budgets are as follows.

VILLAGE	# OF LOTS	MINIMUM LOT SIZE (SF)	TOTAL COSTS	TOTAL COSTS/LOT	COSTS INCURRED	% INCURRED	REMAINING COSTS
Village 1 (Shor)	104	41' x 68' (2,788 SF)	$6,327,022	$60,837	$6,257,133	98.9%	$69,889
Village 2 (Shor)	89	41' x 68' (2,788 SF)	$3,922,657	$44,075	$1,066,355	27.2%	$2,856,302
Village 3 (Watersyde)	11	50' x 80' (4,000 SF)	$37,413	$3,401	$36,419	97.3%	$994
Village 4 (Lakelet)	68	41' x 90' (3,690 SF)	$3,820,667	$56,186	$3,801,462	99.5%	$19,205
Village 5 (Lakelet)	61	41' x 90' (3,690 SF)	$3,717,240	$60,938	$3,742,324	100.7%	-$25,084
Village 6 (Watersyde)	54	50' x 80' (4,000 SF)	$3,360,587	$62,233	$3,357,274	99.9%	$3,313
Village 7 (Crestvue)	26	55' x 85' (4,675 SF)	$464,950	$17,883	-$93,168	-20.0%	$558,118
Village 8 (Watersyde)	88	50' x 80' (4,000 SF)	$3,664,559	$41,643	$3,656,266	99.8%	$8,293
Village 9 (Crestvue)	53	55' x 85' (4,675 SF)	$2,907,451	$54,858	$2,901,541	99.8%	$5,910
Village 10 (Crestvue)	59	55' x 85' (4,675 SF)	$3,183,474	$53,957	$3,175,935	99.8%	$7,539
Village 11 (Lakelet)	44	41' x 90' (3,690 SF)	$1,656,417	$37,646	$319,302	19.3%	$1,337,115
Village 12 (Bleau)	60	50' x 100' (5,000 SF)	$4,443,602	$74,060	$4,436,021	99.8%	$7,581
Village 13 (Bleau)	50	50' x 100' (5,000 SF)	$2,386,633	$47,733	$1,379,548	57.8%	$1,007,085
Village 14 (Wavmor)	54	45' x 100' (4,500 SF)	$3,386,335	$62,710	$3,254,125	96.1%	$132,210
Village 15 (Wavmor)	31	45' x 100' (4,500 SF)	$1,703,463	$54,950	$292,078	17.1%	$1,411,385
Village 16 (Wavmor)	34	45' x 100' (4,500 SF)	$1,600,501	$47,074	$277,874	17.4%	$1,322,627
Village 17 (Wavmor)	44	45' x 100' (4,500 SF)	$4,340,184	$98,641	$4,333,320	99.8%	$6,864
Village 18 (Drifton)	59	55' x 100' (5,500 SF)	$5,610,989	$95,102	$5,605,606	99.9%	$5,383
Village 19 (Drifton)	49	55' x 100' (5,500 SF)	$2,867,019	$58,511	$2,848,444	99.4%	$18,575
Village 14/20 (14/20)	139	41' x 90' (3,690 SF)	$9,181,570	$66,054	$9,131,822	0.0%	$49,748
Intract Contingency			$434,080			0.0%	$434,080
SUB-TOTAL	**1,177**		**$69,016,813**		**$59,779,681**	**86.6%**	**$9,237,132**

Overall, the total remaining site development costs for this project are identified as follows.

ITEM	TOTAL COSTS	COSTS INCURRED	REMAINING COSTS	% INCURRED
Entitlement Costs	$4,604,155	$4,456,986	$147,169	96.8%
Backbone Costs	$92,678,053	$88,406,975	$4,271,078	95.4%
Amenities	$4,792,791	$4,376,770	$416,021	91.3%
In-Tract Costs	$69,016,813	$59,779,681	$9,237,132	86.6%
TOTALS	**$171,091,812**	**$157,020,412**	**$14,071,400**	**91.8%**

The remaining site development costs for this project, as of the effective date of valuation equate to $14,071,400.

PERMITS AND FEES

The developer of this project provided an overall allocation of permits and fees for this project. While these fees reflect those payable after the completion of all site improvements, or finished lots, they are meaningful in deriving potential value for this project through direct comparison with comparable sales, as well as from a residual methodology. These fees are summarized below as provided by the developer dated October 6, 2025. It is clearly noted that these fees reflect the net permits and fees after credits and are the most recent fees and permits provided for review in preparation of this assignment.

PROJECT	Shor	Lakelet	Watersyde	Wavmor	Crestvue	Bleau	Drifton	V14/20
DIMENSIONS	41' x 68'	41' x 90'	50' x 80'	45' x 100'	55' x 85'	50' x 100'	55' x 100'	41' x 90'
MIN. LOT SIZE (SF)	2,788 SF	3,690 SF	4,000 SF	4,500 SF	4,675 SF	5,000 SF	5,500 SF	3,690 SF
# LOTS	193	173	153	163	138	110	108	139
City Impact Fees/Lot	$20,398	$21,113	$22,300	$21,828	$22,038	$22,659	$23,385	$18,557
Greenbriar Fees	$3,820	$3,820	$3,820	$3,820	$3,820	$3,820	$3,820	$3,820
Agency Fees	$13,925	$14,995	$16,058	$16,010	$16,271	$16,925	$17,761	$13,876
School Fees/Park Fees	$0	$0	$0	$0	$0	$0	$0	$24,210
Total Fees	$38,143	$39,928	$42,178	$41,658	$42,129	$43,404	$44,966	$60,463
Less Credits	($11,576)	($11,694)	($11,891)	($11,813)	($11,848)	($11,951)	($12,072)	($10,752)
Total Fees Per Lot	**$26,567**	**$28,234**	**$30,287**	**$29,845**	**$30,281**	**$31,453**	**$32,894**	**$49,711**

The average permits and fees project are $31,955 per unit. There are no school fees for the lots in the Phase 2 portion of this project as they have been paid by the developer. The mitigation agreement for this project was for up to 2,176 units in the project (Phase 1 and Phase 2). Additional school fees of $19,818 are applied thereafter. In addition, the same is true for park fees. They were capped at 2,176 units and additional fees of $4,603 per unit are identified. These additional fees equate to $24,210 per unit and are included with V14/20 in the table above.

These fees are lower than that of other new home communities throughout the region which shows permits and fees in excess of $65,000 per unit. As noted, these fees are net of credits ranging from $11,053 to $12,370 per unit. These credits are comprised as follows.

ITEM	TOTAL CREDIT
Water Fee Credit	($4,688)
Park Fee Credit	($3,913) to ($4,603)
Sac Sewer Fee Credit	($1,296)
Overwidth Fee Credit	($855) to ($1,485)
TOTAL CREDITS	**($10,752) to ($12,072)**

Soil Conditions

There was no soils report provided for review in preparation of this assignment. The subject property is located in an area formerly utilized for farm/grazing land. The opinions of value presented for the subject property assume that the soils are capable of supporting the existing improvements and proposed improvements for the subject property. Please refer to the assumptions and limiting conditions for further documentation.

Nuisances and Hazards

There was no Environmental Site Assessment provided for review in preparation of this assignment. Inspection of this site did not reveal any potential contaminants. In the absence of any environmental site assessments, the opinions of value for the subject property assume that there are no surface or sub-surface contaminants impacting the subject property. It is noted that the appraiser is not a recognized expert in this field. Please refer to the assumptions and limiting conditions for further documentation.

In addition, potential noise contours were identified based on the overall proximity to the Sacramento International Airport. The Sacramento County Airport System has established noise abatement procedures designed to minimize aircraft noise exposure in the community. A primary emphasis of these procedures is to minimize aircraft noise during the nighttime hours (9:45 PM to 7:45 AM) when people are more sensitive to aircraft exposure. The Sacramento County Airport System also has letters of agreement with several units of the United States military designed to limit repetitive training activity to the daytime hours and up to one hour per aircraft.

The subject property does not include any significant added noise based on the proximity to the airport as these areas are closer in proximity to the runways. These elements are noted as follows.

Sacramento International Airport
Land Use Compatibility Planning Noise Contours
SUBJECT
ELVERTA RD
W ELVERTA RD
ELKHORN BLVD
ELKHORN BLVD
HWY 99
HWY 99
POWER LINE RD
AIRPORT BLVD
I 5
GARDEN HWY
DEL PASO RD
I 5
EL CENTRO RD
EL CENTRO RD
SAN JUAN RD
EL CAMINO AVE
W EL CAMINO AVE
DEL PASO BLVD
HWY 160
RIO LINDA BLVD
RIO LINDA BLVD
MARYSVILLE BLVD
BELL AVE
SACRAMENTO COUNTY
Nautical Miles
0 0.5 1 2
LEGEND
SMF Airport Planning Policy Area (APPA) Boundary
SMF Land Use Compatibility Planning Noise Contours
60 CNEL Contour
65 CNEL Contour

Easements, Encroachments & Adverse Conditions

A preliminary title report prepared by First American Title Company dated March 19, 2026 was provided for review in preparation of this assignment. This document revealed 134 exceptions to title, none of which have an adverse impact on the subject property. The following table summarizes these exceptions.

EXCEPTION	ITEM	COMMENTS
1	Taxes and Assessments	No Impact
2	General and Special Taxes	No Impact
3	Assessment Lien	Notice of Special Taxes
4	Assessment Lien	Notice of Special Taxes
5	Assessment Lien	Notice of Special Taxes
6	**Special Tax Lien**	**Notice of Special Tax Lien for Greenbriar Community Facilities District No. 2018-03. Improvement Area No. 2.**
7	Taxes and Assessments	Taxes for RD#1000
8	Lien of Supplemental Taxes	General Disclosure
9	Unpaid Utilities	General Disclosure
10	Easement for Public Highway or Roads to Sacramento County	Identified on TM to be abandoned and Re-Dedicated
11	Easement for irrigation and/or drainage and incidental purposes	Older exception in favor of RD#1000. No Impact.
12	Relinquishment of Abutters Rights for ingress and egress to or from street, highway, or freeway	Parcel D (Open Space) No Impact.
13	Relinquishment of Abutters Rights for ingress and egress to or from street, highway, or freeway	Parcels D and E (Open Space). No Impact.
14	Easement for public utility facilities and incidental purposes to the State of California	Impacts Parcels 4, 5, and E. Easement was Quitclaimed to RD#1000 in 1983. No Impact.
15	Relinquishment of Abutters Rights for ingress and egress to or from street, highway, or freeway	Parcels 4, 5, and E (Open Space). No Impact.
16	Easements for irrigation facilities and incidental purposes	Impacts Parcels D and E. No Impact.
17	Relinquishment of Abutters Rights for ingress and egress to or from street, highway, or freeway	Parcels D and E (Open Space). No Impact.
18	Relinquishment of Abutters Rights for ingress and egress to or from street, highway, or freeway	Parcels D and E (Open Space). No Impact.

EXCEPTION	ITEM	COMMENTS
19	Memorandum of Agreement For Schools Most Recent Recorded November 12, 2024	First Document in 2006 showing Recorded funding agreement through Mutual Benefit Agreement to Rio Linda Union School District. Rights assigned to North Natomas Sac Region LLC in 2009. Restated in 2020 to show Twin Rivers Unified School District.
20	Easement for Facility and Incidental Purposes To RD#1000	Affects Parcels D and E (Open Space). No impact.
21	Grant of Water Well, Water Conveyance Facilities and Access Easements	Affects Parcel E (Open Space). No Impact.
22	Easement for overhead facilities and incidental purposes to SMUD	Affects Parcels D and E (Open Space). No Impact.
23	Easement for Sanitary Sewer and Incidental purposes	Easement and will remain per TM. Typical Utility Easement
24	Easement for water line and Incidental purposes	Easement and will remain per TM. Typical Utility Easement
25	Agreement to construct and maintain private recreational facilities with the City of Sacramento	Agreement to construct private improvements to satisfy park requirement.
26	Avigation Easement Recorded January 28, 2020	No Impact. Easement granted for airspace And noise above 100 feet
27	Intentionally Deleted	N/A
28	Agreement for construction of Drainage Improvements with the City of Sacramento	No Impact.
29	Hold Harmless Agreement	No Impact.
30	Lake Maintenance Agreement	No Impact
31	CC&R's & Declaration of Annexation	No Impact.

EXCEPTION	ITEM	COMMENTS
32/33	Easement for public utility and incidental purposes	As Recorded on Final Map.
34	Easement for Road Irrevocable Offer of Dedication and Incidental purposes	Affects Parcels 14, 16 through 21 and H as recorded on Final Map.
35	Regional Transit Irrevocable Offer of Dedication and Incidental purposes	Affects Parcels 14, 20, 21, E, F, and H as recorded on Final Map.
36	Easement for Drainage and Incidental Purposes	Affects Parcels 3, 8, 9, 11, 12, 13, 14, 16, 18, 19 and D as recorded on Final Map.
37	Easement for Sanitary Sewer and Incidental Purposes	Affects Parcels 14, 16, 18, and 21 as recorded on Final Map.
38	Disclosures of Filed or Recorded Map	-Parcels A, B, and C granted IOD in Fee Title to the City of Sacramento for Park Purposes. -Parcels D and E granted IOD in Fee Title to the City of Sacramento for Open Space Parcels. -Parcels F, G, and H granted IOD to the City of Sacramento As Detention and Water Quality Basins/Lakes. -Parcel I is reserved and is to be granted by separate document to the local school district as a community school.
39-42	Ties to Recordation's of Final Maps	No Impact.
43	Easement for Public Utilities	No Impact.
44	Offer of Dedication for Public and Incidental Purposes to City	No Impact.
45-47	Subdivision Improvement Agreements	No Impact.
48-49	Easements of Record Final Maps	No Impact.
50	Easement for Electrical and Communication	No Impact
51	Sewer and Incidental to SASD	No Impact.
52-53	Subdivision Improvement Agreements	No Impact.
54-56	Easements of Record Final Maps	No Impact.
57	Subdivision Improvement Agreement	No Impact.
58	Easement for Public Utilities	No Impact.

EXCEPTION	ITEM	COMMENTS
59	Easements of Record Final Maps	No Impact.
60	Charitable Housing Agreement	No Impact.
61	Solar Energy Covenants	No Impact.
62	Notice of Procedures for Construction Claims	No Impact.
63	Easement for Solar Energy Requirements	No Impact.
64	Charitable Housing Agreement	No Impact.
65	Notice of Procedures for Construction Claims	No Impact.
66	Declaration of Solar Energy Covenants	No Impact.
67	Easement for Solar Energy	No Impact
68	Charitable Housing Agreement	No Impact.
69	CC&Rs	No Impact.
70	Notice of Procedures for Construction Claims	No Impact.
71-72	Easement for Solar Energy Requirements	No Impact.
73-74	Subdivision Improvement Agreements	No Impact.
75-84	Easements of Record Final Maps	No Impact.
85	Stock Cancellation	No Impact.
86	Hold Harmless Agreement	No Impact.
87	Stock Cancellation	No Impact.
88-92	Subdivision Improvement Agreement	No Impact.
93-94	Solar Energy Covenants	No Impact.
95	Notice of Procedures for Construction Claims	No Impact.
96	Charitable Housing Foundation	No Impact.
97	Solar Energy Covenants	No Impact.
98	Public Utility Easements	No Impact.
99	Easements of Record Final Maps	No Impact.
100	Public Utility Easements	No Impact.
101	Easements of Record Final Maps	No Impact.
102	Public Utility Easements	No Impact.
103	Easements of Record Final Maps	No Impact.
101-105	Public Utility Easements	No Impact.
106	Easements of Record Final Maps	No Impact.
107-108	Public Utility Easements	No Impact.
109	Easements of Record Final Maps	No Impact.

EXCEPTION	ITEM	COMMENTS
110-111	Subdivision Improvement Agreement	No Impact.
112	Public Utility Easements	No Impact.
113	Easements of Record Final Maps	No Impact.
114	Public Utility Easements	No Impact.
115	Easements of Record Final Maps	No Impact.
116	Improvement Agreement	No Impact.
117	Charitable Housing Foundation	No Impact.
118	Notice of Procedures for Construction Claims	No Impact.
119	Solar Declaration of Covenants	No Impact.
120	Charitable Housing Agreement	No Impact.
121	Solar Declaration of Covenants	No Impact.
122	Notice of Procedures for Construction Claims	No Impact.
123-125	Subdivision Improvement Agreements	No Impact.
126	Easements of Record Final Maps	No Impact.
127-130	Easements of Record Final Maps	No Impact.

Upon review of this document and the various exceptions, the project is subject to typical utility easements. The project includes a recorded development agreement as of the effective date of valuation. There were no adverse easements, encroachments, or adverse conditions in connection with the subject property. A copy of this report is included in the addenda of this report.

Flood Zone

According to the Federal Emergency Management Agency Flood Insurance Rate Maps (FIRM), Community-Panel Numbers 06067C-0045J, with an effective date of June 16, 2015, the subject property is identified in Zone A99. In this zone, the base flood elevation is the water-surface elevation of the 1% annual chance flood. The 1% annual chance flood (100-year flood), also known as the base flood, is the flood that has a 1% chance of being equaled or exceeded in any given year. A copy of this map is identified as follows.

Currently, the subject property lies within Zone A99, which requires flood insurance. Efforts are currently underway through various levee projects to provide Natomas (including the subject property) at least 200-year level of flood protection.

In addition, on June 21, 2016, the Sacramento City Council passed a resolution accepting the Sacramento Area Flood Control Agency's (SAFCA) Urban Level of Flood Protection (ULOP) Plan, prepared pursuant to Senate Bill 5 (SB 5) and related legislation. The ULOP Plan identifies flood improvement projects, cost estimates, anticipated funding sources, and a schedule to complete them by 2025, which would result in 200-year flood protection for the city.

The purpose of the ULOP annual report it to provide an additional piece of the substantial evidence necessary to support the "adequate progress finding" in the approval of new development within a flood hazard zone. When considering development within a flood hazard zone, the City has relied on the 2016 ULOP Plan and the subsequent 2017 through 2025 ULOP annual reports as substantial pieces of evidence that SAFCA has made annual progress on the construction of a 200-year flood protection system.

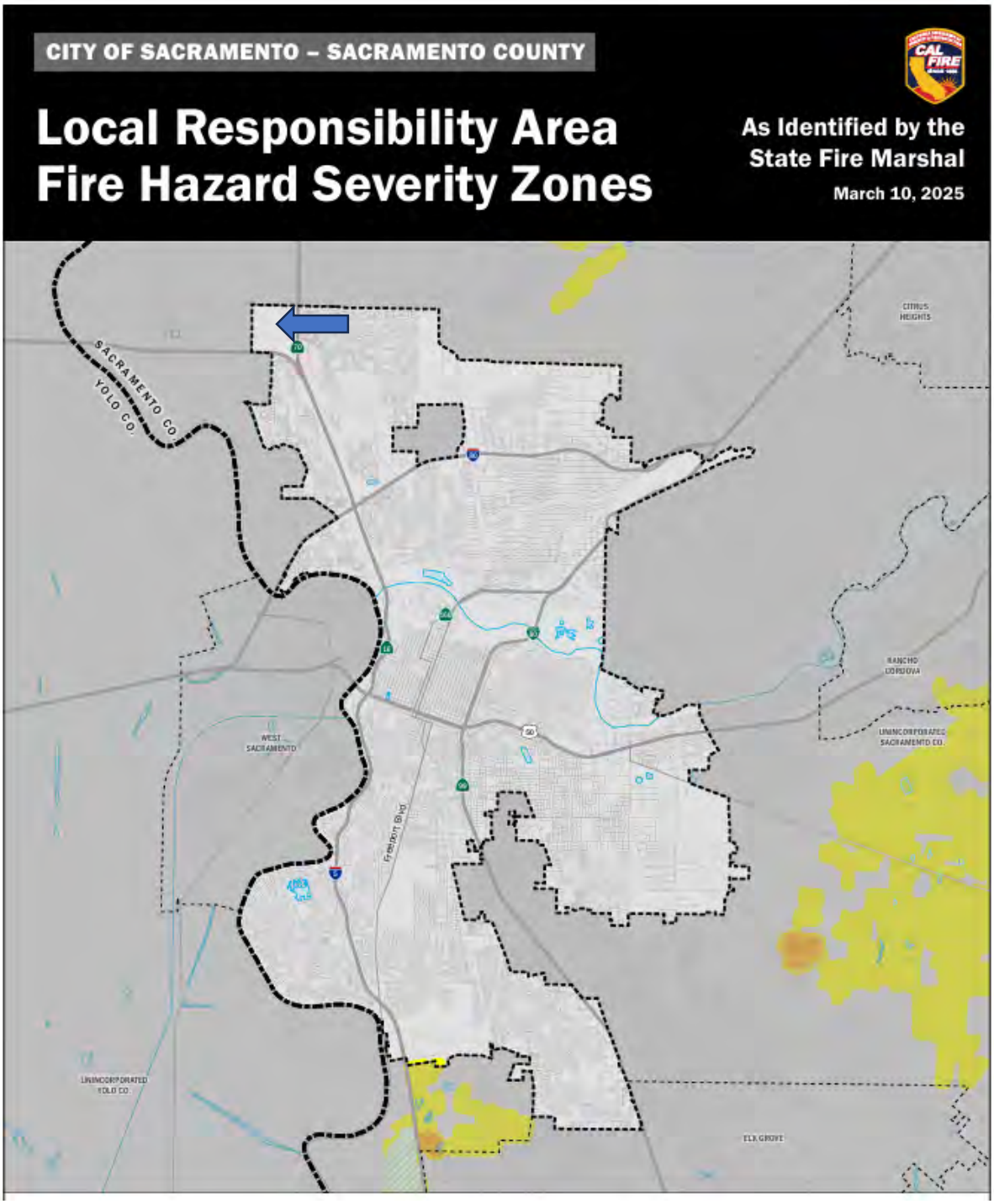
The 2025 annual report was approved on October 15, 2025. These resolutions included accepting the Sacramento Area Flood Control Agency's 2025 Urban Level of Flood Protection adequate progress annual report, and SAFCA acting as the land-use agency for the City of Sacramento accepting evidence of a ULOP Finding of 200-year floor protection for the American River North, American River South, and Robla-Arcade Levee Systems.

Seismic Hazard

The subject is not located within the Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone) as defined by Special Publication 42 of the California Department of Conservation, Division of Mines and Geology. The subject is not within a special study area.

Fire Hazard

The subject is not located within a Medium, High, or Very High Fire Hazard Severity Zone. High severity zones within Sacramento County are identified in the following map.



Zoning/Entitlements

The subject property is currently vested for development of the proposed uses identified in this report. This project identified as P11-083 was approved by the City of Sacramento in 2017 including the following:

1) Certification of the Environmental Impact Report including adoption of the mitigation monitoring and reporting program;
2) Approval of the Development Agreement;
3) Adoption of the 2017 Greenbriar Financing plan;
4) Resolution Authorizing Building Permits and Multi-Unit Dwellings pursuant to Sacramento City Code Floodplain Management Regulations;
5) Directing the Greenbriar Development Impact Fees to be allocated to the North Natomas Regional Park;
6) Amending the General Plan Land Use and Urban Form Diagram to change land use designations for various parcels consistent with the development project;
7) Amending the zoning of the project;
8) Amending the Planned Unit Development Guidelines;
9) Approving the Mixed-Income Housing Strategy;
10) Approving the tentative map and project design with conditions of approval.

This project is fully vested for development from both a planning and environmental viewpoint. The environmental process for Greenbriar began in 2006 and involved the preparation of the following documents that are relevant to the proposed amendments being considered for the project:

- Draft EIR (DEIR) for the Greenbriar Development Project (Volumes I-III), July 2006
- Recirculated Draft EIR (RDEIR) for the Greenbriar Development Project (Air Quality; Hydrology, Drainage and Water Quality), November 2006
- Second Recirculated Draft EIR (SRDEIR) for the Greenbriar Development Project (Transportation and Circulation), April 2007
- Final EIR (FEIR) for the Greenbriar Development Project, August 2007

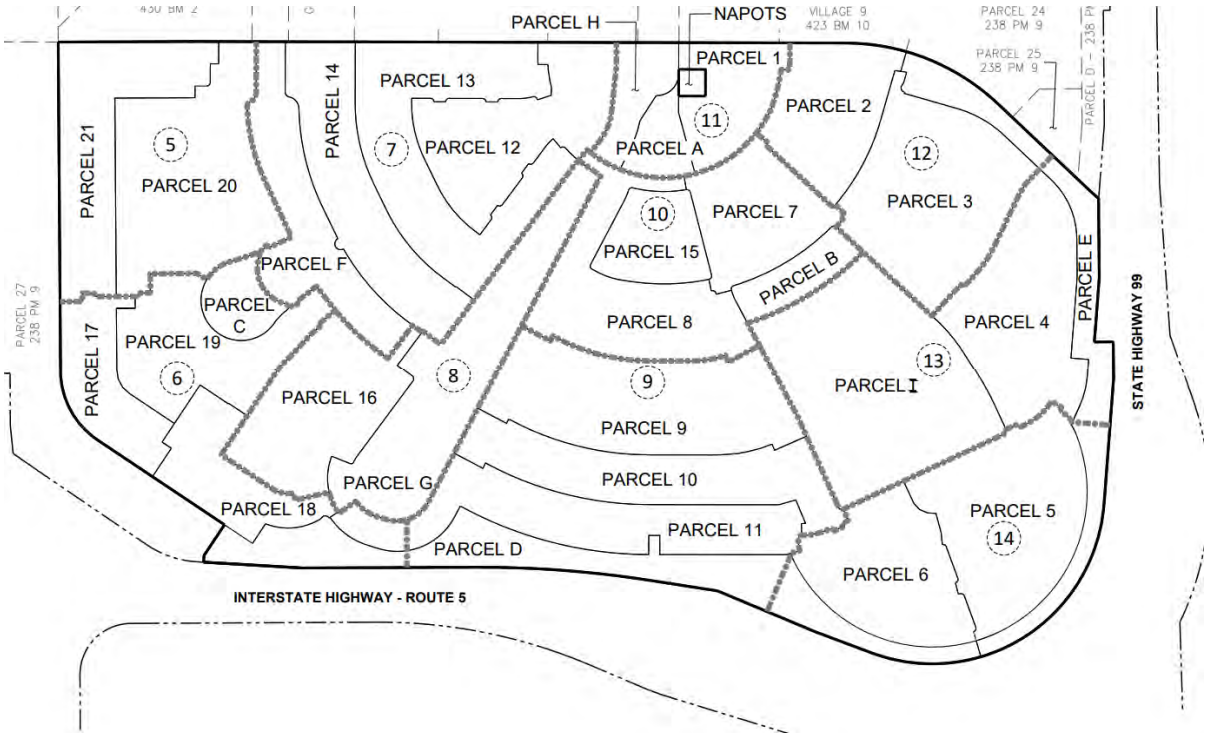
On September 19, 2007, the Sacramento Local Agency Formation Commission (LAFCo) certified the Final EIR and approved the Sphere of Influence Amendment for the project. In January 2008, the City of Sacramento certified the EIR and approved the Greenbriar Development Project (City of Sacramento 2008). After the City's approval of the project, LAFCo approved annexation of the proposed project to the City of Sacramento service area boundary in June 2008 (LAFCo 2008).

Applicable Agency Permits secured for this project include the following:

1) California Department of Fish & Wildlife Final Streambed Alteration Agreement No. 1600-2013-0224-R2
2) Central Valley Regional Water Control Board Clean Water Act Section 401 permit (WDID #5A35CR00587)
3) Department of the Army Section 404 Permit # SPK-2005-00572
4) United States Department of the Interior Fish & Wildlife Service Biological Opinion
5) CDFW Incidental Take Permit. 2081-2013-059-02

According to Cheryle Hodge with the City of Sacramento Planning Department, the subject project is conforming with all applicable environmental mitigation. Furthermore, the subject property is a stand-alone project and not subject to the Natomas Basin HCP Fees.

Currently, this project includes a large-lot, final map recorded identified as follows.



Zoning for this project is generally identified in the following classifications, R-1 (PUD), R-1A (PUD) and A-OS (PUD) as they pertain to the subject properties. The zoning map for this project shows other zoning districts but are not applicable for the subject. Applicable districts for this project are defined as follows.

R-1: The purpose of the R-1 zone is to accommodate low-density residential uses composed of single-unit detached residences and duplex dwellings on corner lots. This zone may also include recreational, religious, and educational facilities as the basic elements of a balanced neighborhood. These areas should be clearly defined and without encroachment by uses not performing a neighborhood function. Applicable setbacks and requirements for this district is noted as follows.

ITEM	TOTAL
Height	35 Feet
Coverage	40% of Site Area (Max)
Lot Size (SF)	5,200 SF (Min)
Width	52 Feet (Min)
Depth	100-160 Feet

Based on review of the zoning map as well as the overall project map, the R-1 zoning is only applicable for Villages 18 and 19 with minimum lot sizes at 5,500 SF.

R-1A: The purpose of the R-1A zone is to permit single-unit or duplex dwellings, whether attached or detached, at a higher density than is permitted in the R-1 zone. Dwellings that have no interior side yards, such as townhouses and rowhouses, are allowed. Applicable setbacks and requirements for this district is noted as follows.

ITEM	TOTAL
Height	35 Feet
Coverage	50% of Site Area (Max)
Lot Size (SF)	2,900 SF (Min)
Width	25 Feet (Min)
Depth	80-160 Feet

Based on review of the zoning map as well as the overall project map, the R-1A is applicable for Villages 1-17 with minimum lot sizes from 2,788 to 5,000 square feet. The Shor project identified in Villages 1 and 2 is below the minimum lot size threshold but approved consistent with the PUD identification of this project.

A-OS: The purpose of the A-OS zone is to ensure the long-term preservation of agricultural and open space land. This zone is intended to prevent the premature development of land to urban uses. This district is assigned to the Neighborhood Park Sites (Parcels C, D, E), man-made lake (Parcels G, H, I), and to the open space / habitat buffer (Parcels S, T, U).

The General Plan identifies the residential components for Suburban Neighborhood Medium Density (7-17 du/ac), Waterways, and Parks and Recreation. Similar to the overall zoning, the General Plan also identifies additional land uses are beyond the boundaries of the district, and/or are exempt from the facilities.

In addition, small-lot final maps have been recorded.

The proposed development of this project is consistent with the overall zoning and General Plan. This project includes an affordable housing component identified as the Mixed-Income Housing Strategy. Accordingly, the total project is proposed for 2,425 market rate housing units and 339 market rate rental units. The Greenbriar Mixed-Income Housing Strategy provides for the development of 189 affordable units for seniors (APN 201-0300-180). With the development of this project, designated for residents whose income does not exceed 80% of the AMI for Sacramento County, no further affordable housing is required. The developer of this project receives a fee credit for the construction of this project relative to the 2,425 market rate units identified for the project. The only caveat is that the developer obtains a building permit for this project prior to issuance of 65% of the building permits for the 2,425 market rate units. This equates to 1,576 permits. However, since the building permit has been issued for this component, no restrictions are applicable to the subject property.

On September 24, 2024, a Third Amendment to the Development Agreement for Greenbriar (P-11-93) was established between the project owner and the City of Sacramento. This was established as part of the “special condition” which requires that the landowner construct the Meister Way overpass, now known as the “Shore Vista” overpass. The project owner and the city agreed to the following.

Transportation Development Impact Fees: The Transportation Development Impact Fees (TDIF) apply to new development with the City of Sacramento, including the project, and are used to support funding for transportation improvements benefitting new development in the City. The Shore Vista Overpass (including the connection to East Commerce Way) ("SVO") is identified in the City's TDIF program. As part of this agreement, the Project will be constructing the SVO and related improvements. When the Project has completed the construction of the SVO and the approved Phase 1 and 2 tentative Subdivision Maps, the City will consider that the project has satisfied its TDIF obligation in-kind.

Amendment to the Agreement: Meister Way Overpass and Meister Way/East Commerce Way Intersection improvements is amended to read in its entirety as follows:

1. Shore Vista Way Overpass and Shore Vista Way / East Commerce Way Intersection Improvements.

a. LANDOWNER shall construct the Shore Vista Way Overpass and roadway connection to East Commerce Way including roadway improvements at the intersection of Shore Vista Way and East Commerce Way consistent with the street cross sections shown on the approved Tentative Subdivision Maps for the Project, to the satisfaction of Public Works.

b. LANDOWNER shall construct Shore Vista Way as a 4-lane arterial roadway per the sections shown on the approved Tentative Subdivision Maps for the Project. Shore Vista Way has several cross sections transitioning from a two-lane bridge overcrossing to a 4-lane roadway as shown on the approved Tentative Subdivision Maps.

c. LANDOWNER has previously commenced designing the SVO and will continue to diligently pursue approval of the design from all necessary agencies (e.g., the City and CalTrans) (referred to herein as "Approving Agencies") of improvement plans necessary to allow commencement of construction as set forth in the schedule described in Exhibit N of the Agreement. LANDOWNER and City will meet and confer on the schedule described in Exhibit N on a monthly basis and update as needed.

i. LANDOWNER shall submit to the City a Caltrans-approved Project Report for the SVO on or before March 14, 2025. If LANDOWNER fails to submit a Caltrans-approved Project Report on or before March 14, 2025, LANDOWNER shall submit financial security in the form of a bond, an escrow account, letter of credit, or other security acceptable to the City. The security shall cover the full cost of design, permitting, construction, and construction management of SVO to the City's satisfaction in an amount to be determined in accordance with a stamped and signed engineer's estimate to be approved by the City and in a form reasonably determined by the City. If LANDOWNER fails to timely submit a Caltrans-approved Project Report or fails to timely submit adequate financial security, City shall withhold any further final maps until the Caltrans-approved Project Report is submitted unless : (A.) LANDOWNER notifies the City by March 1, 2025, that it will not meet the deadline; (B.) LANDOWNER demonstrates adequate progress toward obtaining a Caltrans-approved Project Report; and (C.) the Parties meet and confer and agree that a modification of the date is in the best interest of the Project and all Parties. If LANDOWNER fails to submit a Caltrans-approved Project Report, submit an acceptable financial security, and fails to come to an agreement with the City pursuant to the preceding sentence, City shall withhold further maps until the Caltrans-approved Project Report is submitted to the City and City may draw on the financial security after City (A.) reasonably determines that adequate progress on SVO has not been made and (B.) provides LANDOWNER with notice and opportunity to cure ten days in advance of calling on the security.

ii. LANDOWNER shall submit 95% improvement plans to the City within 12 months of the Effective Date of this Amendment. If LANDOWNER has not already provided full security pursuant to paragraph 1.c.i above, upon the earlier of (A.) submission to the City of 95% improvement plans or (B.) the date that is 12 months after the Effective Date, LANDOWNER shall submit a financial security for the construction of the SVO in an amount and form reasonably determined by the City. If LANDOWNER fails to timely submit 95% improvement plans or fails to timely submit adequate financial security, City shall withhold any further final maps unless: (A.) LANDOWNER notifies the City at least 15 days prior to the deadline that it will not meet the deadline; (B.) LANDOWNER demonstrates adequate progress toward completing the improvement plans and submitting the security; and (C.) the Parties meet and confer and agree that a modification of the date is in the best interest of the Project and all Parties. IF LANDOWNER fails to submit 95% improvement plans within 12 months of the Effective Date of this Agreement, fails to provide adequate financial security, and fails to come to an agreement with the City pursuant to the preceding sentence, the City shall withhold further maps

until LANDOWNER submits 95% improvement plans and provides security for the construction of SVO.

iii. Within 6 months of the approval of the improvement plans by the Approving Agencies, LANDOWNER shall commence construction of the SVO (defined as the LANDOWNER giving a "Notice to Proceed" for the construction of the SVO to LANDOWNER's contractor) and diligently pursue construction until completion.

d. Upon completion of SVO, the City shall commit 100% (less Pool A interest and administrative fees described below) of the fees collected for the Greenbriar Community Center Fee, Greenbriar Transit Fee and the Panhandle Transit Fee towards the SVO, as well as a contribution from that portion of the North Natomas Facilities Fee Fund that is designated for the SVO (formerly referred to as the Meister Overcrossing) (collectively, the "City's Contribution"), currently estimated to be $6,112,239, to reimburse LANDOWNER in the manner more fully set forth in a mutually agreed upon Funding Agreement. Reimbursements shall occur in accordance with the terms set forth in the Funding Agreement and in no case shall the City make payments to LANDOWNER in excess of the funds collected by the City. The Funding Agreement shall provide for periodic reimbursement payments tied to expenditures incurred by LANDOWNER. The final payment shall provide for a reconciliation ("True-up") based upon the collected and estimated fees to be contributed by the City pursuant to this Amendment. Upon payment of the True-up amount, no further adjustments or reimbursements will be due or made to LANDOWNER pursuant to this Amendment. City's Contribution shall exclude City's actual reasonable administrative cost, not to exceed 3% of City Contribution and the amount needed to pay Pool A interest on the interfund loan described in the Funding Agreement. City shall provide LANDOWNER with accounting of administrative costs within 30 days of LANDOWNER request.

Any cost increases incurred by the developer will not require any additional City contributions, unless LANDOWNER requests such funding in writing with justification therefor, which City shall consider in good faith, but City is not obligated to increase the City Contribution.

The overall costs for this facility are tied to a performance bond with partial reimbursement from the City of Sacramento at completion of the project.

Greenbriar Community Facilities District No. 2018-03 Improvement Area #2

The total eligible facilities for this project are identified at $49,178,561. These facilities are summarized as follows.

Integral Communities
Greenbriar IA#2 CFD
Estimated CFD Eligible Facilities/Fees

ESTIMATED CFD ELIGIBLE FACILITIES/FEES

Rank #1	***FEES***							
	(Twin Rivers Unified School District)							
	Lump Sum Payment Balance [1]						$	18,299,036
	FACILITIES							
Rank #2	SHORE VISTA TOPSIDE						$	7,192,090
Rank #2	SHORE VISTA WET UTILITIES						$	3,467,795
Rank #2	T-MAIN						$	3,780,280
							$	14,440,165
		(acre)			*($/acre)*			
Rank #3	LAKE LAND VALUE (PH 1)	*20*	x	$	410,984	=	$	8,219,680
Rank #3	LAKE LAND VALUE (PH 2)	*20*	x	$	410,984	=	$	8,219,680
							$	16,439,360
					TOTAL FEES/FACILITIES		$	49,178,561 [2]

Footnotes:

[1] Assumes: $23,463,650 (total lump sum payment) - $5,164,614 (Phase 1 Project Fund Remaining Balance)

[2] Total CFD bonding capacity estimated at approx. $47MM (assuming 5.0% interest rate)

Development of the proposed land uses described in this report reflect a legal, permissible use under the current zoning, general plan, and all entitlements are secured for development.

Taxes and Assessments

The subject properties fall within Tax rate area 03-350. Base tax rates for this district (2025-2026) as provided from the Sacramento County Tax Collectors office are as follows.

ITEM	TOTALS
Ad Valorem Taxes	1.0%
Grant Jt. High GOB	0.0291%
Los Rios College GO Bond	0.0208%
Twin Rivers Unif. GOB	0.0543%
Twin Rivers Elem. SFID	0.0331%
Twin Rivers Elem. GOB	0.0314%
TOTAL TAX RATE	**1.1687%**

The base tax rate is 1.1687%. As noted, the subject property is located within several districts. These include the following direct levies (per lot) as identified from the current property taxes:

--(0168) Sacramento Area Flood Control Agency - This special benefit assessment finances the Sacramento Area Flood Control Agency's regional flood control planning efforts to address the serious flood risk facing this community. Funds are used to conduct studies in coordination with the Federal and State government leading to constructing flood control projects to reduce the flood risk. Assessments are levied on properties within the Agency's jurisdictional boundaries that benefit from improved flood protection on the American and Sacramento Rivers, and their tributaries. Assessments are based on relative land value, area of parcel, and relative benefit derived from flood control. Current charges are identified at $10.90 per annum.

--(0169) Natomas Basin Local Assessment District - This levy is a Sacramento Area Flood Control Agency Act (Cal. Water Code App., Chapter 130) assessment and is subject to accelerated judicial foreclosure. This special capital assessment provides additional local funding to cover cost increases in the ongoing Natomas Levee Improvement Project (Project), initiated following creation of the Consolidated Capital Assessment District. Changes in urban levee design standards have required significant modifications to the project and increased the estimated total project cost. Assessments are based on property related benefits relative to depth of flooding, and damage to structures and land. Current charges are identified at $1.50 per annum.

--(0198) SAFCA Consolidated Capital Assessment #2 - The Sacramento Area Flood Control Agency (SAFCA) formed this district in 2016 as authorized by the SAFCA Act, Water Code Appendix Section 130-1 et seq. and following a Proposition 218 protest procedure election and is subject to accelerated judicial foreclosure. This Special Capital Assessment finances repayment of bonds issued to construct a series of levee and other flood control improvements in the original Consolidated Capital Assessment District as well as a series of projects necessary to provide 100-year flood protection for developed areas in Sacramento's major floodplains as quickly as possible. In addition, annual assessments fund the local share of flood risk reduction projects on the lower American River and Sacramento River and their tributaries. Assessments are based on property-related benefits related to depth of flooding, and damage to structures and land. Current charges are identified at $2.00 per annum.

--(1111) Sac Service CFD 2018-05 Zone #1 – This district was formed under the Mello-Roos Community Facilities Act of 1982. This district provides funding for the maintenance of landscaping, drainage, and park facilities within the Northlake Development. Current charges are identified at $285.17 per parcel, per annum.

--(0673) N. Natomas TMA CFD - North Natomas Transportation Management Association Community Facilities District establishes an annual assessment, to finance transportation and air quality mitigation services used to reduce travel emissions. Current charges are based on land use designated by the Sacramento County Assessor. Annual payments are $91.10 per parcel.

--(0738) Reclamation District No. 1000 - Reclamation District No. 1000 has asked Sacramento County to place the district's benefit assessment on the secured tax bills of the landowners in the district. The assessment charges are for the annual operation and maintenance of the levees and drainage system. Current charges are based on land use designated by the Sacramento County Assessor. Annual payments are $10.00 per parcel.

--(0739) RD 1000 Stormwater Service Fee – Reclamation District 1000 assessment finances the Sacramento Area Flood Control Agency's regional flood control planning efforts to address the serious flood risk facing this community. Funds the maintenance of perimeter levees systems; an interior canal system to collect the stormwater runoff and agricultural drainage from within the Natomas Basin; and operating pump stations to safely discharge interior stormwater and agricultural drainage out of the Natomas Basin Assessments are levied on properties within the Agency's jurisdictional boundaries that benefit from improved flood protection on the American and Sacramento Rivers, and their tributaries. Assessments are based on relative land value, area of parcel, and relative benefit derived from flood control. Current charges are identified at $3.75, per annum.

Overall, anticipated Direct Levies are noted as follows.

DIRECT LEVIES	TOTALS
0168/Sac Area Flood Control	$10.90
0169/Natomas Basin	$1.50
0198/SAFCA	$2.00
1111/Sac Service Zone #1	$285.17
0673/N. Natomas TMA CFD	$91.10
0738/RD #1000	$10.00
0730/RD #1000 Stormwater	$3.75
TOTALS	**$404.42**

Direct levies for the finished lots are identified at $404.42, per annum, per parcel.

Overlapping Debt

In addition, the outstanding debt was provided for all of the properties in this analysis as compiled from California Municipal Statistics, Inc. This was provided for all of the properties including General Obligation Bonds, which are part of the Base Tax Rate noted above. These elements, excluding the General Obligation Bonds, which are paid as part of the base tax rate are identified as follows.

CITY OF SACRAMENTO –GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03, I.A. 2

2025-26 Assessed Valuation: $189,747,130 (Land and Improvements)

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 3/1/26	
Los Rios Community College District General Obligation Bonds	0.064%	$ 194,888	
Twin Rivers Unified School District General Obligation Bonds (former elementary schools)	1.040	1,239,306	
Twin Rivers Unified School District General Obligation Bonds	0.822	2,504,467	
Sacramento Area Flood Control District Consolidated Capital Assessment District No. 2 Bonds	0.098	280,467	
Sacramento Area Flood Control District Natomas Basin Local Assessment District	0.312	86,571	
City of Sacramento Greenbriar CFD No. 2018-03, I.A. 2 Mello-Roos Act Bonds	**100.**	**36,950,000**	(1)
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$41,255,699	
OVERLAPPING GENERAL FUND DEBT:			
Sacramento County General Fund Obligations	0.077%	$ 60,577	
Sacramento County Pension Obligation Bonds	0.077	151,810	
Sacramento County Board of Education Certificates of Participation	0.077	440	
City of Sacramento General Fund Obligations	0.241	1,099,615	
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		$1,312,442	
Less: Sacramento County supported obligations		6,124	
City of Sacramento supported obligations		772,506	
TOTAL NET OVERLAPPING GENERAL FUND DEBT		$ 533,812	
GROSS COMBINED TOTAL DEBT		$42,568,141	(2)
NET COMBINED TOTAL DEBT		$41,789,511	

(1) Excludes Mello-Roos Act Bonds to be sold.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2025-26 Assessed Valuation:

Direct Debt ($36,950,000)	**19.47%**
Total Direct and Overlapping Tax and Assessment Debt	21.74%
Gross Combined Total Debt	22.43%
Net Combined Total Debt	22.02%

The total outstanding debt on these properties is identified at $42,568,141. The subject property is proposed for continuation of this district, which is the subject of this report.

CFD-2018-03: Greenbriar Community Facilities District No 2018-03, Improvement Area #2

This district comprises the subject property. The maximum annual payments are identified as follows.

Land Use	Base Special Tax (Fiscal Year 2021-22)*
Single Family Residential Property	
Village 1	$2,134 per Residential Unit or SFD Lot
Village 2	$2,134 per Residential Unit or SFD Lot
Village 3	$2,767 per Residential Unit or SFD Lot
Village 4	$2,430 per Residential Unit or SFD Lot
Village 5	$2,430 per Residential Unit or SFD Lot
Village 6	$2,767 per Residential Unit or SFD Lot
Village 7	$3,020 per Residential Unit or SFD Lot
Village 8	$2,767 per Residential Unit or SFD Lot
Village 9	$3,020 per Residential Unit or SFD Lot
Village 10	$3,020 per Residential Unit or SFD Lot
Village 11	$2,430 per Residential Unit or SFD Lot
Village 12	$3,069 per Residential Unit or SFD Lot
Village 13	$3,069 per Residential Unit or SFD Lot
Village 14	$2,665 per Residential Unit or SFD Lot
Village 15	$2,665 per Residential Unit or SFD Lot
Village 16	$2,665 per Residential Unit or SFD Lot
Village 17	$2,665 per Residential Unit or SFD Lot
Village 18	$3,346 per Residential Unit or SFD Lot
Village 19	$3,346 per Residential Unit or SFD Lot
Phase 1–Village 14	$1,689 per Residential Unit or SFD Lot
Taxable Non-Residential Property	$29,884 per Acre

*** On July 1, 2022, and on each July 1 thereafter, the Base Special Taxes shown above will be increased by 2% of the amount in effect in the previous Fiscal Year.**

These charges are subject to a 2% annual increase in payments. In addition, they are based on FY 2025-2026 tax year are identified as follows. It is noted that these payments are trended upward at 2% per annum.

PROJECT	SHOR	LAKELET	WATERSYDE	WAVMOR	CRESTVUE	BLEAU	DRIFTON	V14/20
LOT SIZE	2,788 SF	3,690 SF	4,000 SF	4,500 SF	4,675 SF	5,000 SF	5,500 SF	3,690 SF
CFD 2018-08 - IA#2	$2,309.91	$2,630.31	$2,995.09	$2,884.68	$3,268.95	$3,321.98	$3,621.82	$1,828.23
Villages	1&2	4, 5 & 11	3, 6 & 8	14-17	7, 9 & 10	12 & 13	18 & 19	V14/20

These payments are current for the subject property and reflect 2% per annum increases from those identified for FY 2021-2022. The CFD Payments range from $1,828.23 to $3,621.82 per annum.

HOA

The 1,038 lots identified on Phase 2 of this project include HOA dues at $90 per month. HOA dues for V14/20 are projected at $83.50 per month.

IMPROVEMENT DESCRIPTION

The subject project is proposed for the development of eight product types.

PROJECT	DIM.	MINIMUM LOT SIZE (SF)	VILLAGE	# LOTS	HOMES CLOSED	REMAINING LOTS	LAKE FRONT LOTS	LAKE FRONT CLOSED	REM. LAKE FRONT	% OF TOTAL
SHOR	41' x 68'	2,788	1	104	53	51	0	0	0	0%
	41' x 68'	2,788	2	89	14	75	0	0	0	0%
TOTALS - SHOR - 2,788 SF (41' x 68')				**193**	**67**	**126**	**0**	**0**	**0**	**0%**
LAKELET	41' x 90'	3,690	4	68	9	59	0	0	0	0%
	41' x 90'	3,690	5	61	60	1	0	0	0	0%
	41' x 90'	3,690	11	44	3	41	0	0	0	0%
TOTALS - LAKELET - 3,690 SF (41' x 90')				**173**	**72**	**101**	**0**	**0**	**0**	**0%**
WATERSYDE	50' x 80'	4,000	3	11	9	2	7	5	2	100%
	50' x 80'	4,000	6	54	54	0	14	14	0	0%
	50' x 80'	4,000	8	88	13	75	7	0	7	9%
TOTALS - WATERSYDE - 4,000 (50' x 80')				**153**	**76**	**77**	**28**	**19**	**9**	**11.7%**
WAVMOR	45' x 100'	4,500	14	54	0	54	16	0	16	30%
	45' x 100'	4,500	15	31	2	29	0	0	0	0%
	45' x 100'	4,500	16	34	0	34	0	0	0	0%
	45' x 100'	4,500	17	44	39	5	3	3	0	0%
TOTALS - WAVMORE - 4,500 SF (45' x 100')				**163**	**41**	**122**	**19**	**3**	**16**	**13.1%**
CRESTVUE	55' x 85'	4,675	7	26	21	5	0	0	0	0%
	55' x 85'	4,675	9	53	5	48	5	0	5	10%
	55' x 85'	4,675	10	59	43	16	10	2	8	50%
TOTALS - CRESTVUE - 4,675 SF (55' x 85')				**138**	**69**	**69**	**15**	**2**	**13**	**18.8%**
BLEAU	50' x 100'	5,000	12	60	12	48	14	1	13	27%
	50' x 100'	5,000	13	50	0	50	26	0	26	52%
TOTALS - BLEAU - 5,000 SF (50' x 100')				**110**	**12**	**98**	**40**	**1**	**39**	**39.8%**
DRIFTON	55' x 100'	5,500	18	59	36	23	13	7	6	26%
	55' x 100'	5,500	19	49	0	49	0	0	0	0%
TOTALS - DRIFTON - 5,500 SF (55' x 100')				**108**	**36**	**72**	**13**	**7**	**6**	**8.3%**
V14/20 PRODUCT LINE (Waters Edge)	41' x 90'	3,690	14/20	139	66	73	0	0	0	0%
TOTALS - V14/20 - 3,360 SF (41' x 90')				**139**	**66**	**73**	**0**	**0**	**0**	**0.0%**
PROJECT TOTALS				**1,177**	**439**	**738**	**115**	**32**	**83**	**11.2%**

Current pricing for these projects, as of the effective date of valuation, is summarized as follows. It is based on net base pricing, which is after incentives.

PROJECT	MIN LOT SIZE (SF)	AVERAGE BASE PRICE (NET)	AVERAGE SIZE (SF)	PRICE/SF
SHOR	2,788 SF	$589,419	1,982 SF	$297
LAKELET	3,690 SF	$605,881	2,232 SF	$271
WATERSYDE	4,000 SF	$686,052	2,650 SF	$259
WAVMORE	4,500 SF	$638,790	2,484 SF	$257
CRESTVUE	4,675 SF	$655,479	2,558 SF	$256
BLEAU	5,000 SF	$710,007	2,923 SF	$243
DRIFTON	5,500 SF	$761,129	3,037 SF	$251
WATERS EDGE (v14/20)	3,690 SF	$540,077	1,640 SF	$329

As of the effective date of valuation, the developer has commenced construction of production homes. As noted throughout this report, 439 homes have closed escrow in this project. The following table summarize this element.

VILLAGE 1 – SHOR

PRODUCT	SHOR
# OF LOTS	104
# CLOSED/HOMEOWNERS	53
AGGREGATE VALUE/CLOSED	$29,649,500
REMAINING LOTS	51

A summary of the closings identified in Village 1 are summarized as follows.

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village South, Recorded 8-1-22 in Book 440 of Maps Page 1								
38	201-1540-001	5454 Lake Mary Drive	3,237	1,765	$543,000	10/15/2024	20241015-0808	**$543,000**
39	201-1540-002	5448 Lake Mary Drive	2,788	1,941	$608,000	9/27/2024	20240927-0912	**$608,000**
40	201-1540-003	5442 Lake Mary Drive	2,788	2,018	$589,000	10/11/2024	20241011-0468	**$589,000**
41	201-1540-004	5436 Lake Mary Drive	2,788	2,179	$598,000	10/17/2024	20241017-0440	**$598,000**
42	201-1540-005	5432 Lake Mary Drive	2,788	1,765	$537,000	11/7/2024	20241107-0933	**$537,000**
43	201-1540-006	5424 Lake Mary Drive	2,788	1,941	$581,000	11/7/2024	20241107-0311	**$581,000**
44	201-1540-007	5418 Lake Mary Drive	2,788	2,018	$592,000	11/25/2024	20241125-0757	**$592,000**
45	201-1540-008	5412 Lake Mary Drive	2,788	2,179	$601,000	11/26/2024	20241126-0115	**$601,000**
46	201-1540-009	5406 Lake Mary Drive	2,788	1,765	$570,000	12/27/2024	20241227-0391	**$570,000**
47	201-1540-010	5400 Lake Mary Drive	3,824	2,018	$600,000	2/5/2025	20250205-1131	**$600,000**
48	201-1540-011	5390 Lake Mary Drive	3,552	2,179	$626,000	12/30/2024	20241230-0519	**$626,000**
Greenbriar Phase 2, Village 1A, Recorded 10-14-22 in Book 442 of Maps Page 15								
1	201-1540-026	3596 Kona Kai Way	3,588	2,018	$576,500	6/6/2025	20250606-0895	**$576,500**
2	201-1540-027	3590 Kona Kai Way	2,882	2,179	$617,000	5/22/2025	20250522-0498	**$617,000**
3	201-1540-028	3584 Kona Kai Way	2,882	1,941	$587,000	5/30/2025	20250530-0360	**$587,000**
4	201-1540-029	3578 Kona Kai Way	2,882	1,765	$562,000	6/20/2025	20250620-0557	**$562,000**
5	201-1540-030	3572 Kona Kai Way	2,882	2,179	$619,000	6/26/2025	20250626-0993	**$619,000**
6	201-1540-031	3566 Kona Kai Way	2,882	2,018	$540,000	7/9/2025	20250709-0786	**$540,000**
7	201-1600-001	3560 Kona Kai Way	2,882	1,765	$563,000	7/17/2025	20250717-0838	**$563,000**
8	201-1600-002	3554 Kona Kai Way	2,882	2,179	$623,000	7/30/2025	20250730-0795	**$623,000**
9	201-1600-003	3548 Kona Kai Way	2,882	2,018	$550,000	8/1/2025	20250801-0762	**$550,000**
10	201-1600-004	3542 Kona Kai Way	2,882	1,765	$515,000	8/20/2025	20250820-0809	**$515,000**
11	201-1600-005	3536 Kona Kai Way	2,882	2,018	$540,000	8/29/2025	20250829-0995	**$540,000**
12	201-1600-006	3530 Kona Kai Way	3,232	2,179	$570,000	10/29/2025	20251029-1266	**$570,000**
13	201-1600-007	3401 Oyster Point Way	3,613	2,179	$555,000	10/9/2025	20251009-1389	**$555,000**
14	201-1600-008	3407 Oyster Point Way	2,835	1,765	$520,000	10/1/2025	20251001-0500	**$520,000**
15	201-1600-009	3413 Oyster Point Way	3,611	2,018	$560,000	10/27/2025	20251027-0862	**$560,000**
16	201-1600-010	5473 Fiddler Cove Way	3,135	1,941	$551,000	10/16/2025	20251016-1164	**$551,000**
17	201-1600-011	5469 Fiddler Cove Way	3,021	1,765	$550,000	10/27/2025	20251027-0566	**$550,000**
18	201-1600-012	5465 Fiddler Cove Way	3,143	2,018	$550,000	11/26/2025	20251126-1403	**$550,000**
19	201-1600-013	5461 Fiddler Cove Way	2,803	2,179	$545,000	12/22/2025	20251222-0739	**$545,000**
20	201-1600-014	5457 Fiddler Cove Way	2,867	2,018	$540,000	1/9/2026	20260109-0650	**$540,000**
21	201-1540-032	5453 Fiddler Cove Way	2,867	1,765	$515,000	1/21/2026	20260121-1008	**$515,000**
22	201-1540-033	5449 Fiddler Cove Way	2,867	2,179	$545,000	2/13/2026	20260213-1388	**$545,000**
23	201-1540-034	5445 Fiddler Cove Way	2,867	1,941	$580,000	2/19/2026	20260219-0974	**$580,000**
24	201-1540-035	5441 Fiddler Cove Way	2,835	1,765	$510,000	3/18/2026	20260318-0738	**$510,000**
25	201-1540-036	5437 Fiddler Cove Way	4,398	2,018	$552,000	5/8/2026	20260508-1401	**$552,000**
26	201-1540-037	5433 Fiddler Cove Way	4,882	2,179	$555,000	4/14/2026	20260414-1031	**$555,000**
27	201-1540-038	5429 Fiddler Cove Way	3,705	2,018	$560,000	5/1/2026	20260501-1193	**$560,000**
28	201-1540-039	5425 Fiddler Cove Way	3,258	1,765	$510,000	5/7/2026	20260507-0795	**$510,000**
29	201-1540-040	5421 Fiddler Cove Way	3,185	2,179	$615,000	5/14/2026	20260514-1775	**$615,000**
30	201-1540-041	5417 Fiddler Cove Way	2,926	2,018	$554,000	5/29/2026	20260529-1262	**$554,000**
31	201-1540-042	5413 Fiddler Cove Way	2,793	1,941	$540,000	5/29/2026	20260529-1255	**$540,000**
33	201-1540-044	5405 Fiddler Cove Way	2,788	2,018	$555,000	6/25/2026	20260625-0881	**$555,000**
44	201-1540-055	5440 Fiddler Cove Way	3,736	1,765	$483,000	5/8/2026	20260508-1577	**$483,000**
45	201-1540-056	5444 Fiddler Cove Way	2,836	2,018	$579,000	4/1/2026	20260401-1293	**$579,000**
46	201-1540-057	5448 Fiddler Cove Way	2,974	3,410	$548,000	3/2/2026	20260302-0060	**$548,000**
47	201-1540-058	5452 Fiddler Cove Way	2,836	2,179	$545,000	2/5/2026	20250205-0948	**$545,000**
48	201-1540-059	5456 Fiddler Cove Way	2,836	1,765	$505,000	1/22/2026	20260122-1148	**$505,000**
49	201-1540-060	5460 Fiddler Cove Way	3,221	2,179	$545,000	12/19/2025	20251219-1018	**$545,000**
50	201-1540-061	5460 Fiddler Cove Way	3,208	1,765	$515,000	12/15/2025	20251215-0995	**$515,000**
51	201-1600-015	5468 Fiddler Cove Way	3,203	1,941	$550,000	11/20/2025	20251120-2032	**$550,000**
52	201-1600-016	5472 Fiddler Cove Way	3,477	2,018	$555,000	11/6/2025	20251106-1163	**$555,000**
53	201-1600-017	3425 Oyster Point Way	3,572	2,179	$555,000	10/9/2025	20251009-1268	**$555,000**
TOTALS								**$29,649,500**

VILLAGE 2 – SHOR

PRODUCT	SHOR
# OF LOTS	89
# CLOSED/HOMEOWNERS	14
AGGREGATE VALUE/CLOSED	$8,114,000
REMAINING LOTS	75

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village South, Recorded 8-1-22 in Book 440 of Maps Page 1								
49	201-1540-012	5384 Lake Mary Drive	2,964	1,941	$583,000	1/7/2025	20250107-0455	**$583,000**
50	201-1540-013	5378 Lake Mary Drive	2,974	1,765	$554,000	1/16/2025	20250116-1158	**$554,000**
51	201-1540-014	5372 Lake Mary Drive	2,974	2,018	$606,000	1/30/2025	20250130-0938	**$606,000**
52	201-1540-015	5366 Lake Mary Drive	2,974	1,765	$520,000	1/31/2025	20250131-0722	**$520,000**
53	201-1540-016	5360 Lake Mary Drive	2,974	1,941	$565,000	2/10/2025	20250210-0762	**$565,000**
54	201-1540-017	5354 Lake Mary Drive	2,897	1,765	$584,000	2/1/2025	20250221-0831	**$584,000**
55	201-1540-018	5348 Lake Mary Drive	2,856	2,018	$602,000	2/27/2025	20250227-0295	**$602,000**
56	201-1540-019	5342 Lake Mary Drive	2,856	2,179	$618,000	2/28/2025	20250228-0454	**$618,000**
57	201-1540-020	5336 Lake Mary Drive	2,910	1,941	$540,000	6/27/2025	20250627-0307	**$540,000**
58	201-1540-021	5330 Lake Mary Drive	2,928	1,765	$577,000	4/4/2025	20250404-0722	**$577,000**
59	201-1540-022	5324 Lake Mary Drive	2,932	2,018	$619,000	4/3/2025	20250403-0892	**$619,000**
60	201-1540-023	5318 Lake Mary Drive	3,134	2,179	$560,000	6/6/2025	20250606-0868	**$560,000**
61	201-1540-024	5312 Lake Mary Drive	3,706	2,018	$560,000	4/29/2025	20250429-0940	**$560,000**
62	201-1540-025	5306 Lake Mary Drive	4,110	2,179	$626,000	4/29/2025	20250429-0811	**$626,000**
TOTALS								**$8,114,000**

VILLAGE 3 - WATERSYDE

PRODUCT	WATERSYDE
# OF LOTS	11
# CLOSED/HOMEOWNERS	9
AGGREGATE VALUE/CLOSED	$6,678,000
REMAINING LOTS	2

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village South, Recorded 8-1-22 in Book 440 of Maps Page 1								
1	201-1520-001	8 Davies Harbor Ct.	7,650	1,765	$624,000	2/27/2025	20250227-0428	**$624,000**
2	201-1520-002	20 Davies Harbor Ct.	6,342	1,941	$628,500	2/27/2025	20250227-0424	**$628,500**
3	201-1520-003	26 Davies Harbor Ct.	5,128	2,018	$600,500	2/27/2025	20250227-0419	**$600,500**
4	201-1520-004	32 Davies Harbor Ct.	5,883	2,179	$676,000	2/27/2025	20250227-0421	**$676,000**
7	201-1520-007	25 Davies Harbor Ct.	4,500	2,966	$856,000	11/26/2024	20241126-0554	**$856,000**
8	201-1520-008	19 Davies Harbor Ct.	4,500	2,793	$888,500	11/26/2024	20241126-0555	**$888,500**
9	201-1520-009	13 Davies Harbor Ct.	5,378	2,693	$868,000	11/26/2024	20241126-0552	**$868,000**
10	201-1520-010	7 Davies Harbor Ct.	5,381	2,463	$840,000	11/26/2024	20241126-0553	**$840,000**
11	201-1520-011	1 Davies Harbor Ct.	6,135	2,309	$696,500	11/26/2024	20241126-0554	**$696,500**
TOTALS								**$6,678,000**

VILLAGE 4 – LAKELET

PRODUCT	LAKELET
# OF LOTS	68
# CLOSED/HOMEOWNERS	9
AGGREGATE VALUE/CLOSED	$5,369,500
REMAINING LOTS	59

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village 4, Recorded 12-12-24 in Book 462 of Maps Page 5								
55	201-1720-055	194 Dock Circle	5,839	2,107	$610,500	4/24/2026	20260424-0481	**$610,500**
56	201-1720-056	188 Dock Circle	4,144	2,419	$606,500	4/8/2026	20260408-1153	**$606,500**
57	201-1720-057	182 Dock Circle	4,144	2,215	$560,000	4/22/2026	20260422-0288	**$560,000**
58	201-1720-058	176 Dock Circle	4,144	2,107	$582,500	4/29/2026	20260429-1002	**$582,500**
59	201-1720-059	170 Dock Circle	4,144	2,419	$620,000	5/19/2026	20260519-0691	**$620,000**
60	201-1720-060	164 Dock Circle	4,144	2,190	$560,000	6/4/2026	20260604-0859	**$560,000**
61	201-1720-061	158 Dock Circle	4,144	2,107	$560,000	6/16/2026	20260616-0936	**$560,000**
67	201-1720-067	183 Dock Circle	5,077	2,215	$600,000	5/27/2026	20260527-0887	**$600,000**
68	201-1720-068	195 Dock Circle	7,216	2,419	$670,000	5/20/2026	20260520-1681	**$670,000**
TOTALS								**$5,369,500**

VILLAGE 5 – LAKELET

PRODUCT	LAKELET
# OF LOTS	61
# CLOSED/HOMEOWNERS	60
AGGREGATE VALUE/CLOSED	$37,230,000
REMAINING LOTS	1

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village South, Recorded 8-1-22 in Book 440 of Maps Page 1								
63	201-1550-001	3700 Oyster Point Way	5,444	2,419	$630,000	10/16/2025	20251016-1296	**$630,000**
64	201-1550-002	3706 Oyster Point Way	4,921	2,107	$610,000	9/30/2025	20250930-0613	**$610,000**
65	201-1550-003	3712 Oyster Point Way	6,851	2,215	$625,000	10/2/2025	20251002-0040	**$625,000**
Greenbriar Phase 2, Village 5, Recorded 8-1-22 in Book 440 of Maps Page 2								
1	201-1590-001	269 Delta Bay Way	5,027	2,419	$630,000	10/9/2025	20251009-1314	**$630,000**
2	201-1590-002	265 Delta Bay Way	4,092	2,215	$569,000	12/29/2025	20251229-1119	**$569,000**
3	201-1590-003	261 Delta Bay Way	4,091	2,107	$555,000	10/29/2025	20251029-0419	**$555,000**
4	201-1590-004	257 Delta Bay Way	4,092	2,215	$580,000	11/21/2025	20251121-1241	**$580,000**
5	201-1590-005	253 Delta Bay Way	4,093	2,419	$600,000	11/25/2025	20251125-0144	**$600,000**
6	201-1590-006	249 Delta Bay Way	4,095	2,215	$560,000	12/12/2025	20251212-0911	**$560,000**
7	201-1590-007	245 Delta Bay Way	4,093	2,215	$579,000	12/22/2025	20251222-0839	**$579,000**
8	201-1590-008	241 Delta Bay Way	4,092	2,107	$590,000	12/10/2025	20251210-0138	**$590,000**
9	201-1590-009	237 Delta Bay Way	4,091	2,215	$545,000	12/30/2025	20251230-0980	**$545,000**
10	201-1590-010	233 Delta Bay Way	4,091	2,215	$586,000	1/26/2026	20260126-0482	**$586,000**
11	201-1590-011	229 Delta Bay Way	4,092	2,215	$555,000	1/22/2026	20260122-0229	**$555,000**
12	201-1590-012	225 Delta Bay Way	4,094	2,419	$585,000	2/6/2026	20260206-0838	**$585,000**
14	201-1590-014	217 Delta Bay Way	4,093	2,107	$594,000	2/24/2026	20260224-0430	**$594,000**
15	201-1590-015	213 Delta Bay Way	4,092	2,419	$585,000	3/18/2026	20260318-0693	**$585,000**
16	201-1590-016	209 Delta Bay Way	4,091	2,215	$590,000	3/24/2026	20260324-1039	**$590,000**
17	201-1590-017	205 Delta Bay Way	4,093	2,107	$570,000	4/24/2026	20260424-0718	**$570,000**
18	201-1590-018	201 Delta Bay Way	5,951	2,419	$620,000	3/25/2026	20260325-1196	**$620,000**
19	201-1590-019	5201 Oceanside Drive	5,929	2,419	$680,000	2/10/2025	20250210-0800	**$680,000**
20	201-1590-020	5207 Oceanside Drive	4,058	2,215	$631,000	1/21/2025	20250121-0512	**$631,000**
21	201-1590-021	5213 Oceanside Drive	4,058	2,107	$615,000	2/11/2025	20250211-0551	**$615,000**
22	201-1590-022	5219 Oceanside Drive	4,058	2,215	$620,000	2/28/2025	20250228-1122	**$620,000**
23	201-1590-023	5225 Oceanside Drive	4,058	2,419	$659,000	3/12/2025	20250312-0519	**$659,000**
24	201-1590-024	5231 Oceanside Drive	4,058	2,215	$635,000	3/19/2025	20250319-0746	**$635,000**
25	201-1590-025	5237 Oceanside Drive	4,058	2,419	$665,000	3/26/2025	20250326-0684	**$665,000**
26	201-1590-026	5243 Oceanside Drive	4,058	2,107	$646,000	4/23/2025	20250423-0463	**$646,000**
27	201-1590-027	5249 Oceanside Drive	4,058	2,419	$667,000	5/14/2025	20250514-0780	**$667,000**
28	201-1590-028	5255 Oceanside Drive	4,058	2,215	$550,000	7/7/2025	20250707-0051	**$550,000**
29	201-1590-029	5261 Oceanside Drive	4,058	2,419	$669,000	6/18/2025	20250618-0869	**$669,000**
30	201-1590-030	5267 Oceanside Drive	4,058	2,215	$615,000	7/25/2025	20250725-0902	**$615,000**
31	201-1590-031	5273 Oceanside Drive	4,058	2,107	$624,000	7/16/2025	20250716-0637	**$624,000**
32	201-1590-032	5279 Oceanside Drive	4,058	2,419	$624,000	7/23/2025	20250723-0028	**$624,000**
33	201-1590-033	5285 Oceanside Drive	4,276	2,215	$550,000	10/1/2025	20251001-0032	**$550,000**
34	201-1590-034	5290 Oceanside Drive	4,839	2,419	$630,000	8/20/2025	20250820-0683	**$630,000**
35	201-1590-035	5284 Oceanside Drive	4,107	2,215	$625,000	8/13/2025	20250813-0644	**$625,000**
36	201-1590-036	5278 Oceanside Drive	4,102	2,107	$646,000	8/6/2025	20250806-0764	**$646,000**
37	201-1590-037	5272 Oceanside Drive	4,103	2,419	$685,000	6/24/2025	20250624-0629	**$685,000**
38	201-1590-038	5260 Oceanside Drive	4,191	2,215	$620,000	5/28/2025	20250528-0171	**$620,000**
39	201-1590-039	5254 Oceanside Drive	4,190	2,419	$612,000	5/27/2025	20250527-0620	**$612,000**
40	201-1590-040	5248 Oceanside Drive	4,184	2,215	$580,000	7/31/2025	20250731-0283	**$580,000**
41	201-1590-041	5242 Oceanside Drive	4,184	2,107	$653,000	4/9/2025	20250409-0087	**$653,000**
42	201-1590-042	5230 Oceanside Drive	4,192	2,419	$673,000	2/27/2025	20250227-0257	**$673,000**
43	201-1590-043	5224 Oceanside Drive	4,215	2,215	$570,000	1/31/2025	20250131-0405	**$570,000**
44	201-1590-044	5212 Oceanside Drive	4,190	2,419	$660,000	3/21/2025	20250321-0146	**$660,000**
45	201-1590-045	5206 Oceanside Drive	5,554	2,215	$585,000	1/27/2025	20250127-0582	**$585,000**
46	201-1590-046	200 Dock Circle	5,751	2,419	$711,000	1/8/2025	20250108-0488	**$711,000**
47	201-1590-047	206 Dock Circle	4,144	2,215	$658,000	12/18/2024	20241218-0623	**$658,000**
48	201-1590-048	212 Dock Circle	4,144	2,107	$633,000	12/11/2024	20241211-0623	**$633,000**
49	201-1590-049	218 Dock Circle	4,144	2,215	$647,000	11/21/2024	20241121-0981	**$647,000**
50	201-1590-050	224 Dock Circle	4,144	2,419	$662,000	11/13/2024	20241113-0926	**$662,000**
51	201-1590-051	230 Dock Circle	4,092	2,215	$647,000	11/15/2024	20241115-0812	**$647,000**
52	201-1590-052	236 Dock Circle	4,060	2,107	$615,000	10/16/2024	20241016-0925	**$615,000**
53	201-1590-053	242 Dock Circle	4,060	2,419	$639,000	10/9/2024	20241009-0950	**$639,000**
54	201-1590-054	248 Dock Circle	4,836	2,215	$631,000	9/30/2024	20240930-0875	**$631,000**
55	201-1590-055	243 Dock Circle	5,386	2,419	$625,000	9/27/2024	20240927-0989	**$625,000**
56	201-1590-056	231 Dock Circle	5,060	2,215	$660,000	11/4/2024	20241104-1363	**$660,000**
57	201-1590-057	219 Dock Circle	5,086	2,419	$656,000	11/25/2024	20241125-0194	**$656,000**
58	201-1590-058	207 Dock Circle	5,600	2,215	$699,000	11/26/2024	20241126-1257	**$699,000**
TOTALS								**$37,230,000**

VILLAGE 6 - WATERSYDE

PRODUCT	WATERSYDE
# OF LOTS	54
# CLOSED/HOMEOWNERS	54
AGGREGATE VALUE/CLOSED	$37,691,000
REMAINING LOTS	0

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village South, Recorded 8-1-22 in Book 440 of Maps Page 1								
78	201-1550-016	5407 Oceanside Drive	4,284	2,309	$649,500	12/3/2024	20241203-0873	**$649,500**
79	201-1550-017	5413 Oceanside Drive	5,060	2,793	$804,500	11/13/2024	20241113-1162	**$804,500**
80	201-1550-018	3701 Benicia Avenue	6,556	2,693	$760,000	11/26/2024	20241126-0942	**$760,000**
81	201-1550-019	3700 Kona Kai Way	6,091	2,793	$719,000	12/31/2024	20241231-0777	**$719,000**
Greenbriar Phase 2, Village 6, Recorded 3-15-24 in Book 454 of Maps Page 4								
1	201-1640-001	5497 Delta Marina Way	5,627	2,793	$775,000	4/29/2025	20250429-0960	**$775,000**
2	201-1640-002	5491 Delta Marina Way	4,650	2,463	$790,000	4/2/2025	20250402-0852	**$790,000**
3	201-1640-003	5485 Delta Marina Way	4,650	2,966	$777,000	2/4/2025	20250204-1053	**$777,000**
4	201-1640-004	5479 Delta Marina Way	4,650	2,793	$760,000	4/16/2025	20250416-0168	**$760,000**
5	201-1640-005	5473 Delta Marina Way	4,650	2,463	$710,000	5/16/2025	20250516-0126	**$710,000**
6	201-1640-006	5467 Delta Marina Way	4,650	2,693	$750,000	5/27/2025	20250527-0464	**$750,000**
7	201-1640-007	5461 Delta Marina Way	4,650	2,966	$880,000	7/1/2025	20250701-1183	**$880,000**
8	201-1640-008	5455 Delta Marina Way	4,650	2,793	$785,000	8/19/2025	20250819-0598	**$785,000**
9	201-1640-009	5449 Delta Marina Way	4,650	2,966	$894,000	9/17/2025	20250917-1010	**$894,000**
10	201-1640-010	5443 Delta Marina Way	4,650	2,463	$720,000	10/2/2025	20251002-0994	**$720,000**
11	201-1640-011	5437 Delta Marina Way	4,650	2,693	$725,500	11/26/2025	20251126-0297	**$725,500**
12	201-1640-012	5431 Delta Marina Way	4,650	2,693	$720,000	5/12/2026	20260512-0673	**$720,000**
13	201-1640-013	5419 Delta Marina Way	4,650	2,693	$800,000	3/10/2026	20260310-0936	**$800,000**
14	201-1640-014	5413 Delta Marina Way	4,650	2,966	$810,500	4/15/2026	20260415-1296	**$810,500**
15	201-1640-015	3784 Benicia Avenue	4,911	2,309	$650,000	4/30/2025	20250430-0592	**$650,000**
16	201-1640-016	3778 Benicia Avenue	4,138	2,693	$680,000	6/30/2025	20250630-0475	**$680,000**
17	201-1640-017	3772 Benicia Avenue	4,138	2,793	$710,000	7/31/2025	20250731-0016	**$710,000**
18	201-1640-018	3766 Benicia Avenue	4,137	2,309	$615,000	7/16/2025	20250716-0625	**$615,000**
19	201-1640-019	3760 Benicia Avenue	4,137	2,793	$720,000	8/1/2025	20250801-0616	**$720,000**
20	201-1640-020	3754 Benicia Avenue	4,137	2,693	$632,000	11/5/2025	20251105-0755	**$632,000**
21	201-1640-021	3748 Benicia Avenue	4,135	2,793	$700,000	10/1/2025	20251001-0130	**$700,000**
22	201-1640-022	3742 Benicia Avenue	4,134	2,309	$605,000	10/27/2025	20251027-0901	**$605,000**
23	201-1640-023	3736 Benicia Avenue	4,041	2,693	$655,000	10/30/2025	20251030-0012	**$655,000**
24	201-1640-024	3730 Benicia Avenue	4,013	2,309	$600,000	11/4/2025	20251104-0039	**$600,000**
25	201-1640-025	3724 Benicia Avenue	4,013	2,793	$680,000	11/6/2025	20251106-1169	**$680,000**
26	201-1640-026	3718 Benicia Avenue	4,012	2,693	$630,000	1/12/2026	20260112-0015	**$630,000**
27	201-1640-027	3712 Benicia Avenue	5,131	2,793	$680,000	12/29/2025	20251229-0440	**$680,000**
28	201-1640-028	3706 Benicia Avenue	5,977	2,309	$605,000	1/20/2026	20260120-0841	**$605,000**
29	201-1640-029	3707 Benicia Avenue	4,900	2,793	$685,000	1/5/2026	20260105-0718	**$685,000**
30	201-1640-030	3713 Benicia Avenue	4,140	2,693	$665,000	1/23/2026	20260123-0799	**$665,000**
31	201-1640-031	3719 Benicia Avenue	4,025	2,309	$605,000	11/3/2025	20251103-0121	**$605,000**
32	201-1640-032	3725 Benicia Avenue	4,025	2,793	$674,000	11/12/2025	20251112-1274	**$674,000**
33	201-1640-033	3731 Benicia Avenue	4,025	2,309	$665,000	9/12/2025	20250912-0746	**$665,000**
34	201-1640-034	3737 Benicia Avenue	4,183	2,693	$620,000	10/21/2025	20251021-0033	**$620,000**
35	201-1640-035	3743 Benicia Avenue	4,206	2,309	$650,000	9/16/2025	20250916-0921	**$650,000**
36	201-1640-036	3749 Benicia Avenue	4,203	2,793	$665,000	9/30/2025	20250930-1073	**$665,000**
37	201-1640-037	3755 Benicia Avenue	4,201	2,693	$665,000	7/23/2025	20250723-0661	**$665,000**
38	201-1640-038	3761 Benicia Avenue	4,201	2,309	$655,000	5/30/2025	20250530-0913	**$655,000**
39	201-1640-039	3767 Benicia Avenue	4,203	2,793	$689,000	6/25/2025	20250625-0953	**$689,000**
40	201-1640-040	3773 Benicia Avenue	5,008	2,693	$655,000	6/23/2025	20250623-0805	**$655,000**
41	201-1640-041	3760 Kona Kai Way	5,239	2,793	$700,000	2/13/2025	20250213-1160	**$700,000**
42	201-1640-042	3754 Kona Kai Way	4,342	2,693	$699,000	4/22/2025	20250422-0848	**$699,000**
43	201-1640-043	3748 Kona Kai Way	4,618	2,309	$622,000	2/14/2025	20250214-0903	**$622,000**
44	201-1640-044	3742 Kona Kai Way	4,320	2,793	$730,000	5/15/2025	20250515-0610	**$730,000**
45	201-1640-045	3736 Kona Kai Way	4,916	2,309	$620,000	6/10/2025	20250610-0876	**$620,000**
46	201-1640-046	3730 Kona Kai Way	4,347	2,693	$695,000	4/4/2025	20250404-0731	**$695,000**
47	201-1640-047	3724 Kona Kai Way	4,327	2,793	$680,000	1/17/2025	20250117-0512	**$680,000**
48	201-1640-048	3718 Kona Kai Way	4,417	2,693	$725,000	3/6/2025	20250306-0657	**$725,000**
49	201-1640-049	3712 Kona Kai Way	4,544	2,309	$615,000	12/30/2024	20241230-0784	**$615,000**
50	201-1640-050	3706 Kona Kai Way	4,542	2,793	$720,000	1/10/2025	20250110-0038	**$720,000**
TOTALS								**$37,691,000**

VILLAGE 7 - CRESTVUE

PRODUCT	CRESTVUE
# OF LOTS	26
# CLOSED/HOMEOWNERS	21
AGGREGATE VALUE/CLOSED	$15,129,500
REMAINING LOTS	5

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village South, Recorded 8-10-22 in Book 440 of Maps Page 1								
17	201-1530-006	3601 Coyote Pointe Way	5,727	2,679	$748,000	10/21/2024	20241021-0949	**$748,000**
18	201-1530-007	3607 Coyote Pointe Way	4,908	1,789	$624,500	9/30/2024	20240930-1119	**$624,500**
19	201-1530-008	3613 Coyote Pointe Way	4,870	2,268	$715,500	10/30/2024	20241030-0895	**$715,500**
20	201-1530-009	3619 Coyote Pointe Way	4,870	2,679	$723,000	11/19/2024	20241119-0666	**$723,000**
21	201-1530-010	3625 Coyote Pointe Way	4,908	3,178	$785,500	11/8/2024	20241108-0309	**$785,500**
22	201-1530-011	3631 Coyote Pointe Way	5,843	2,869	$793,500	11/21/2024	20241121-0549	**$793,500**
23	201-1530-012	3636 Coyote Pointe Way	6,037	1,789	$648,000	11/27/2024	20241127-0802	**$648,000**
24	201-1530-013	3630 Coyote Pointe Way	5,046	2,268	$650,000	12/23/2024	20241223-0733	**$650,000**
25	201-1530-014	3624 Coyote Pointe Way	5,046	3,178	$833,500	12/17/2024	20241217-0850	**$833,500**
26	201-1530-015	3618 Coyote Pointe Way	5,045	2,869	$710,000	12/19/2024	20241219-0542	**$710,000**
27	201-1530-016	3612 Coyote Pointe Way	5,045	2,679	$736,000	12/18/2024	20241218-0758	**$736,000**
28	201-1530-017	3606 Coyote Pointe Way	5,046	2,268	$696,000	10/18/2024	20241018-0724	**$696,000**
29	201-1530-018	3600 Coyote Pointe Way	6,604	1,789	$614,000	9/30/2024	20240930-0673	**$614,000**
30	201-1530-019	3601 Kona Kai Way	6,290	3,178	$829,500	2/6/2025	20250206-1319	**$829,500**
31	201-1530-020	3607 Kona Kai Way	4,975	2,679	$700,000	1/31/2025	20250131-0716	**$700,000**
32	201-1530-021	3613 Kona Kai Way	4,975	2,268	$710,000	2/28/2025	20250228-0073	**$710,000**
33	201-1530-022	3619 Kona Kai Way	4,975	1,789	$625,000	1/30/2025	20250130-0976	**$625,000**
34	201-1530-023	3625 Kona Kai Way	4,975	3,180	$836,500	1/3/2025	20250103-0602	**$836,500**
35	201-1530-024	3631 Kona Kai Way	4,975	2,679	$710,000	12/31/2024	20241231-0801	**$710,000**
36	201-1530-025	3637 Kona Kai Way	4,975	2,268	$646,500	1/10/2025	20250110-0696	**$646,500**
37	201-1530-026	3643 Kona Kai Way	6,235	2,869	$794,500	12/20/2024	20241220-0468	**$794,500**
TOTALS								**$15,129,500**

VILLAGE 8 – WATERSYDE

PRODUCT	WATERSYDE
# OF LOTS	88
# CLOSED/HOMEOWNERS	13
AGGREGATE VALUE/CLOSED	$9,083,000
REMAINING LOTS	75

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village South, Recorded 8-1-22 in Book 440 of Maps Page 1								
72	201-1550-010	5337 Oceanside Drive	4,256	2,309	$676,500	11/18/2024	20241118-0815	**$676,500**
73	201-1550-011	5343 Oceanside Drive	5,030	2,693	$706,000	12/10/2024	20241210-0981	**$706,000**
74	201-1550-012	5355 Oceanside Drive	6,238	2,463	$721,500	10/25/2024	20241025-0901	**$721,500**
75	201-1550-013	5361 Oceanside Drive	4,820	2,309	$620,000	12/20/2024	20241220-0265	**$620,000**
76	201-1550-014	5367 Oceanside Drive	5,311	2,793	$778,500	10/8/2024	20241008-0611	**$778,500**
77	201-1550-015	5401 Oceanside Drive	5,563	2,693	$756,500	12/23/2024	20241223-0817	**$756,500**
Greenbriar Phase 2, Village 8, Recorded 12-12-24 in Book 462 of Maps Page 4								
62	201-1710-062	3730 Blair Island Avenue	4,012	2,309	$635,000	5/7/2026	20260507-1840	**$635,000**
63	201-1710-063	3724 Blair Island Avenue	4,013	2,793	$690,000	5/6/2026	20260506-0410	**$690,000**
64	201-1710-064	3718 Blair Island Avenue	4,319	2,693	$650,000	5/26/2026	20260506-0391	**$650,000**
65	201-1710-065	3712 Blair Island Avenue	5,024	2,309	$640,500	4/16/2026	20260416-1144	**$640,500**
66	201-1710-066	3706 Blair Island Avenue	6,294	2,793	$760,500	3/2/2026	20260302-0875	**$760,500**
67	201-1710-067	3707 Blair Island Avenue	4,865	2,966	$763,000	1/22/2026	20260122-0059	**$763,000**
68	201-1710-068	3713 Blair Island Avenue	4,531	2,693	$685,000	2/26/2026	20260226-0971	**$685,000**
TOTALS								**$9,083,000**

VILLAGE 9 - CRESTVUE

PRODUCT	CRESTVUE
# OF LOTS	53
# CLOSED/HOMEOWNERS	5
AGGREGATE VALUE/CLOSED	$3,429,500
REMAINING LOTS	48

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village South, Recorded 8-1-22 in Book 440 of Maps Page 1								
67	201-1550-005	5301 Oceanside Drive	6,733	2,679	$730,000	2/14/2025	20250214-0543	**$730,000**
68	201-1550-006	5307 Oceanside Drive	4,953	3,178	$784,500	3/4/2025	20240304-0660	**$784,500**
69	201-1550-007	5313 Oceanside Drive	4,833	2,268	$600,000	6/3/2025	20250603-0912	**$600,000**
70	201-1550-008	5319 Oceanside Drive	5,958	1,789	$590,000	6/27/2025	20250627-0391	**$590,000**
71	201-1550-009	5331 Oceanside Drive	5,577	2,869	$725,000	4/29/2025	20250429-0785	**$725,000**
TOTALS								**$3,429,500**

VILLAGE 10 - CRESTVUE

PRODUCT	CRESTVUE
# OF LOTS	59
# CLOSED/HOMEOWNERS	43
AGGREGATE VALUE/CLOSED	$28,319,000
REMAINING LOTS	16

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village South, Recorded 8-1-22 in Book 440 of Maps Page 1								
66	201-1550-004	3713 Oyster Point Way	6,478	1,789	$625,000	4/18/2025	20250418-0745	**$625,000**
Greenbriar Phase 2, Village 10, Recorded 3-1-24 in Book 454 of Maps Page 3								
1	201-1630-001	5207 Delta Marina Way	6,034	3,178	$799,000	1/28/2026	20260128-0075	**$799,000**
2	201-1630-002	5213 Delta Marina Way	6,022	2,869	$830,000	2/5/2026	20260205-0977	**$830,000**
3	201-1630-003	5219 Delta Marina Way	5,327	2,679	$710,000	4/13/2026	20260413-0969	**$710,000**
4	201-1630-004	5225 Delta Marina Way	5,208	2,268	$670,000	5/29/2026	20260529-1194	**$670,000**
5	201-1630-005	5231 Delta Marina Way	6,155	3,178	$755,000	5/15/2026	20260515-1411	**$755,000**
15	201-1630-015	3855 Oyster Point Way	5,036	2,268	$580,000	5/19/2026	20260519-0806	**$580,000**
16	201-1630-016	3849 Oyster Point Way	5,036	1,789	$555,000	6/10/2026	20260610-1229	**$555,000**
18	201-1630-018	3837 Oyster Point Way	5,036	3,178	$718,000	3/20/2026	20260320-0895	**$718,000**
19	201-1630-019	3831 Oyster Point Way	5,036	2,869	$650,000	1/30/2026	20260130-0659	**$650,000**
20	201-1630-020	3825 Oyster Point Way	5,036	2,268	$590,000	4/28/2026	20260428-0022	**$590,000**
21	201-1630-021	3819 Oyster Point Way	5,036	1,789	$550,000	1/30/2026	20260130-0684	**$550,000**
22	201-1630-022	3813 Oyster Point Way	5,036	3,178	$700,000	2/2/2026	20260202-0726	**$700,000**
23	201-1630-023	3807 Oyster Point Way	6,110	2,679	$620,000	1/13/2026	20260113-0821	**$620,000**
24	201-1630-024	3773 Oyster Point Way	5,492	2,869	$735,000	9/12/2025	20250912-0712	**$735,000**
25	201-1630-025	3767 Oyster Point Way	4,675	3,178	$750,000	12/2/2025	20251202-1324	**$750,000**
26	201-1550-020	3761 Oyster Point Way	4,675	1,789	$575,000	9/8/2025	20250908-0959	**$575,000**
27	201-1550-021	3755 Oyster Point Way	4,675	2,679	$670,000	8/29/2025	20250829-1029	**$670,000**
28	201-1550-022	3749 Oyster Point Way	4,675	2,268	$609,000	9/9/2025	20250909-0935	**$609,000**
29	201-1550-023	3743 Oyster Point Way	4,675	1,789	$543,500	8/12/2025	20250812-0981	**$543,500**
30	201-1550-024	3737 Oyster Point Way	4,675	2,869	$690,000	6/20/2025	20250620-1094	**$690,000**
31	201-1550-025	3731 Oyster Point Way	4,675	3,178	$789,000	5/9/2025	20250509-0420	**$789,000**
32	201-1550-026	3725 Oyster Point Way	4,675	2,679	$679,000	6/24/2025	20250624-0804	**$679,000**
33	201-1550-027	3719 Oyster Point Way	4,853	2,268	$629,000	9/22/2025	20250922-0757	**$629,000**
34	201-1550-028	3724 Oyster Point Way	6,326	1,789	$550,000	10/16/2025	20251016-0035	**$550,000**
35	201-1550-029	3730 Oyster Point Way	4,730	2,869	$770,500	5/30/2025	20250530-0453	**$770,500**
36	201-1550-030	3736 Oyster Point Way	4,730	2,268	$590,000	10/28/2025	20251028-0982	**$590,000**
37	201-1550-031	3742 Oyster Point Way	4,730	2,679	$721,500	7/10/2025	20250710-0757	**$721,500**
38	201-1550-032	3748 Oyster Point Way	4,730	3,178	$725,000	9/30/2025	20250930-1143	**$725,000**
39	201-1550-033	3754 Oyster Point Way	4,730	1,789	$575,000	10/31/2025	20251031-0465	**$575,000**
40	201-1550-034	3760 Oyster Point Way	4,730	2,268	$620,000	10/21/2025	20251021-0875	**$620,000**
41	201-1550-035	3766 Oyster Point Way	4,730	2,679	$670,000	9/19/2025	20250919-0836	**$670,000**
42	201-1630-026	3772 Oyster Point Way	4,730	2,869	$700,000	9/26/2025	20250926-0609	**$700,000**
43	201-1630-027	3778 Oyster Point Way	4,962	3,178	$800,000	12/30/2025	20251230-0966	**$800,000**
44	201-1630-028	3800 Oyster Point Way	4,762	1,789	$568,500	1/20/2026	20260120-0845	**$568,500**
45	201-1630-029	3806 Oyster Point Way	4,762	2,268	$620,000	11/21/2025	20251121-1147	**$620,000**
46	201-1630-030	3812 Oyster Point Way	4,762	2,679	$610,000	1/23/2026	20260123-0750	**$610,000**
47	201-1630-031	3818 Oyster Point Way	4,760	3,178	$745,000	1/13/2026	20260113-0748	**$745,000**
48	201-1630-032	3824 Oyster Point Way	4,765	2,869	$660,000	5/22/2026	20260522-0905	**$660,000**
49	201-1630-033	3830 Oyster Point Way	4,762	1,789	$535,000	3/6/2026	20260306-0835	**$535,000**
50	201-1630-034	3836 Oyster Point Way	4,762	2,679	$607,000	5/26/2026	20260526-0384	**$607,000**
51	201-1630-035	3842 Oyster Point Way	4,762	2,268	$550,000	4/30/2026	20260430-1083	**$550,000**
52	201-1630-036	3848 Oyster Point Way	4,762	2,869	$680,000	6/5/2026	20260605-0648	**$680,000**
TOTALS								**$28,319,000**

VILLAGE 11 - LAKELET

PRODUCT	LAKELET
# OF LOTS	44
# CLOSED/HOMEOWNERS	3
AGGREGATE VALUE/CLOSED	$1,975,000
REMAINING LOTS	41

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village South, Recorded 8-1-22 in Book 440 of Maps Page 1								
82	201-1520-012	500 Sun Harbor Circle	6,491	2,107	$647,500	2/27/2025	20250227-0422	**$647,500**
83	201-1520-013	506 Sun Harbor Circle	3,892	2,215	$642,000	2/27/2025	20270227-0423	**$642,000**
84	201-1520-014	512 Sun Harbor Circle	3,896	2,419	$685,500	2/27/2025	20250227-0418	**$685,500**
TOTALS								**$1,975,000**

VILLAGE 12 - BLEAU

PRODUCT	BLEAU
# OF LOTS	60
# CLOSED/HOMEOWNERS	12
AGGREGATE VALUE/CLOSED	$9,340,000
REMAINING LOTS	48

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village 12, Recorded 12-12-24 in Book 462 of Maps Page 3								
8	201-1700-008	5454 Grand Marina Way	5,226	3,180	$940,500	2/27/2026	20260227-0857	**$940,500**
9	201-1700-009	5448 Grand Marina Way	5,226	3,460	$903,000	4/21/2026	20260421-0961	**$903,000**
10	201-1700-010	5442 Grand Marina Way	5,226	2,977	$886,500	5/5/2026	20260505-0724	**$886,500**
11	201-1700-011	5436 Grand Marina Way	5,226	3,190	$890,000	6/16/2026	20260616-0948	**$890,000**
39	201-1700-039	3943 Sunset Harbor Way	5,000	2,977	$700,000	5/22/2026	20260522-1035	**$700,000**
40	201-1700-040	3937 Sunset Harbor Way	5,000	3,190	$726,500	5/18/2026	20260518-1243	**$726,500**
41	201-1700-041	3931 Sunset Harbor Way	5,000	2,143	$630,000	5/29/2026	20260529-1029	**$630,000**
42	201-1700-042	3925 Sunset Harbor Way	5,000	2,977	$680,000	5/29/2026	20260529-1024	**$680,000**
43	201-1700-043	3919 Sunset Harbor Way	5,000	2,727	$700,000	5/7/2026	20260507-1735	**$700,000**
44	201-1700-044	3913 Sunset Harbor Way	5,000	3,180	$806,500	4/8/2026	20260408-1040	**$806,500**
45	201-1700-045	3907 Sunset Harbor Way	5,000	2,413	$600,000	5/22/2026	20260522-1019	**$600,000**
46	201-1700-046	3901 Sunset Harbor Way	7,413	3,460	$877,000	3/27/2026	20260327-0852	**$877,000**
TOTALS								**$9,340,000**

VILLAGE 13 - BLEAU

There are no closed sales of homes in Village 13.

VILLAGE 14 – WAVMOR

There are no closed sales of homes in Village 14.

VILLAGE 15 – WAVMOR

PRODUCT	WAVMOR
# OF LOTS	31
# CLOSED/HOMEOWNERS	2
AGGREGATE VALUE/CLOSED	$1,320,500
REMAINING LOTS	29

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village 15, Recorded 2-13-2026 in Book 472 of Maps, at Page 2.								
32	201-1570-032	5331 Liberty Ship	5,448	2,776	$655,500	1/6/2026	20260106-1145	**$655,500**
33	201-1570-033	5330 Liberty Ship	5,698	2,612	$665,000	12/30/2025	20251230-0822	**$665,000**
TOTALS								**$1,320,500**

VILLAGE 16 – WAVMOR

There are no closed sales of homes in Village 16.

VILLAGE 17 – WAVMOR

PRODUCT	WAVMOR
# OF LOTS	44
# CLOSED/HOMEOWNERS	39
AGGREGATE VALUE/CLOSED	$25,490,500
REMAINING LOTS	5

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village 17, Recorded 10-14-22 in Book 442 of Maps Page 6								
1	201-1570-001	4101 Little Marina Avenue	7,374	2,776	$730,000	6/27/2025	20250627-1032	**$730,000**
2	201-1570-002	4107 Little Marina Avenue	5,143	2,386	$662,000	5/19/2025	20250519-0850	**$662,000**
3	201-1570-003	4113 Little Marina Avenue	6,421	2,612	$650,000	5/13/2025	20250513-0782	**$650,000**
7	201-1570-007	5361 Pacific Yacht Way	4,805	2,127	$580,000	5/26/2026	20260526-0942	**$580,000**
9	201-1570-009	5349 Pacific Yacht Way	6,186	2,612	$635,000	5/13/2026	20260513-1441	**$635,000**
10	201-1570-010	5343 Pacific Yacht Way	6,615	2,386	$640,000	4/28/2026	20260428-0709	**$640,000**
11	201-1570-011	5337 Pacific Yacht Way	5,882	2,776	$605,000	5/22/2026	20260522-1040	**$605,000**
12	201-1570-012	5331 Pacific Yacht Way	5,240	2,612	$627,500	3/16/2026	20260316-0017	**$627,500**
13	201-1570-013	5325 Pacific Yacht Way	4,700	2,127	$570,000	3/4/2026	20260304-0584	**$570,000**
14	201-1570-014	5319 Pacific Yacht Way	4,500	2,386	$608,000	3/20/2026	20260320-0760	**$608,000**
15	201-1570-015	5313 Pacific Yacht Way	4,500	2,127	$550,000	2/24/2026	20260224-0442	**$550,000**
16	201-1570-016	5312 Pacific Yacht Way	6,967	2,776	$670,000	1/30/2026	20260130-0870	**$670,000**
17	201-1570-017	5318 Pacific Yacht Way	6,615	2,612	$665,500	2/6/2026	20260206-0809	**$665,500**
18	201-1570-018	5330 Pacific Yacht Way	7,384	2,776	$640,000	6/5/2026	20260605-0317	**$640,000**
19	201-1570-019	5342 Pacific Yacht Way	7,820	2,612	$670,000	4/7/2026	20260407-0876	**$670,000**
20	201-1570-020	5354 Pacific Yacht Way	7,119	2,776	$678,000	4/24/2026	20260424-0676	**$678,000**
22	201-1570-022	4112 Little Marina Avenue	6,435	2,386	$676,000	5/27/2025	20250527-0412	**$676,000**
23	201-1570-023	4106 Little Marina Avenue	5,014	2,127	$620,000	6/24/2025	20250624-0029	**$620,000**
24	201-1570-024	4100 Little Marina Avenue	7,608	2,612	$705,000	6/30/2025	20250630-0947	**$705,000**
25	201-1570-025	5389 Lopez Lake Way	7,938	2,776	$750,500	8/18/2025	20250818-0755	**$750,500**
26	201-1570-026	5385 Lopez Lake Way	5,855	2,127	$575,000	9/10/2025	20250910-1257	**$575,000**
27	201-1570-027	5381 Lopez Lake Way	5,465	2,386	$669,000	8/5/2025	20250805-0938	**$669,000**
28	201-1570-028	5377 Lopez Lake Way	5,414	2,776	$640,000	9/9/2025	20250909-0914	**$640,000**
29	201-1570-029	5373 Lopez Lake Way	7,678	2,612	$731,000	9/23/2025	20250923-0811	**$731,000**
30	201-1570-030	5343 Liberty Ship Way	4,500	2,776	$635,000	12/29/2025	20251229-0886	**$635,000**
31	201-1570-031	5337 Liberty Ship Way	4,500	2,612	$630,000	1/21/2026	20260121-0098	**$630,000**
34	201-1570-034	5336 Liberty Ship Way	4,600	2,386	$604,000	12/31/2025	20251231-0792	**$604,000**
35	201-1570-035	5342 Liberty Ship Way	4,600	2,776	$635,000	1/13/2026	20260113-0827	**$635,000**
36	201-1570-036	5348 Liberty Ship Way	4,665	2,127	$564,500	11/24/2025	20251124-1000	**$564,500**
37	201-1570-037	5354 Liberty Ship Way	5,085	2,386	$630,500	11/18/2025	20251118-1349	**$630,500**
38	201-1570-038	5360 Liberty Ship Way	5,993	2,612	$680,000	10/28/2025	20251028-0922	**$680,000**
39	201-1570-039	5361 Lopez Lake Way	7,522	2,776	$670,000	11/20/2025	20251120-2041	**$670,000**
40	201-1570-040	5357 Lopez Lake Way	5,080	2,612	$620,000	10/7/2025	20251007-0894	**$620,000**
41	201-1570-041	5353 Lopez Lake Way	4,805	2,127	$579,000	9/29/2025	20250929-0830	**$579,000**
42	201-1570-042	5349 Lopez Lake Way	4,843	2,776	$663,000	9/10/2025	20250910-1127	**$663,000**
43	201-1570-043	5345 Lopez Lake Way	6,217	2,386	$680,000	8/27/2025	20250827-0931	**$680,000**
44	201-1570-044	5328 Lopez Lake Way	4,674	2,776	$788,000	8/12/2025	20250812-1054	**$788,000**
45	201-1570-045	5332 Lopez Lake Way	4,765	2,612	$735,000	7/8/2025	20250708-0030	**$735,000**
46	201-1570-046	5336 Lopez Lake Way	4,924	2,776	$829,000	6/27/2025	20250627-0338	**$829,000**
TOTALS								**$25,490,500**

VILLAGE 18 – DRIFTON

PRODUCT	DRIFTON
# OF LOTS	59
# CLOSED/HOMEOWNERS	36
AGGREGATE VALUE/CLOSED	$28,796,000
REMAINING LOTS	23

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 2, Village 18, Recorded 10-14-22 in Book 443 of Maps Page 1								
7	201-1580-007	5472 Lopez Lake Way	5,778	2,282	$742,000	12/16/2025	20251216-0649	**$742,000**
8	201-1580-008	5466 Lopez Lake Way	5,778	2,964	$872,000	12/16/2025	20251216-0644	**$872,000**
9	201-1580-009	5460 Lopez Lake Way	5,778	3,131	$898,000	12/16/2025	20251216-0634	**$898,000**
10	201-1580-010	5454 Lopez Lake Way	5,568	3,410	$921,500	12/16/2025	20251216-0643	**$921,500**
12	201-1580-012	5442 Lopez Lake Way	5,555	3,410	$995,000	8/11/2025	20250811-0927	**$995,000**
13	201-1580-013	5436 Lopez Lake Way	5,520	2,964	$928,000	6/18/2025	20250618-0882	**$928,000**
14	201-1580-014	5430 Lopez Lake Way	5,875	3,131	$910,000	5/9/2025	20250509-0798	**$910,000**
15	201-1580-015	5437 Lopez Lake Way	7,050	3,131	$810,000	9/18/2025	20250918-0762	**$810,000**
16	201-1580-016	5443 Lopez Lake Way	6,500	3,410	$815,000	8/4/2025	20250804-0819	**$815,000**
17	201-1580-017	5425 Lopez Lake Way	6,571	3,104	$750,000	6/23/2025	20250623-0784	**$750,000**
18	201-1580-018	5425 Lopez Lake Way	7,696	3,131	$858,000	5/30/2025	20250530-0333	**$858,000**
19	201-1580-019	5413 Lopez Lake Way	11,787	3,410	$961,000	7/4/2025	20250704-0803	**$961,000**
20	201-1580-020	5407 Lopez Lake Way	11,586	3,131	$997,500	5/23/2025	20250523-0869	**$997,500**
21	201-1580-021	5412 Pacific Yacht Way	6,050	2,282	$649,000	3/10/2026	20260310-0911	**$649,000**
22	201-1580-022	5418 Pacific Yacht Way	6,150	2,964	$740,000	2/10/2026	20260210-0779	**$740,000**
23	201-1580-023	5424 Pacific Yacht Way	6,885	3,308	$775,000	1/6/2026	20260106-0943	**$775,000**
24	201-1580-024	4136 Clipper Yacht Way	6,439	2,964	$700,000	12/19/2025	20251219-0707	**$700,000**
26	201-1580-026	4124 Clipper Yacht Way	6,217	3,131	$820,000	9/5/2025	20250905-0588	**$820,000**
27	201-1580-027	4118 Clipper Yacht Way	6,316	2,282	$728,000	8/28/2025	20250828-0935	**$728,000**
29	201-1580-029	5449 Lopez Lake Way	6,679	3,410	$792,000	7/28/2025	20250728-0528	**$792,000**
30	201-1580-030	5461 Lopez Lake Way	7,396	3,410	$845,000	12/12/2025	20251212-1209	**$845,000**
32	201-1580-032	4119 Clipper Yacht Avenue	7,429	3,131	$820,000	9/16/2025	20250916-0449	**$820,000**
33	201-1580-033	4125 Clipper Yacht Avenue	5,500	3,104	$745,000	9/19/2025	20250919-0046	**$745,000**
35	201-1580-035	4137 Clipper Yacht Avenue	6,448	3,131	$825,000	11/7/2025	20251107-0781	**$825,000**
44	201-1580-044	5491 Lopez Lake Way	5,509	3,308	$725,000	6/25/2026	20260625-0830	**$725,000**
45	201-1580-045	5485 Pacific Yacht Way	5,518	2,282	$628,000	5/4/2026	20260504-0364	**$628,000**
46	201-1580-046	5479 Pacific Yacht Way	7,117	2,964	$777,000	4/17/2026	20260417-0295	**$777,000**
47	201-1580-047	5473 Pacific Yacht Way	11,039	3,410	$860,000	6/12/2026	20260612-0999	**$860,000**
50	201-1580-050	5455 Pacific Yacht Way	5,500	2,282	$630,000	3/13/2026	20260313-0758	**$630,000**
51	201-1580-051	5449 Pacific Yacht Way	5,500	2,964	$740,000	3/6/2026	20260306-0907	**$740,000**
52	201-1580-052	5443 Pacific Yacht Way	5,500	3,308	$740,000	5/29/2026	20260529-1089	**$740,000**
54	201-1580-054	5431 Pacific Yacht Way	5,500	3,308	$789,000	2/6/2026	20260206-0835	**$789,000**
56	201-1580-056	5419 Pacific Yacht Way	5,500	2,282	$665,000	4/2/2026	20260402-1192	**$665,000**
57	201-1580-057	5413 Pacific Yacht Way	5,500	3,410	$830,000	12/19/2025	20251219-1200	**$830,000**
58	201-1580-058	5407 Pacific Yacht Way	5,500	3,131	$775,000	11/21/2025	20251121-1222	**$775,000**
59	201-1580-059	5401 Pacific Yacht Way	6,716	2,964	$740,000	11/17/2025	20251117-0020	**$740,000**
TOTALS								**$28,796,000**

VILLAGE 19 – DRIFTON

There are no closed sales of homes in Village 19.

VILLAGE V14/20 – WATER'S EDGE

PRODUCT	V14/20
# OF LOTS	139
# CLOSED/HOMEOWNERS	66
AGGREGATE VALUE/CLOSED	$35,800,500
REMAINING LOTS	73

LOT #	APN	ADDRESS	LOT SIZE (SF)	HOME SIZE (SF)	TOTAL PRICE	COE	REC. REF.	# FOR REPORT
Greenbriar Phase 1, Village 14A, Recorded 5-6-24 in Book 455 of Maps Page 2								
10	201-1490-047	5955 Highport Drive	3,692	1,454	$520,000	5/20/2026	20260520-1661	**$520,000**
11	201-1490-048	5961 Highport Drive	3,765	1,569	$485,000	5/22/2026	20260522-1033	**$485,000**
12	201-1490-049	3700 Miraleste Way	5,429	1,907	$583,000	9/4/2025	20250904-0960	**$583,000**
13	201-1490-050	3706 Miraleste Way	4,687	1,454	$475,000	9/11/2025	20250911-0788	**$475,000**
14	201-1490-051	3719 Miraleste Way	8,625	1,631	$590,000	8/27/2025	20250827-0784	**$590,000**
15	201-1490-052	3713 Miraleste Way	8,468	1,907	$623,000	8/21/2025	20250821-1154	**$623,000**
16	201-1490-053	3707 Miraleste Way	7,292	1,569	$540,000	8/6/2025	20250806-0863	**$540,000**
17	201-1490-054	3701 Miraleste Way	4,387	1,454	$525,000	8/22/2025	20250822-0900	**$525,000**
18	201-1490-055	3661 Miraleste Way	4,589	1,631	$550,000	7/16/2025	20250716-0621	**$550,000**
19	201-1490-056	3655 Miraleste Way	4,581	1,907	$520,000	7/9/2025	20250709-0650	**$520,000**
20	201-1490-057	3649 Miraleste Way	4,229	1,569	$520,000	7/10/2025	20250710-0855	**$520,000**
21	201-1490-058	3643 Miraleste Way	3,690	1,454	$561,500	6/13/2025	20250613-0904	**$561,500**
22	201-1490-059	3637 Miraleste Way	3,690	1,631	$550,000	5/30/2025	20250530-1117	**$550,000**
23	201-1490-060	3631 Miraleste Way	3,690	1,907	$530,000	5/28/2025	20250528-0149	**$530,000**
24	201-1490-061	3625 Miraleste Way	3,721	1,569	$561,500	5/14/2025	20250514-0423	**$561,500**
25	201-1490-062	3619 Miraleste Way	4,805	1,631	$522,000	5/8/2025	20250508-0149	**$522,000**
26	201-1490-063	3613 Miraleste Way	5,167	1,907	$612,000	4/30/2025	20250430-0179	**$612,000**
27	201-1490-064	3607 Miraleste Way	4,963	1,631	$587,000	4/16/2025	20250416-0154	**$587,000**
28	201-1660-001	3601 Miraleste Way	4,758	1,569	$556,000	4/10/2025	20250410-0746	**$556,000**
29	201-1660-002	5954 Littlestone Street	4,305	1,631	$568,000	4/2/2025	20250402-1050	**$568,000**
30	201-1660-003	5948 Littlestone Street	4,305	1,569	$575,500	2/19/2025	20250219-0525	**$575,500**
31	201-1660-004	5942 Littlestone Street	4,305	1,454	$551,000	2/28/2025	20250228-0964	**$551,000**
32	201-1660-005	5936 Littlestone Street	4,305	1,631	$586,000	1/29/2025	20250129-0279	**$586,000**
33	201-1660-006	5930 Littlestone Street	4,305	1,907	$601,000	3/7/2025	20250307-0888	**$601,000**
34	201-1660-007	5924 Littlestone Street	4,305	1,569	$561,500	12/30/2024	20241230-0937	**$561,500**
35	201-1660-008	5918 Littlestone Street	4,305	1,454	$546,500	12/18/2024	20241218-0774	**$546,500**
36	201-1660-009	5912 Littlestone Street	4,304	1,631	$571,000	11/26/2024	20241126-1212	**$571,000**
37	201-1490-065	5901 Littlestone Street	4,843	1,569	$563,000	11/14/2024	20241114-0216	**$563,000**
38	201-1490-066	5907 Littlestone Street	3,755	1,454	$543,000	11/13/2024	20241113-1197	**$543,000**
39	201-1490-067	5913 Littlestone Street	3,980	1,907	$598,000	11/20/2024	20241120-0885	**$598,000**
40	201-1490-068	5919 Littlestone Street	4,100	1,631	$560,000	11/27/2024	20241127-0502	**$560,000**
41	201-1490-069	5925 Littlestone Street	4,100	1,454	$530,000	2/19/2025	20250219-1005	**$530,000**
42	201-1490-070	5931 Littlestone Street	4,100	1,569	$568,000	1/13/2025	20250113-0307	**$568,000**
43	201-1490-071	5937 Littlestone Street	4,100	1,907	$540,000	4/18/2025	20250418-0593	**$540,000**
44	201-1490-072	5943 Littlestone Street	4,100	1,569	$568,000	2/10/2025	20250110-0655	**$568,000**
45	201-1490-073	5949 Littlestone Street	4,100	1,631	$545,000	2/27/2025	20250227-0239	**$545,000**
46	201-1490-074	5955 Littlestone Street	4,100	1,454	$520,000	3/20/2025	20250320-0318	**$520,000**
47	201-1490-075	5961 Littlestone Street	5,265	1,907	$500,000	5/22/2025	20250522-0315	**$500,000**
48	201-1490-076	2 Hallowell Court	5,265	1,907	$538,000	9/24/2025	20250924-1014	**$538,000**
49	201-1490-077	8 Hallowell Court	4,100	1,631	$550,000	9/30/2025	20250930-0829	**$550,000**
50	201-1490-078	14 Hallowell Court	4,100	1,454	$520,000	10/29/2025	20251029-0595	**$520,000**
51	201-1490-079	20 Hallowell Court	4,100	1,907	$525,000	11/7/2025	20251107-0918	**$525,000**
52	201-1490-080	26 Hallowell Court	4,100	1,569	$550,000	11/26/2025	20251126-1066	**$550,000**
53	201-1490-081	32 Hallowell Court	4,100	1,631	$550,000	12/23/2025	20251223-1052	**$550,000**
54	201-1490-082	38 Hallowell Court	4,100	1,907	$602,000	1/23/2026	20260123-0842	**$602,000**
55	201-1490-083	44 Hallowell Court	4,100	1,454	$500,000	1/29/2026	20260129-0031	**$500,000**
56	201-1490-084	50 Hallowell Court	4,055	1,569	$530,000	3/25/2026	20260325-1212	**$530,000**
57	201-1490-085	56 Hallowell Court	3,580	1,631	$515,000	4/29/2026	20260429-1517	**$515,000**
58	201-1490-086	62 Hallowell Court	5,552	1,907	$550,000	4/30/2026	20260430-1098	**$550,000**
59	201-1490-087	63 Hallowell Court	5,414	1,631	$515,000	3/20/2026	20260320-0655	**$515,000**
60	201-1490-088	57 Hallowell Court	3,823	1,569	$502,000	4/15/2026	20260415-0020	**$502,000**
61	201-1490-089	51 Hallowell Court	4,410	1,454	$516,500	3/13/2026	20260313-0825	**$516,500**
62	201-1490-090	45 Hallowell Court	4,222	1,631	$500,000	2/18/2026	20260218-1394	**$500,000**
63	201-1490-091	39 Hallowell Court	3,957	1,569	$485,000	2/4/2026	20260204-0890	**$485,000**
64	201-1490-092	33 Hallowell Court	3,779	1,569	$516,000	1/9/2026	20290109-0497	**$516,000**
65	201-1490-093	27 Hallowell Court	3,690	1,907	$545,000	12/24/2025	20251224-0758	**$545,000**
66	201-1490-094	21 Hallowell Court	3,690	1,631	$530,000	11/21/2025	20251121-1327	**$530,000**
67	201-1490-095	15 Hallowell Court	3,690	1,569	$505,000	11/19/2025	20251119-1239	**$505,000**
68	201-1490-096	9 Hallowell Court	3,690	1,569	$500,000	10/22/2025	20251022-1604	**$500,000**
69	201-1490-097	3 Hallowell Court	4,955	1,631	$530,000	10/9/2025	20251009-1249	**$530,000**
70	201-1490-098	5960 Highport Drive	6,361	1,907	$545,000	4/22/2026	20260422-1496	**$545,000**
71	201-1490-099	5954 Highport Drive	3,690	1,569	$500,000	5/8/2026	20260508-1690	**$500,000**
75	201-1490-103	5930 Highport Drive	3,947	1,907	$614,500	2/27/2025	20250227-0416	**$614,500**
76	201-1490-104	5924 Highport Drive	4,258	1,631	$520,000	2/27/2025	20250227-0413	**$520,000**
77	201-1490-105	5918 Highport Drive	4,293	1,569	$524,500	2/27/2025	20250227-0410	**$524,500**
78	201-1490-106	5912 Highport Drive	3,985	1,454	$515,500	2/27/2025	20250227-0414	**$515,500**
TOTALS								**$35,800,500**

OVERALL PROJECT

The total proceeds from the 439 units which have closed escrow are identified at $283,415,500. The table below provides a summary of the entire project.

VILLAGE REFERENCE	PRODUCT	TOTAL UNITS	UNITS CLOSED	AGGREGATE VALUE	REMAINING LOTS
Village 1	SHOR	104	53	$29,649,500	51
Village 2	SHOR	89	14	$8,114,000	75
Village 3	WATERSYDE	11	9	$6,678,000	2
Village 4	LAKELET	68	9	$5,369,500	59
Village 5	LAKELET	61	60	$37,230,000	1
Village 6	WATERSYDE	54	54	$37,691,000	0
Village 7	CRESTVUE	26	21	$15,129,500	5
Village 8	WATERSYDE	88	13	$9,083,000	75
Village 9	CRESTVUE	53	5	$3,429,500	48
Village 10	CRESTVUE	59	43	$28,319,000	16
Village 11	LAKELET	44	3	$1,975,000	41
Village 12	BLEAU	60	12	$9,340,000	48
Village 13	BLEAU	50	0	$0	50
Village 14	WAVMOR	54	0	$0	54
Village 15	WAVMOR	31	2	$1,320,500	29
Village 16	WAVMOR	34	0	$0	34
Village 17	WAVMOR	44	39	$25,490,500	5
Village 18	DRIFTON	59	36	$28,796,000	23
Village 19	DRIFTON	49	0	$0	49
Village 14/20	WATER'S EDGE	139	66	$35,800,500	73
TOTALS		**1,177**	**439**	**$283,415,500**	**738**

For this analysis, the recent transaction prices are recognized in the overall value for the homes. Typically, this is based on the assessed value for the homes through the Sacramento County Assessor's Office. However, since this information is trailing (data shown relative to the close date), as well as the fact that assessed values for the homes are based on the most recent transaction price, the closed price as reported from public records is sufficient.

The next section of this report illustrates supply and demand characteristics for this property.

PART 3 – MARKET ANALYSIS AND HIGHEST AND BEST USE

MARKET ANALYSIS

A market analysis is presented in conjunction with this assignment. The depth of discussion is specific to the needs of the client and for the intended use. This element is provided for the regional and local housing market based on information provided from the California Association of Realtors, Metrolist, and The Gregory Group.

California Housing Market

According to the California Association of Realtors (C.A.R.), California's housing market retreated in March as the Iran conflict, surging energy prices and financial market volatility kept potential homebuyers and sellers in hibernation mode. Closed escrow sales of existing, single-family detached homes in California declined 3.5 percent in March, and fell 2.5 percent on a year-over-year basis for the third straight month. Total home sales declined to 265,320 in March, based on data collected by C.A.R. In March 2025, 272,020 existing homes traded based on a seasonally adjusted annualized rate.

March sales remained below the 300,000 benchmark for the 42nd consecutive month. A host of geopolitical concerns and economic fears – including the ongoing Middle East conflict and stock market volatility – likely prompted more buyers to cancel their contracts at the 11th hour. "March home sales were subdued, as higher mortgage rates and stock market volatility kept many buyers on the sidelines," said C.A.R. President Tamara Suminski. "As both geopolitical tension and interest rates ease for the third straight week, buyers and sellers who have been taking a wait-and-see strategy could return to the market if the conflict in the Middle East continues to stabilize."

Following its traditional seasonal pattern, the statewide median home price rose solidly from February to March but only inched up slightly on a year-over-year basis. California's median price increased 7.1 percent from February and was in line with the average 7 percent increase in price movement observed between February and March in the past 20 years. March's price gain of 0.4 percent from a year ago was more moderate in comparison to the monthly increase but was the second straight month of positive price growth since the back-to-back dip in January.

As the market enters the spring homebuying season, prices are expected to climb, but lingering concerns about the Iran conflict and the risk of higher inflation may continue to constrain the pace of price growth in the months ahead.

"The number of homes listed on the market remains low compared to last year's levels even as the spring homebuying season kicks into its highest gear," said C.A.R. Senior Vice President and Chief Economist Jordan Levine. "Many homeowners locked in historically low mortgage rates are now reluctant to sell, limiting available inventory. While easing rates are bringing some buyers back to the market, California's persistent housing shortage remains. This supply/demand imbalance will likely cap sales in the coming months, even as affordability improves modestly."

Other key points from C.A.R.'s March 2026 resale housing report include:

- All five major regions in California recorded year-over-year sales increases on a non-seasonally adjusted basis last month, but the yearly gains were due primarily to an additional business transaction day in March this year compared to last year. The Far North (17.3 percent) and the Central Coast (15.4 percent) were the two regions in the Golden State that registered a double-digit gain from a year earlier. Home sales in the San Francisco Bay Area (3.2 percent), Southern California (3 percent) and the Central Valley (1.3 percent) also exceeded last year's levels, but the increases were more moderate.

- At the county level, 38 of the 53 counties tracked by C.A.R. posted year-over-year sales gains in March, with 19 of them recording more than a 10 percent increase from a year ago. Del Norte (157.1 percent) posted the largest gain from a year earlier, followed by Trinity (75 percent) and Tehama (50 percent). At the other end of the spectrum, 15 counties experienced annual sales declines with 10 of them falling by double digits. Glenn led the pack with a -30.8 percent drop, while Madera (-30.3 percent) and Plumas (-23.5 percent) recorded the second and the third largest dips last month, respectively.

- At the regional level, home prices remained stable in most regions over the last year. The Central Coast had the largest median price change among all regions, with a decrease of 2.9 percent from a year ago. The other four major regions all had year-over-year changes of one percent or less, with the Far North (-1 percent) having the biggest change of the four, followed by the Central Valley (-0.3 percent), Southern California (0.3 percent), and the San Francisco Bay Area (0 percent).

- At the county level, 30 of the 53 counties tracked by C.A.R. recorded year-over-year median home price gains in March. Del Norte recorded the biggest jump in price with a 128.4 percent gain last month, followed by Mariposa (27.9 percent) and Plumas (20.9 percent). While more than half of the counties in California recorded price increases from a year ago, 23 counties experienced negative price growth at the end of the first quarter. Trinity recorded the steepest drop (-21.3 percent) in median price among all counties, while Napa (-14.5 percent) and Tehama (-12 percent) also fell by double digits. Sharp gains or losses in most of these counties were largely due to small number of transactions and mix of sales changes, rather than actual home value depreciations.

- Housing inventory tightened further in March as the market prepared for the seasonal peak. The statewide Unsold Inventory Index (UII) declined 17.5 percent from February and was down 5.7 percent from March 2025. While total active listings rose on a month-over-month basis, they fell below the year-ago level for the second consecutive month. This pullback in new listings is largely attributed to the "lock-in effect," as homeowners with low-rate mortgages remain reluctant to list their properties in a higher-rate environment.

- Total active listings rose in 24 of the 53 counties that C.A.R. tracks. Mariposa saw the largest jump in listings at 48.7 percent, followed by Calaveras (31.9 percent) and Fresno (20.6 percent). Conversely, Lassen experienced the sharpest supply decline, dropping 51.8 percent from a year ago.

- The amount of time homes spent on the market inched up slightly year-over-year. The median number of days to sell a California single-family home totaled 23 in March, compared to 22 in March 2025. C.A.R.'s statewide sales-price-to-list-price ratio equaled 100 percent last month, unchanged from the previous year.

- The median price per square foot for an existing California single-family home fell from $431 in March 2025 to $428 this March.

- The average 30-year fixed rate mortgage was 6.18 percent in March down from 6.65 percent a year ago but up from 6.05 percent in February, according to C.A.R.'s calculations based on Freddie Mac's weekly mortgage survey data.

Affordability is an issue for most of California. According to C.A.R., Moderating home prices and cooling market competition lowered borrowing costs and allowed more Californians to qualify for mortgages and improve their chances of buying a home in the fourth quarter of 2025. Eighteen percent of the state's homebuyers could afford to purchase a median-priced, existing single-family home in California in fourth-quarter 2025, up from 17 percent in the third quarter of 2025 and up from 16 percent in the fourth quarter of 2024, according to C.A.R.'s Traditional Housing Affordability Index (HAI). Despite recent gains, low affordability continues to challenge both buyers and sellers statewide.

The fourth-quarter 2025 figure is less than a third of the affordability index peak of 56 percent in the fourth quarter of 2012. C.A.R.'s HAI measures the percentage of all households that can afford to purchase a median-priced single-family home in California. C.A.R. also reports affordability indices for regions and select counties within the state. The index is considered the most fundamental measure of housing well-being for home buyers in the state.

The effective interest rate declined for the third consecutive quarter, dropping to its lowest level since third-quarter 2022. The average effective interest rate receded to 6.35% in fourth-quarter 2025 from 6.67% the previous quarter and was 41 basis points below the level 6.76% recorded a year earlier. Mortgage rates, which oscillated throughout the first six months of 2025 due partly to tariff-induced uncertainty, trended modestly lower in the second half of the year as the Federal Reserve's rate cuts — or rather the expectations of the rate cuts — kick-started the decline. The cumulative easing pushed the average 30-year fixed mortgage rate to a three-year low at the start of 2026 before rising in recent weeks. Entering 2026, the Fed opted to hold rates steady at its January meeting, but additional rate relief is expected later this year as softer economic growth is projected for the next 12 months. Lingering inflation risks and bond market volatility will continue to have an impact on borrowing costs, but costs should gradually come down by the end of the year, and housing affordability could see some slight improvement in the next 12 months.

The median price of an existing single-family home declined for the second straight quarter in the fourth quarter of 2025, falling 2.2 percent as market competition cooled — typical for year-end. On a year-over-year basis, California recorded its first annual price decline since the second quarter of 2023, falling 0.6 percent below the year-ago level. As the market transitions through its seasonal off-cycle, home prices may remain soft for the next couple of months but should rebound as the homebuying season begins in late March/early April. Should mortgage rates ease further and economic uncertainty diminish, housing affordability could see incremental improvement for the first quarter of 2026.

A minimum annual income of $213,200 was needed in California to afford the $5,330 monthly payment, including principal, interest, and taxes (PITI) on a 30-year fixed-rate mortgage at 6.35%. While the fourth-quarter 2025 annual required income was $23,600 below the record high set in second-quarter 2024, it still marked the 12th of the past 13 quarters with income requirements above $200,000. Monthly PITI declined modestly from both the prior quarter (-4.7 percent) and a year earlier (-4.0 percent) but remained more than double the national average — a gap that has persisted since at least 2018.

More California households (28 percent) could afford a typical condo/townhome in fourth-quarter 2025, rising from 27 percent third-quarter 2025 and 25 percent in fourth-quarter 2024. An annual income of $159,200 was required to make the monthly payment of $3,980 on the $650,000 median-priced condo/townhome in the fourth quarter of 2025.

Compared with California, more than one-third (39 percent) of the nation's households could afford to purchase a $414,900 median-priced home, which required a minimum annual income of $101,600 to make monthly payments of $2,540. Nationwide, affordability edged up from 36 percent in both the third quarter of 2025 and a year ago.

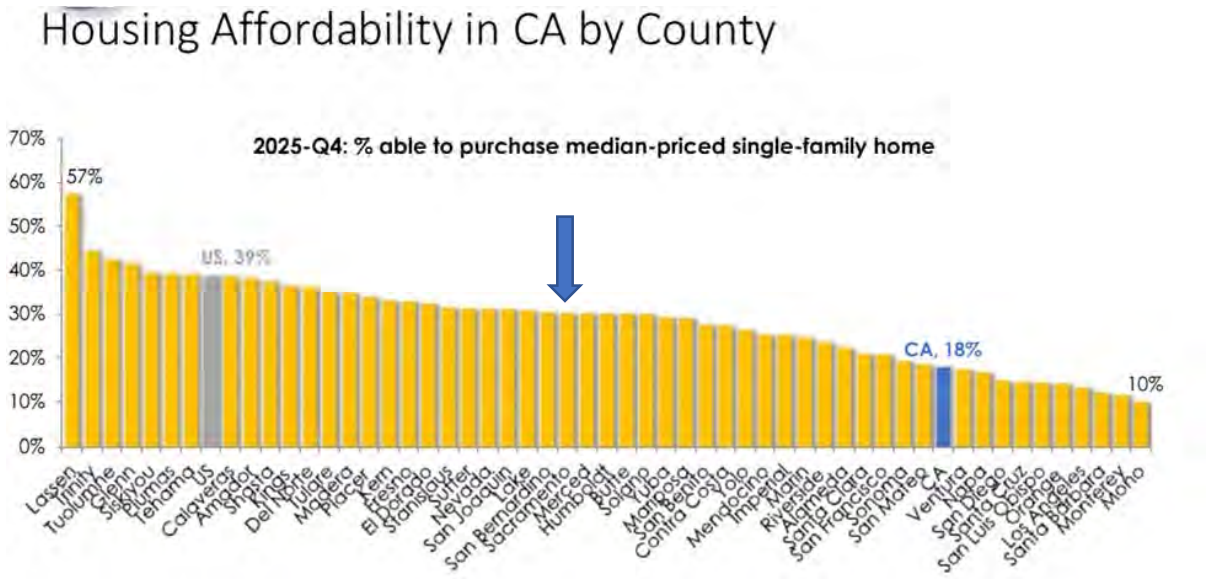
Key points from the Fourth-Quarter 2025 Housing Affordability report include:

- When compared to the previous quarter of 2025, housing affordability improved in the fourth quarter of 2025 in the vast majority of counties, declining in only three and unchanged in another three. Despite prices remaining near historical highs, 47 counties posted quarter-to-quarter affordability gains, driven by lower mortgage rates, higher incomes, and softer home prices. When compared to a year ago, affordability improved in 46 of 53 counties, while prices in seven counties either declined (three) or showed no improvement (four).

- Lassen (57 percent) remained the most affordable county in California, followed by Trinity (44 percent) and Tuolumne (43 percent), where roughly two out of five households could afford a median-priced home. Of all counties in California, Lassen continued to require the lowest minimum qualifying income at $56,000.

- Mono County (10 percent) was the least affordable county in the state, followed by Monterey and Santa Barbara (12 percent), each requiring a minimum income of at least $226,400. San Mateo remained the most expensive, with a minimum qualifying income of $507,600—the only county above $500,000 — followed by Santa Clara ($470,800) and San Francisco ($441,200).

- As borrowing costs eased late in the year, affordability improved across much of the state, though it remains historically tight. The largest year-over-year gains were in Trinity (+15 points), Humboldt (+8), and Glenn (+8), while affordability declined most in Lake (-5), Imperial (-4), and Napa (-1). Housing affordability in California stayed near its all-time low and continued to be a challenge for both buyers and sellers.



As noted, affordability is an issue in California with the home buyers' ability to pay. In order to isolate this element, the first step is to identify the required annual household income based on typical mortgage parameters. Specifically, this includes a loan-to-value ratio at 80% (down payment of 20%), mortgage interest rate of 6.25%, 30-year amortization, and a 32% ratio for the house costs as a percent of monthly income (inclusive of principal, interest, taxes, and insurance). Property taxes are based on the base tax rate of 1.1687%, direct levies at $404.42 per annum, and CFD charges from $152.35 to $301.82 per month. Revenues are based on current pricing as of the effective date of valuation. These calculations are shown in the Taxes and Special Assessments section of the Site Description of this report.

Based on these parameters, the following table shows the estimated annual household income required to afford homes for each specific project.

PROJECT	**SHOR**	**LAKELET**	**WATERSYDE**	**WAVMOR**	**CRESTVUE**	**BLEAU**	**DRIFTON**	**V14/20**
MIN LOT SIZE	**2,788 SF**	**3,690 SF**	**4,000 SF**	**4,500 SF**	**4,675 SF**	**5,000 SF**	**5,500 SF**	**3,690 SF**
Average Home Size (SF)	1,982 SF	2,232 SF	2,650 SF	2,484 SF	2,558 SF	2,776 SF	3,037 SF	1,640 SF
Average Price*	$589,419	$605,881	$686,052	$638,790	$655,479	$710,007	$761,129	$540,077
Loan % of Price (LTV)	80%	80%	80%	80%	80%	80%	80%	80%
Loan Amount	$471,535	$484,705	$548,842	$511,032	$524,383	$568,006	$608,903	$432,062
Interest Rate	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
Monthly Mortgage Payment**	$2,903.32	$2,984.41	$3,379.31	$3,146.51	$3,228.72	$3,497.31	$3,749.12	$2,660.28
Base Taxes (1.1687%) - Monthly	$574.04	$590.08	$668.16	$622.13	$638.38	$691.49	$741.28	$525.99
Direct Levies - Monthly	$33.69	$33.69	$33.69	$33.69	$33.69	$33.69	$33.69	$33.69
HOA	$90.00	$90.00	$90.00	$90.00	$90.00	$90.00	$90.00	$83.50
CFD Charges - Monthly	$192.49	$219.19	$249.59	$240.39	$272.41	$276.83	$301.82	$152.35
Insurance ***	$125.00	$125.00	$125.00	$125.00	$125.00	$125.00	$125.00	$125.00
TOTAL PITI	**$3,918.55**	**$4,042.37**	**$4,545.75**	**$4,257.72**	**$4,388.20**	**$4,714.32**	**$5,040.91**	**$3,580.81**
PITI as % of Income	32%	32%	32%	32%	32%	32%	32%	32%
Monthly Income	$12,245.46	$12,632.40	$14,205.46	$13,305.37	$13,713.13	$14,732.24	$15,752.83	$11,190.04
Annual Income	**$146,945**	**$151,589**	**$170,466**	**$159,664**	**$164,558**	**$176,787**	**$189,034**	**$134,280**
Rounded	**$147,000**	**$152,000**	**$170,000**	**$160,000**	**$165,000**	**$177,000**	**$189,000**	**$134,000**

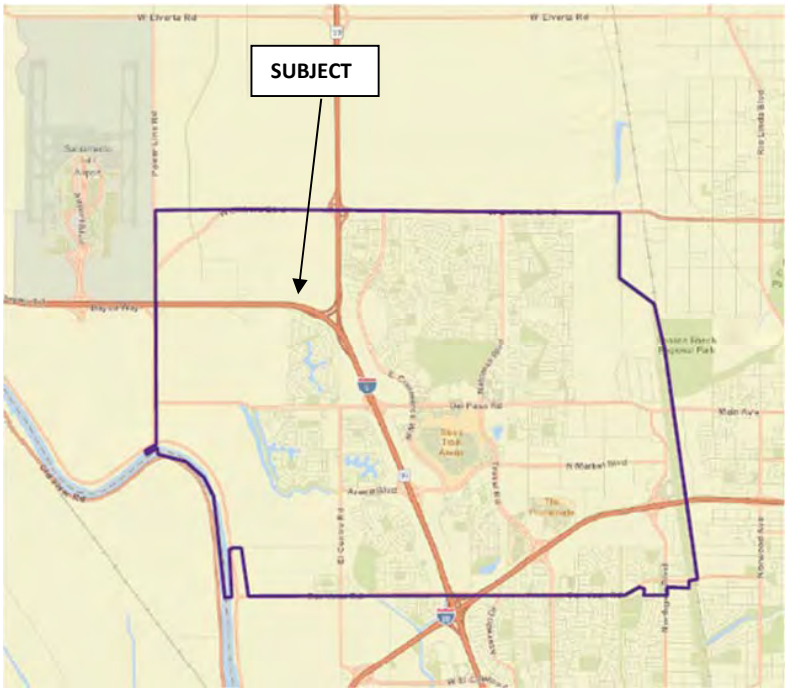
*Based on 30-Year Amtz. At 6.25%

**Based on annual premium of $1,500, includes flood insurance.

According to these calculations, annual income between $134,000 and $189,000 is required to have the ability to afford homes in the subject neighborhood. The overall project average is noted at $160,000 with overall calculations shown below.

PROJECT	**PROJECT**
MIN LOT SIZE	**4,230 SF**
Average Home Size (SF)	2,512 SF
Average Price*	$660,223
Loan % of Price (LTV)	80%
Loan Amount	$528,178
Interest Rate	6.25%
Monthly Mortgage Payment**	$3,252.08
Base Taxes (1.1687%) - Monthly	$643.00
Direct Levies - Monthly	$33.69
HOA	$90.00
CFD Charges - Monthly	$238.13
Insurance ***	$125.00
TOTAL PITI	**$4,381.91**
PITI as % of Income	32%
Monthly Income	$13,693.46
Annual Income	**$164,321**
Rounded	**$164,000**

Income data as developed from Claritas (Demographic based website) for zip codes 95834 and 95835 (North Natomas) was obtained. This is representative of typical buyers (based on income levels) for the subject property. The following map depicts these areas.



Income brackets, as well as the percentage of households with the ability to afford homes between $540,077 to $761,129, as well as the average indicators are shown below. Income is presented in terms of 2026 estimates as well as 2031 projections.

$540,077 HOME (Low)	2026 ESTIMATES			2031 PROJECTIONS		
(Min. Income $134,000)	PERCENT	PERCENT	HOUSEHOLDS	PERCENT	PERCENT	HOUSEHOLDS
HOUSEHOLD INCOME	OF HOUSEHOLDS	ABLE TO PAY	ABLE TO PAY	OF HOUSEHOLDS	ABLE TO PAY	ABLE TO PAY
<$15,000	4.4%	0%	0.0%	3.8%	0%	0.0%
$15,000 - $24,999	3.7%	0%	0.0%	3.2%	0%	0.0%
$25,000 - $34,999	3.7%	0%	0.0%	3.4%	0%	0.0%
$35,000 - $49,999	5.7%	0%	0.0%	4.8%	0%	0.0%
$50,000 - $74,999	10.0%	0.0%	0.0%	8.9%	0.0%	0.0%
$75,000 - $99,999	12.1%	0.0%	0.0%	10.2%	0.0%	0.0%
$100,000 - $124,999	14.7%	0.0%	0.0%	12.5%	0.0%	0.0%
$125,000 - $149,999	11.7%	50.0%	5.9%	12.1%	50.0%	6.0%
$150,000 - $199,999	12.9%	100.0%	12.9%	14.8%	100.0%	14.8%
$200,000 - $249,999	7.4%	100.0%	7.4%	8.9%	100.0%	8.9%
$250,000 - $499,999	8.9%	100.0%	8.9%	10.9%	100.0%	10.9%
>$500,000	4.7%	100.0%	4.7%	6.6%	100.0%	6.6%
TOTALS	**100.0%**		**39.8%**	**100.0%**		**47.3%**
Median Household Income		**$117,517**			**$131,549**	
Average Household Income		**$150,746**			**$169,711**	

$761,129 HOME (High)	2026 ESTIMATES			2031 PROJECTIONS		
(Min. Income $189,000)	PERCENT	PERCENT	HOUSEHOLDS	PERCENT	PERCENT	HOUSEHOLDS
HOUSEHOLD INCOME	OF HOUSEHOLDS	ABLE TO PAY	ABLE TO PAY	OF HOUSEHOLDS	ABLE TO PAY	ABLE TO PAY
<$15,000	4.4%	0%	0.0%	3.8%	0%	0.0%
$15,000 - $24,999	3.7%	0%	0.0%	3.2%	0%	0.0%
$25,000 - $34,999	3.7%	0%	0.0%	3.4%	0%	0.0%
$35,000 - $49,999	5.7%	0%	0.0%	4.8%	0%	0.0%
$50,000 - $74,999	10.0%	0.0%	0.0%	8.9%	0.0%	0.0%
$75,000 - $99,999	12.1%	0.0%	0.0%	10.2%	0.0%	0.0%
$100,000 - $124,999	14.7%	0.0%	0.0%	12.5%	0.0%	0.0%
$125,000 - $149,999	11.7%	0.0%	0.0%	12.1%	0.0%	0.0%
$150,000 - $199,999	12.9%	20.0%	2.6%	14.8%	20.0%	3.0%
$200,000 - $249,999	7.4%	100.0%	7.4%	8.9%	100.0%	8.9%
$250,000 - $499,999	8.9%	100.0%	8.9%	10.9%	100.0%	10.9%
>$500,000	4.7%	100.0%	4.7%	6.6%	100.0%	6.6%
TOTALS	**100.0%**		**23.7%**	**100.0%**		**29.4%**
Median Household Income		**$117,517**			**$131,549**	
Average Household Income		**$150,746**			**$169,711**	

According to income schedules noted above, the affordability ratio is 39.8% for homes priced at $540,077 and is projected to increase to 47.3% as of 2031. This rate drops for homes priced at $761,129 identified at 23.7%, increasing to 29.4% in 2031. On an overall basis, the average price point is $660,223. Essentially, this is for income levels at $164,000 and above. The total schedule of affordability based on the entire project is as follows.

$660,223 HOME (Average) (Min. Income $164,000) HOUSEHOLD INCOME	2026 ESTIMATES PERCENT OF HOUSEHOLDS	PERCENT ABLE TO PAY	HOUSEHOLDS ABLE TO PAY	2031 PROJECTIONS PERCENT OF HOUSEHOLDS	PERCENT ABLE TO PAY	HOUSEHOLDS ABLE TO PAY
<$15,000	4.4%	0%	0.0%	3.8%	0%	0.0%
$15,000 - $24,999	3.7%	0%	0.0%	3.2%	0%	0.0%
$25,000 - $34,999	3.7%	0%	0.0%	3.4%	0%	0.0%
$35,000 - $49,999	5.7%	0%	0.0%	4.8%	0%	0.0%
$50,000 - $74,999	10.0%	0.0%	0.0%	8.9%	0.0%	0.0%
$75,000 - $99,999	12.1%	0.0%	0.0%	10.2%	0.0%	0.0%
$100,000 - $124,999	14.7%	0.0%	0.0%	12.5%	0.0%	0.0%
$125,000 - $149,999	11.7%	0.0%	0.0%	12.1%	0.0%	0.0%
$150,000 - $199,999	12.9%	70.0%	9.0%	14.8%	70.0%	10.4%
$200,000 - $249,999	7.4%	100.0%	7.4%	8.9%	100.0%	8.9%
$250,000 - $499,999	8.9%	100.0%	8.9%	10.9%	100.0%	10.9%
>$500,000	4.7%	100.0%	4.7%	6.6%	100.0%	6.6%
TOTALS	**100.0%**		**30.1%**	**100.0%**		**36.8%**
Median Household Income		**$117,517**			**$131,549**	
Average Household Income		**$150,746**			**$169,711**	

The overall affordability ratio for this project generally falls between 23.7% to 39.8% of all households in zip codes 95834 and 95835. The average for the entire project is 30.1%. This is lower than has been identified in the past few years due to rising interest rates, which could slow sales rates of new homes in this area. Home builders have responded with higher concession levels including financing concessions in order to alleviate some of the burden to homebuyers in response to rising rates.

Affordability calculations were based on a pessimistic viewpoint with rates at elevated levels. There is potential for lower interest rates in the foreseeable future (6 to 12 months), which would escalate affordability ratios. As rates stabilize, the affordability rate is expected to rise as income levels are projected to increase in the next 5 years.

Looking forward, C.A.R. released their 2026 California Housing Market Forecast on September 17, 2025. California home sales and price are projected to increase as buyers and sellers return to the market, enticed by lower interest rates and better housing supply conditions.

- Existing, single-family home sales are forecast to total 274,400 units in 2026, an increase of 2 percent from 2025's projected sales pace of 269,000.

- California's median home price is forecast to rise 3.6 percent to $905,000 in 2026, following a projected 1.0 percent increase to $873,900 in 2025 from 2024's $865,400.

- Housing affordability is expected to inch up to 18 percent next year after edging up to a projected 17 percent in 2025 from 16 percent in 2024.

Following an essentially flat housing market in 2025, California home sales are forecast to inch up in 2026, with the median home price expected to reach a new projected record of $905,000, according to a housing and economic forecast released by C.A.R.

The baseline scenario of C.A.R.'s "2026 California Housing Market Forecast" sees an increase in existing single-family home sales of 2 percent next year to reach 274,400 units, up from the projected 2025 annual sales figure of 269,000. The projected 2025 figure is 0.1 percent lower compared with the pace of 269,200 homes sold in 2024.

The California median home price is forecast to rise 3.6 percent to $905,000 in 2026, following a projected 1 percent increase to $873,900 in 2025 from $865,400 in 2024. Despite softening home prices in recent months, lower interest rates and a slightly improved housing affordability environment will give room for prices to move up in the coming year.

"Home prices in California are expected to rise in 2026, but the growth pace will remain mild when compared to rates we've seen in past years," said C.A.R. President Heather Ozur, a Palm Springs REALTOR®. "For would-be buyers who sat out the competitive market during the past couple of years, that means more opportunities as inventory increases moderately and lending conditions become more favorable. Seller confidence will also improve as home prices stabilize, and demand begins to rise again next year after a slow 2025."

C.A.R.'s 2026 forecast predicts U.S. gross domestic product (GDP) growth rate to slow 1 percent in 2026, after a projected increase of 1.3 percent in 2025. With California's 2026 nonfarm job growth rising by 0.3 percent after climbing a projected 0.4 percent in 2025, the state's unemployment rate will increase to 5.8 percent in 2026 from 2025's projected rate of 5.6 percent and 5.3 percent in 2024.

Inflation will likely pick up in the next 12 months, but the annual average Consumer Price Index (CPI) for 2025 will dip slightly to 2.8 percent, before bouncing back up to an average of 3.0 percent next year. The average 30-year, fixed mortgage interest rate will moderate slightly to 6.6 percent in 2025 but will decline more solidly to 6.0 percent in 2026. While next year's projected average for the 30-year fixed mortgage interest rate will still be higher than the levels observed in the few years prior to the pandemic, it will be lower than the long-run average of nearly 8% in the past 50 years.

Housing supply in 2026 will continue to improve and will remain near pre-pandemic levels, with active listings up nearly 10% as market conditions and the lending environment continue to improve.

"As economic uncertainty begins to clear up in the next 12 months and mortgage rates start declining more consistently in the upcoming quarters, housing sentiment will see some improvement in 2026," said C.A.R. Senior Vice President and Chief Economist Jordan Levine. "However, mounting headwinds such as the ongoing trade tensions between the U.S. and its trading partners, the home insurance crisis, and a potential stock market bubble will remain challenges for the housing market in upcoming year," Levine continued.

Regional Housing Trends

The table below shows the median home pricing for the four-county region according to the California Association of Realtors, including comparisons from the past two years.

AREA ALL HOMES	MEDIAN PRICE MAR 2024	MEDIAN PRICE MAR 2025	MEDIAN PRICE MAR 2026	%Δ 24-26	%Δ 25-26
Yolo	$635,830	$615,000	$647,500	1.8%	5.3%
El Dorado	$677,000	$722,500	$659,000	-2.7%	-8.8%
Placer	$659,000	$665,000	$675,750	2.5%	1.6%
Sacramento	$530,000	$560,000	$550,000	3.8%	-1.8%
CALIFORNIA	**$854,490**	**$910,160**	**$889,190**	**4.1%**	**-2.3%**

Home prices in the Sacramento Region have fluctuated since 2024. Pricing is up in all regions except El Dorado County. California shows an increase of 4.1% over the same time frame. Changes are generally lower in the past 12 months with Placer and Yolo Counties reflecting positive gains. California is down 2.3% over the same time frame.

Current levels of inventory are changing and pricing is adjusting in the resale market. The following table shows the total number of homes sold in each county according to Metrolist since 2021. Home prices are shown in terms of median price.

COUNTY	2021	2022	2023	2024	2025	2026 YTD	ACTIVE*
Sacramento	19,344	15,142	11,314	12,045	12,027	3,776	**2,282**
Placer	7,006	5,615	4,618	4,978	5,022	1,565	**1,090**
El Dorado	3,329	2,502	1,894	1,948	2,077	643	**684**
Yolo	2,076	1,589	1,290	1,374	1,353	401	**280**
Totals	**31,755**	**24,848**	**19,116**	**20,345**	**20,479**	**6,385**	**4,336**
COUNTY	**2021**	**2022**	**2023**	**2024**	**2025**	**2026 YTD**	**ACTIVE**
Sacramento	$480,304	$520,000	$510,000	$530,100	$530,000	$525,000	**$569,925**
Placer	$625,000	$669,447	$642,375	$649,000	$650,000	$640,000	**$733,495**
El Dorado	$621,000	$650,000	$630,000	$654,000	$658,000	$695,000	**$694,000**
Yolo	$550,000	$600,000	$611,678	$609,420	$620,000	$600,000	**$667,000**
MEDIAN SF	**2021**	**2022**	**2023**	**2024**	**2025**	**2026 YTD**	**ACTIVE**
Sacramento	1,539	1,532	1,557	1,579	1,584	1,583	**1,738**
Placer	2,020	2,010	2,040	1,992	2,032	1,977	**2,247**
El Dorado	2,096	2,034	2,049	2,017	2,079	2,148	**2,173**
Yolo	1,607	1,633	1,741	1,709	1,739	1,694	**1,823**
MEDIAN $/SF	**2021**	**2022**	**2023**	**2024**	**2025**	**2026 YTD**	**ACTIVE**
Sacramento	$312.09	$334.67	$321.52	$331.56	$329.91	$328.31	**$326.73**
Placer	$309.41	$342.72	$329.71	$341.66	$337.06	$338.54	**$344.43**
El Dorado	$296.28	$324.71	$315.52	$324.82	$324.82	$325.01	**$332.53**
Yolo	$342.25	$364.49	$351.94	$354.95	$362.52	$344.91	**$397.46**

Source: Metrolist, Active information processed as of May 5, 2026.

According to this information, pricing is changing in 2026. The following table shows changes for each individual county, as well as total inventory of homes.

COUNTY	2025 PRICING	2026 PRICING	% CHANGE	ACTIVE INVENTORY	SALES RATE/ TOTAL INVENTORY
Sacramento	$530,000	$525,000	-0.9%	**2,282**	889/mo. – 2.6 months
Placer	$650,000	$640,000	-1.5%	**1,090**	368/mo. – 3.0 months
El Dorado	$658,000	$695,000	5.6%	**684**	160/mo. – 4.2 months
Yolo	$620,000	$600,000	-3.2%	**280**	83/mo. – 3.0 months
Totals				**4,336**	**1,502/mo. – 2.9 months**

Source: Metrolist, Active information processed as of May 5, 2026.

The median home price is mostly stable with only El Dorado County showing gains above 2025 levels. Inventory levels in the resale market are stable with 4,336 homes on the market as of May 5, 2026, representing approximately 2.9 months of inventory. This is based on the overall sales rate for 2026 (4.25 Months of Sale).

The housing market in the local area is examined. The North Natomas region has re-emerged as an entry-level and first move-up housing market. Local sales trends are examined for this property with the use of Metrolist. Information on the table below is predicated on information for Zip Codes 95834 and 95835. Sales trends are examined for this region since 2010 and noted on the following table.

YEAR	#	MEDIAN PRICE	MEDIAN SF	MEDIAN $/SF	% CHANGE	AVG. PRICE	AVG. SF	AVG. $/SF	% CHANGE
2010	1,324	$210,000	1,815	$115.70	--	$210,849	1,931	$109.19	--
2011	1,424	$180,000	1,792	$100.45	-13.2%	$187,872	1,901	$98.83	-9.5%
2012	1,427	$200,000	1,871	$106.89	6.4%	$202,946	1,981	$102.45	3.7%
2013	1,104	$250,500	1,796	$139.48	30.5%	$258,082	1,937	$133.24	30.1%
2014	1,041	$285,000	1,800	$158.33	13.5%	$292,407	1,922	$152.14	14.2%
2015	1,094	$304,750	1,796	$169.68	7.2%	$309,738	1,908	$162.34	6.7%
2016	1,178	$325,000	1,769	$183.72	8.3%	$336,130	1,919	$175.16	7.9%
2017	1,132	$355,000	1,800	$197.22	7.3%	$362,919	1,885	$192.53	9.9%
2018	1,320	$381,000	1,869	$203.85	3.4%	$386,525	1,939	$199.34	3.5%
2019	1,168	$385,000	1,802	$213.65	4.8%	$396,317	1,901	$208.48	4.6%
2020	1,135	$420,000	1,849	$227.15	6.3%	$429,104	1,915	$224.08	7.5%
2021	1,229	$519,000	1,811	$286.58	26.2%	$522,302	1,904	$274.32	22.4%
2022	923	$555,000	1,786	$310.75	8.4%	$561,405	1,873	$299.74	9.3%
2023	622	$522,000	1,764	$291.12	-6.3%	$536,346	1,855	$297.85	-0.6%
2024	626	$535,000	1,763	$299.13	2.7%	$543,388	1,840	$305.38	2.5%
2025	722	$530,000	1,763	$293.50	-1.9%	$536,981	1,863	$297.80	-2.5%
2026	247	$500,000	1,651	$294.55	0.4%	$513,852	1,785	$297.09	-0.2%
Active	198	$554,450	1,992	$289.54		$589,191	1,996	$301.22	

Source: Metrolist. YTD information as of May 5, 2026.

Residential values have escalated in the immediate area. This is measured through price per square foot characteristics. The main jump was from 2012 to 2013 as the median price increased 30.5% and the average price increased 30.1%. The median price increased from 3.4% to 13.5%, per annum since this time through the end of 2020. Average prices increased 3.5% to 14.2% over the same time frame. However, the market escalated again in 2021 with median pricing showing 26.2% year-over-year increases and average pricing showing 22.4% year-over-year increases. Pricing dropped in 2022 with rising interest rates. The median price per square foot dropped 6.3%, whereas the average price per square foot dropped 0.6%. Year-to-date indicators for 2026 show generally similar pricing to annualized levels noted in 2025.

The current inventory of homes on the market is 198 homes, which reflects 3.4 months of existing supply (the pace of sales to liquidate current inventory) based on the 2026 rate of sales. By way of comparison to the price points identified in the resale market, the following table summarizes current pricing for the subject project.

PROJECT	MIN LOT SIZE (SF)	AVERAGE BASE PRICE (NET)	AVERAGE SIZE (SF)	PRICE/SF
SHOR	2,788 SF	$589,419	1,982 SF	$297
LAKELET	3,690 SF	$605,881	2,232 SF	$271
WATERSYDE	4,000 SF	$686,052	2,650 SF	$259
WAVMORE	4,500 SF	$638,790	2,484 SF	$257
CRESTVUE	4,675 SF	$655,479	2,558 SF	$256
BLEAU	5,000 SF	$710,007	2,923 SF	$243
DRIFTON	5,500 SF	$761,129	3,037 SF	$251
WATERS EDGE (v14/20)	3,690 SF	$540,077	1,640 SF	$329
TOTALS	**4,230 SF**	**$660,223**	**2,412 SF**	**$263**

Price per square foot references for the subject project show an overall range from $243 to $329 per square foot. The overall project average is identified at $263 per square foot. While the average unit size is larger than noted for the resale market, the price per square foot references are consistent with current pricing showing indicators near $295 per square foot. The table on the following page shows current base prices as of the effective date of valuation.

PROJECT	# Units / Lot Size	BASE PRICE	CONCESSIONS	NET BASE PRICE	SF	$/SF
SHOR	193	$577,990	($22,821)	$555,169	1,774	$312.95
	2,788 SF	$597,990	($22,821)	$575,169	1,945	$295.72
		$628,990	($22,821)	$606,169	2,018	$300.38
		$643,990	($22,821)	$621,169	2,190	$283.64
AVERAGE		**$612,240**	**($22,821)**	**$589,419**	**1,982**	**$297**
LAKELET	173	$614,990	($35,776)	$579,214	2,114	$273.99
	3,690 SF	$644,990	($35,776)	$609,214	2,223	$274.05
		$664,990	($35,776)	$629,214	2,362	$266.39
AVERAGE		**$641,657**	**($35,776)**	**$605,881**	**2,233**	**$271**
WATERSYDE	153	$660,990	($21,938)	$639,052	2,307	$277.01
	4,000 SF	$664,990	($21,938)	$643,052	2,469	$260.45
		$715,990	($21,938)	$694,052	2,704	$256.68
		$738,990	($21,938)	$717,052	2,804	$255.72
		$758,990	($21,938)	$737,052	2,968	$248.33
AVERAGE		**$707,990**	**($21,938)**	**$686,052**	**2,650**	**$259**
WAVMOR	163	$631,990	($31,450)	$600,540	2,134	$281.42
	4,500 SF	$652,990	($31,450)	$621,540	2,394	$259.62
		$684,990	($31,450)	$653,540	2,620	$249.44
		$710,990	($31,450)	$679,540	2,786	$243.91
AVERAGE		**$670,240**	**($31,450)**	**$638,790**	**2,484**	**$257**
CRESTVUE	138	$600,990	($31,711)	$569,279	1,797	$316.79
	4,675 SF	$650,990	($31,711)	$619,279	2,268	$273.05
		$692,990	($31,711)	$661,279	2,679	$246.84
		$729,990	($31,711)	$698,279	2,869	$243.39
		$760,990	($31,711)	$729,279	3,178	$229.48
AVERAGE		**$687,190**	**($31,711)**	**$655,479**	**2,558**	**$256**
BLEAU	110	$670,990	($47,150)	$623,840	2,150	$290.16
	5,000 SF	$720,990	($47,150)	$673,840	2,727	$247.10
		$758,990	($47,150)	$711,840	2,977	$239.11
		$763,990	($47,150)	$716,840	3,046	$235.34
		$786,990	($47,150)	$739,840	3,180	$232.65
		$840,990	($47,150)	$793,840	3,460	$229.43
AVERAGE		**$757,157**	**($47,150)**	**$710,007**	**2,923**	**$243**
DRIFTON	108	$672,990	($28,361)	$644,629	2,282	$282.48
	5,500 SF	$767,990	($28,361)	$739,629	2,964	$249.54
		$786,990	($28,361)	$758,629	3,104	$244.40
		$824,990	($28,361)	$796,629	3,135	$254.11
		$836,990	($28,361)	$808,629	3,312	$244.15
		$846,990	($28,361)	$818,629	3,425	$239.02
AVERAGE		**$789,490**	**($28,361)**	**$761,129**	**3,037**	**$251**
Water's Edge V14/20	139	$541,990	($24,413)	$517,577	1,454	$355.97
	3,690 SF	$553,990	($24,413)	$529,577	1,568	$337.74
		$566,990	($24,413)	$542,577	1,631	$332.67
		$594,990	($24,413)	$570,577	1,907	$299.20
AVERAGE		**$564,490**	**($24,413)**	**$540,077**	**1,640**	**$329**

New Home Characteristics

The average price of a new home ranges from $520,840 (Yuba County) to $940,358 (El Dorado County) in the Sacramento region by the end of 1st Quarter 2026. According to the Gregory Group (New Housing Trends), 1st Quarter 2026, the historic average pricing for the Sacramento region is identified on the following table.

COUNTY	1Q 2024	1Q 2025	1Q 2026	%Δ 24-26	%Δ 25-26
El Dorado County	$969,494	$890,204	$940,358	-3.0%	5.6%
Placer County	$792,792	$799,150	$781,289	-1.4%	-2.2%
Sacramento County	$683,456	$682,694	$664,570	-2.7%	-2.7%
Sutter County	$601,936	$696,000	$566,422	-5.9%	4.5%
Yolo County	$648,964	$588,732	$727,545	32.5%	-3.8%
Yuba County	$512,338	$541,282	$520,840	1.6%	-2.9%
REGIONWIDE	**$663,990**	**$668,993**	**$657,990**	**-0.9%**	**-1.6%**

Pricing changes from 2024 to 2026 (1st quarter), as well as changes over the past year are identified on the table above. This information shows that pricing has decreased in the entire region by 0.9% since the 1st Quarter of 2024 through the 1st Quarter of 2026. The region appears to be stable in terms of pricing as indicated by the year-over-year change in new home pricing at (-1.6%) on an overall basis.

Altogether, there were 8,099 new homes sold in the Sacramento region during 2021. However, with inflationary pressures and rising interest rates in 2022, and total sales dropped to 5,568 in 2022. However, in 2023 total sales increased to 7,019, and in 2024 total sales are identified 8,044. Sales decreased in 2025 to a total of 6,665 sales. These elements are identified as follows.

COUNTY	2021	2022	2023	2024	2025	2026 QTD
El Dorado County	358	228	271	268	256	51
Placer County	2,958	2,170	2,571	2,268	2,033	540
Sacramento County	3,859	2,557	3,351	4,441	3,531	996
Sutter County	102	53	33	82	94	39
Yolo County	432	196	434	518	199	40
Yuba County	390	364	359	467	552	114
REGIONWIDE	**8,099**	**5,568**	**7,019**	**8,044**	**6,665**	**1,780**

Source: The Gregory Group, 1st Quarter 2026

The subject property is located in the Sacramento County market area. New home sales dropped 20.5% in the past year as the market retreated back to levels identified between 2022 and 2024.
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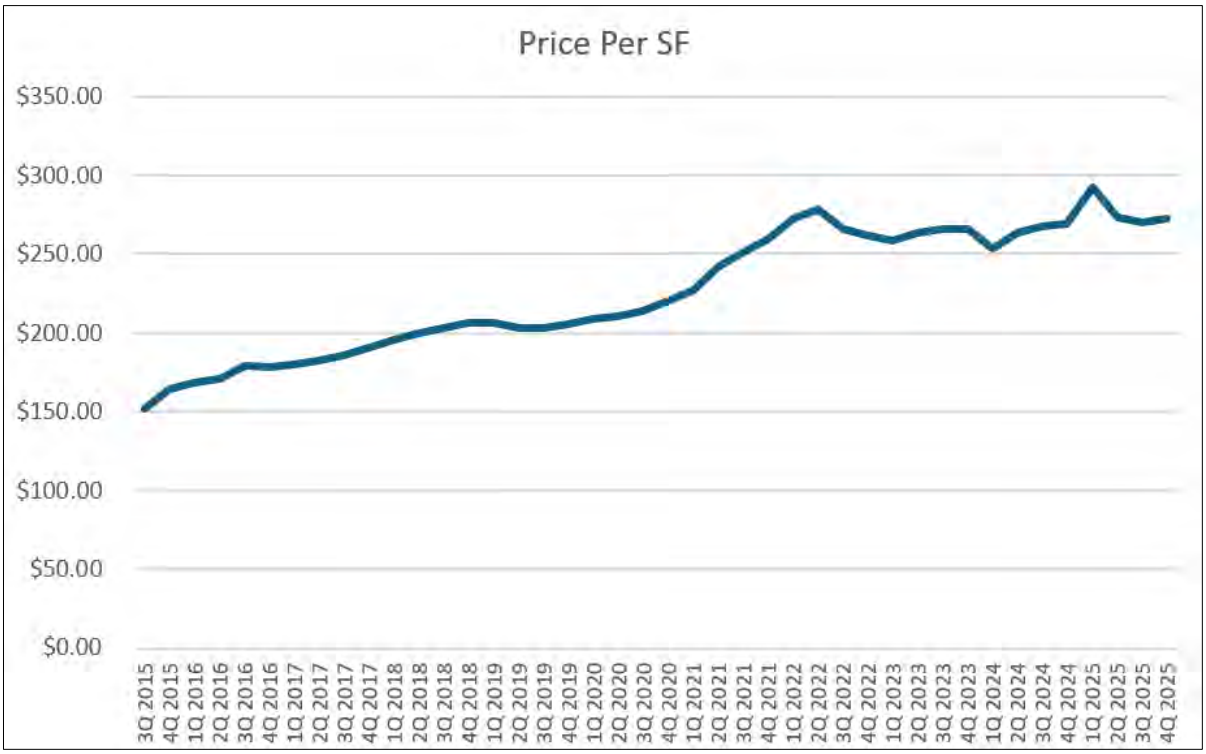
Historically, the Natomas area has captured between 7.7% and 11.0% of all new home sales in the Sacramento region between 2020 and 2023. This dropped in 2024 to 3.6% in 2024 and 5.2% in 2025 based on sales information through the 1st quarter of 2026. First quarter 2026 shows an overall percentage at 6.3%. This is a function of available projects in this region as of the effective date of valuation as this community is nearing build-out.

Natomas New Home Trends

In addition, the North Natomas area includes 16 new home developments. According to information compiled by The Gregory Group (1Q 2026), these projects demonstrate an average net price of $638,755 with the average square footage identified at 2,416 square feet. The following table shows historic information for North Natomas based on information compiled by The Gregory Group dating back to 3Q 2015. This time frame is most applicable due to the lack of building caused by the flood zone elements discussed above.



Quarter	Number of Projects	Average Lot Size (SF)	Average Home Size (SF)	Average Net Price	Price Per SF	Quarterly Sold	Unsold Inventory	Unoffered Inventory	Abs. Rate Quarterly	Abs. Rate 12-Month
3Q 2015	3	3,533	2,194	$334,120	$152.29	30	11	146	3.1/Mo.	7.7/Mo.
4Q 2015	10	3,597	1,997	$327,724	$164.11	98	72	781	3.0/Mo.	6.2/Mo.
1Q 2016	10	3,442	1,997	$335,853	$168.18	123	40	690	3.8/Mo.	4.5/Mo.
2Q 2016	10	3,597	1,934	$331,005	$171.15	107	48	682	3.3/Mo.	4.3/Mo.
3Q 2016	14	3,382	1,892	$339,602	$179.49	123	71	1,103	2.7/Mo.	3.2/Mo.
4Q 2016	15	3,333	1,913	$340,802	$178.15	156	127	1,174	3.2/Mo.	4.1/Mo.
1Q 2017	16	3,511	1,935	$348,587	$180.15	211	86	1,084	4.0/Mo.	4.1/Mo.
2Q 2017	19	3,604	1,992	$363,310	$182.38	344	74	925	5.6/Mo.	4.5/Mo.
3Q 2017	21	3,857	2,019	$375,039	$185.75	249	185	733	3.6/Mo.	4.3/Mo.
4Q 2017	21	3,792	1,983	$378,995	$191.12	214	113	803	3.1/Mo.	3.9/Mo.
1Q 2018	22	3,757	1,972	$386,736	$196.11	252	102	852	3.5/Mo.	4.1/Mo.
2Q 2018	20	3,435	1,962	$391,823	$199.71	227	99	721	3.5/Mo.	4.2/Mo.
3Q 2018	20	3,356	1,964	$399,011	$203.16	236	104	585	3.6/Mo.	4.1/Mo.
4Q 2018	22	3,439	1,915	$396,024	$206.80	162	168	598	2.3/Mo.	3.8/Mo.
1Q 2019	23	3,421	1,921	$397,492	$206.92	229	186	435	3.1/Mo.	3.7/Mo.
2Q 2019	21	3,491	1,950	$396,855	$203.52	282	132	927	4.1/Mo.	4.1/Mo.
3Q 2019	21	3,071	2,018	$409,411	$202.88	245	144	716	3.6/Mo.	3.8/Mo.
4Q 2019	19	3,067	1,957	$402,341	$205.59	161	136	886	2.6/Mo.	3.4/Mo.
1Q 2020	20	3,154	1,950	$407,195	$208.82	260	147	1,054	4.0/Mo.	3.4/Mo.
2Q 2020	18	3,038	1,898	$400,034	$210.77	170	132	1,044	2.9/Mo.	3.3/Mo.
3Q 2020	17	3,096	1,866	$399,525	$214.11	260	55	955	4.1/Mo.	4.0/Mo.
4Q 2020	13	3,050	1,837	$404,813	$220.37	179	55	888	4.2/Mo.	4.1/Mo.
1Q 2021	20	3,825	2,184	$496,069	$227.14	281	45	1,848	4.3/Mo.	4.7/Mo.
2Q 2021	19	3,927	2,231	$540,511	$242.27	237	33	1,633	3.8/Mo.	4.1/Mo.
3Q 2021	18	3,983	2,252	$565,987	$251.33	195	22	1,449	3.3/Mo.	3.8/Mo.
4Q 2021	17	4,065	2,300	$596,465	$259.33	90	26	1,263	3.3/Mo.	3.7/Mo.
1Q 2022	16	4,065	2,365	$644,454	$272.50	222	49	1,018	3.9/Mo.	4.3/Mo.
2Q 2022	16	4,065	2,365	$658,450	$278.41	138	65	831	3.7/Mo.	2.6/Mo.
3Q 2022	16	4,065	2,365	$629,226	$266.06	64	74	759	3.4/Mo.	1.2/Mo.
4Q 2022	16	4,065	2,365	$620,025	$262.17	55	90	690	2.9/Mo.	2.5/Mo.
1Q 2023	15	4,250	2,396	$619,787	$258.68	173	535	72	3.8/Mo.	2.4/Mo.
2Q 2023	14	4,250	2,433	$640,611	$263.30	159	378	55	3.8/Mo.	2.7/Mo.
3Q 2023	13	4,250	2,482	$659,527	$265.72	109	290	34	2.8/Mo.	3.1/Mo.
4Q 2023	12	4,250	2,519	$670,421	$266.15	100	282	29	2.8/Mo.	3.8/Mo.
1Q 2024	10	3,911	2,505	$636,019	$253.90	71	23	1,163	2.4/Mo.	2.9/Mo.
2Q 2024	9	3,921	2,455	$647,884	$263.90	63	26	1,236	2.3/Mo.	3.4/Mo.
3Q 2024	9	3,921	2,455	$657,242	$267.72	86	30	1,146	3.2/Mo.	2.8/Mo.
4Q 2024	10	3,818	2,416	$650,698	$269.33	70	81	1,104	2.3/Mo.	2.9/Mo.
1Q 2025	10	3,818	2,393	$700,135	$292.58	75	69	1,041	2.5/Mo.	2.9/Mo.
2Q 2025	13	3,983	2,410	$659,354	$273.59	71	81	1,287	1.8/Mo.	2.9/Mo.
3Q 2025	14	3,927	2,386	$644,961	$270.31	114	80	1,242	2.7/Mo.	2.6/Mo.
4Q 2025	14	3,927	2,374	$646,712	$272.41	88	66	1,170	2.1/Mo.	2.5/Mo.
1Q 2026	16	4,061	2,416	$638,755	$264.39	113	106	1,137	2.1/Mo.	2.3/Mo.

The Natomas submarket has re-emerged as a primary housing area of the Sacramento region. Net pricing dropped in 3Q 2022 as the result of average incentives at $21,172 per project, however pricing in 4Q 2023 increased to an average net price of $670,421. This dropped slightly in Q1 2024 and increased by Q1 2025 to $700,135. This dropped slightly in Q4 2025. In addition, inventory levels increased in the past quarter as the subject property (Phase 2 – Northlake) were included in the individual projects.

Total sales in this region, measured relative to Sacramento County, as well as the entire region are noted on the following table. This is based on information provided by the Gregory Group.

Quarter	Quarterly Sold (Natomas)	Quarterly Sold (Sacramento County)	Capture %	Quarterly Sold (Sacramento Region)	Capture %
3Q 2015	30	349	8.6%	805	3.7%
4Q 2015	98	494	19.8%	1,049	9.3%
TOTALS	**128**	**843**	**15.2%**	**1,854**	**6.9%**
1Q 2016	123	638	19.3%	1,352	9.1%
2Q 2016	107	555	19.3%	1,329	8.1%
3Q 2016	123	576	21.4%	1,207	10.2%
4Q 2016	156	558	28.0%	1,199	13.0%
TOTALS	**509**	**2,327**	**21.9%**	**5,087**	**10.0%**
1Q 2017	211	667	31.6%	1,541	13.7%
2Q 2017	344	896	38.4%	1,966	17.5%
3Q 2017	249	492	50.6%	1,053	23.6%
4Q 2017	214	485	44.1%	113	189.4%
TOTALS	**1,018**	**2,540**	**40.1%**	**4,673**	**21.8%**
1Q 2018	252	697	36.2%	1,448	17.4%
2Q 2018	227	693	32.8%	1,514	15.0%
3Q 2018	236	764	30.9%	1,290	18.3%
4Q 2018	162	520	31.2%	982	16.5%
TOTALS	**877**	**2,674**	**32.8%**	**5,234**	**16.8%**
1Q 2019	229	770	29.7%	1,457	15.7%
2Q 2019	282	960	29.4%	1,698	16.6%
3Q 2019	245	755	32.5%	1,428	17.2%
4Q 2019	161	735	21.9%	1,413	11.4%
TOTALS	**917**	**3,220**	**28.5%**	**5,996**	**15.3%**
1Q 2020	260	944	27.5%	1,846	14.1%
2Q 2020	170	634	26.8%	1,333	12.8%
3Q 2020	226	1,068	21.2%	2,243	10.1%
4Q 2020	179	1,239	14.4%	2,368	7.6%
TOTALS	**835**	**3,885**	**21.5%**	**7,790**	**10.7%**
1Q 2021	281	1,173	24.0%	2,676	10.5%
2Q 2021	237	1,015	23.3%	2,143	11.1%
3Q 2021	195	747	26.1%	1,473	13.2%
4Q 2021	181	924	19.6%	1,807	10.0%
TOTALS	**894**	**3,859**	**23.2%**	**8,099**	**11.0%**
1Q 2022	222	1,164	19.1%	2,356	9.4%
2Q 2022	138	744	18.5%	1,580	8.7%
3Q 2022	64	296	21.6%	792	8.1%
4Q 2022	55	353	15.6%	840	6.5%
TOTALS	**479**	**2,557**	**18.7%**	**5,568**	**8.6%**
1Q 2023	173	745	23.2%	1,782	9.7%
2Q 2023	159	945	16.8%	1,910	8.3%
3Q 2023	109	867	12.6%	1,929	5.7%
4Q 2023	100	794	12.6%	1,398	7.2%
TOTALS	**541**	**3,351**	**16.1%**	**7,019**	**7.7%**
1Q 2024	71	1,220	5.8%	2,355	3.0%
2Q 2024	63	999	6.3%	2,008	3.1%
3Q 2024	86	1,285	6.7%	2,067	4.2%
4Q 2024	70	937	7.5%	1,614	4.3%
TOTALS	**290**	**4,441**	**6.5%**	**8,044**	**3.6%**
1Q 2025	75	958	7.8%	1,889	4.0%
2Q 2025	71	713	10.0%	1,389	5.1%
3Q 2025	114	906	12.6%	1,630	7.0%
4Q 2025	88	954	9.2%	1,757	5.0%
TOTALS	**348**	**3,531**	**9.9%**	**6,665**	**5.2%**
1Q 2026	113	996	11.3%	1,780	6.3%

The Natomas sub-market has shown annualized sales between 479 and 1,018 sales per annum since 2016. Data for 2015 is based on two quarters and reflects the time period when building commenced in the region after several years of no activity. Sales for 2021 show 894 total sales, which dropped in 2022 to 479 sales. Information for 2025 shows 348 sales. However, this is primarily due to the sales of most homes in Northlake Phase 1. This portion of the project generally north of the subject is nearing build out, as well as the entire Natomas sub-market with the exception of Panhandle. It is noted that the master developer renamed the entire community Northlake, whereas final map references still identify the project as Greenbriar.

Construction has commenced in Northlake Phase 2 (Subject Property). This is synonymous with the subject property identified as Greenbriar Phase 2. Model homes are completed and vertical improvements are under construction as 439 homes have sold with an additional 191 lots owned by Lennar Homes of California, LLC.

Sales in the Northlake project are following suit. Initial homes for Northlake (Greenbriar Improvement Area 1) which include 1,137 homes commenced offering sales in January 2021. Through 1Q 2026, 1,472 homes sold in the project, which equates to an average absorption of 3.0 sales per month, per project (8 total). The following table summarizes sales activity in this community. Current pricing is reported as of the effective date of valuation.

Project	LOT SIZE (SF)	PLAN SIZE (SF)	AVG. INCENTIVES	NET BASE PRICE	TOTAL PLANNED	TOTAL SOLD	INVENTORY	AVERAGE
Bleau	5,000 SF	2,150 - 3,460	$47,150	$623,840 - $793,840	348	258	90	3.8/Mo.
Crestvue	4,675 SF	1,797 - 3,178	$31,711	$569,279 - $729,279	235	166	69	2.4/Mo.
Drifton	5,500 SF	2,282 - 3,425	$28,361	$644,629 - $818,629	236	174	62	2.6/Mo.
Lakelet	3,690 SF	2,114 - 2,362	$35,776	$579,214 - $629,214	307	211	96	3.1/Mo.
Shor	2,788 SF	1,774 - 2,190	$22,821	$555,169 - $621,169	337	206	131	3.0/Mo.
Waters Edge (V14/20)	3,690 SF	1,454 - 1,907	$24,413	$517,577 - $570,577	139	65	74	2.8/Mo.
Watersyde	4,000 SF	2,307 - 2,968	$21,938	$639,052 - $737,052	276	195	81	2.9/Mo.
Wavmor	4,500 SF	2,134 - 2,786	$31,450	$600,540 - $679,540	320	197	123	2.9/Mo.
TOTALS					**2,198**	**1,472**	**726**	**3.0/Mo.**

Overall pricing of homes in this project ranges from $517,577 to $818,629. All of these projects are well received, which bodes well for the subject lots as they will reflect a continuation of these existing projects. Concession levels identified are at higher levels, but sufficient to keep ongoing rates of sale. It is noted that tables noted above exclude the ALTA project, which was only offered in Phase 1 of Northlake.

SUPPLY CONSTRAINTS

The development of the subject project, adjacent to Metro Air Park is one of the larger development sites in the region. As the recession and levee reconstruction slowed the pace of development, leftover existing home sites (finished lots that were unbuilt on as a result of the 2008 housing depression) were gradually reintroduced to the market and absorbed by homebuilders. The majority of these projects have sold out. While there are several projects that will be selling homes concurrently with the subject project, the Natomas sub-market has the ability to reach even greater sales.

The first potential element of supply is the remaining lots in existing projects. This is allocated among projects outside of Northlake, as well as the individual projects within the Northlake community based on information as of 1Q 2026.

PROJECT	# OF LOTS	TOTAL SOLD	INVENTORY	PROJECT TYPE	LOT SIZE	#LOTS SHORT-TERM
NATOMAS PROJECTS						
Ashville	114	28	86	Detached	3,600 SF	86
Bridgeport	139	17	122	Detached	4,500 SF	122
Durham	76	11	65	Detached	5,500 SF	65
Terrace Park	79	38	41	Detached	2,888 SF	41
Northpointe Reserve	48	23	25	Detached	1,449 SF	25
The Cottages	68	4	64	Detached	3,200 SF	64
TOTALS - NATOMAS PROJECTS	**524**	**121**	**403**			**403**
NORTHLAKE PROJECTS						
Alta	116	116	0	Detached	6,600 SF	0
Bleau	348	258	90	Detached	5,000 SF	90
Crestvue	235	166	69	Detached	4,675 SF	69
Drifton	236	174	62	Detached	5,500 SF	62
Lakelet	307	211	96	Detached	3,690 SF	96
Shor	337	206	131	Detached	2,788 SF	131
Waters Edge	139	71	74	Detached	3,690 SF	74
Watersyde	276	195	81	Detached	4,000 SF	81
Wavmor	320	197	123	Detached	4,500 SF	123
TOTALS - NORTHLAKE PROJECTS	**2,314**	**1,594**	**726**			**726**
OVERALL TOTALS	**2,838**	**1,715**	**1,129**			**1,129**

Currently, total supply as of 1Q 2026 is comprised of 1,129 lots in existing projects. This includes 726 lots which comprise the subject of this report. The remaining 403 lots are in Natomas Projects outside Northlake.

Long-term, there are a several lots identified for future development in Natomas. Within the greater subject market area, there are a total of 30,530 planned units on 10,078.7 acres (a density of 3.0 units per acre) and not including the subject project. A total of 29,330 of these units (96.1% of the total) are in four, not yet selling, major planned communities; Upper Westside, Sutter Pointe, Innovation District and Life District. Some of the surveyed communities may offer homes soon (two to five years), but most of these units will take many years (more than five years) before a first phase of development occurs. They include the following:

Project Name	Developer/Owner	Location	Number Of Units	Acres	Density	Comments
Upper Westside	Upper Westside LLC	Natomas	9,356	2,066.0	4.5	Project is in planning and has recently undergone a recirculated draft EIR, waiting Specific Plan Approval. Development is many years in the future. Project is located west of Interstate 80 at West El Camino Avenue.
Sutter Pointe	Various	Sutter County	17,500	7,528.2	2.3	Project has Specific Plan Approval. Development is several years in the future and will be over a 20 - 30 year build out. Infrastructure may begin in 2026. Project is located in southern Sutter County west of Placer County and north of the City of Sacramento and Sacramento County.
Panhandle	Various	Natomas	952	345.7	2.8	Project has Approval. 671 units (not a part of the 952 units) are currently being developed by Risewell Homes (343 units) and Meritage Homes (328 units). Project is located north of Del Paso Road and west of Sorento Road.
Valley View	Avdis Property	Natomas	248	41.4	6.0	Project is in the planning stages and is located east of the Panhandle project.
Innovation District	Sacramento Kings Ownership Group	Natomas	1,228	25.2	48.7	Project is in the planning stages and also includes 35,000 square feet of retail and 180,000 square feet of office space.
The Life District	Sacramento Kings Ownership Group	Natomas	1,246	72.2	17.3	Project is in the planning stages and also includes 15,000 square feet of retail, 120,000 square feet of office space and 120,000 square feet of hotel/commercial space.
		Averages/Totals:	30,530	10,078.7	3.0	

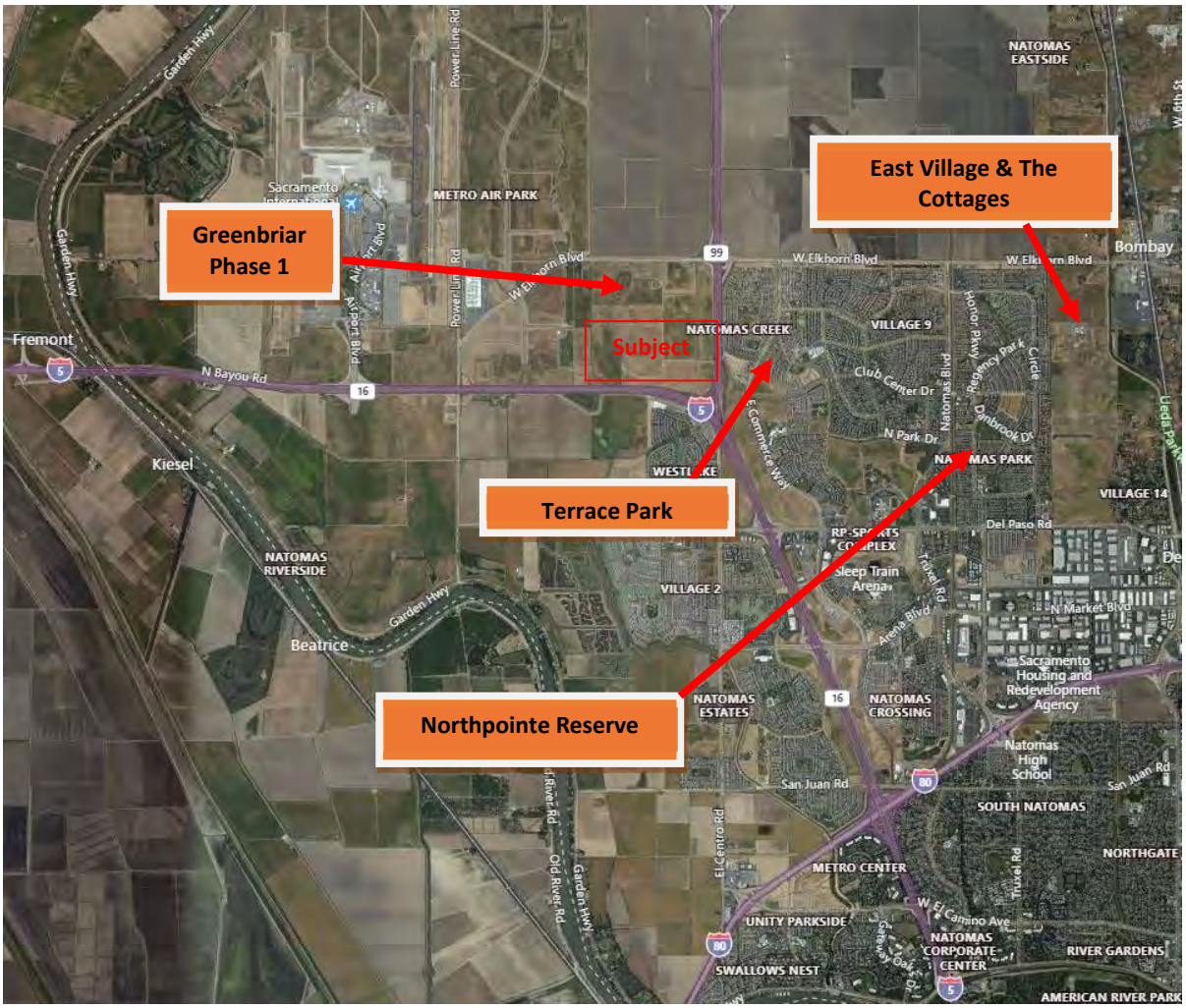
The immediate area includes approximately 30,530 potential lots for future, long-term development.

The Upper Westside project is not close to development in the immediate future and could take several years prior to an initial phase brought to market. Still, over 50% of the units in this project are high density or very high density. Sutter Pointe is beyond the development horizon of the subject and not a competitor to this project. Both Innovation District and Life District are in the planning stages and a few years out for development activity. These projects offer a higher density lifestyle, not highly competitive to the subject. The most viable projects which could provide competition to the subject include the 952 units in Panhandle.

Overall, supply elements show long term potential growth for the Natomas sub-market. Supply elements appear in balance with demand generators as of the effective date of valuation. While there are numerous lots in the immediate horizon, the subject has advantageous position of being the second phase of a very successful community.

EXISTING DEMAND

The competitive market area for the subject property is noted from current projects offering homes for sale in the Natomas sub-market. As noted earlier in this section, The Gregory Group identified 14 projects in this sub-market. This includes the Ashville, Bridgeport, and Durham Projects by Meritage Homes, Terrace Park by Tri Pointe Homes, and The Cottages by Risewell Homes. The remaining projects includes two projects in Northlake Phase 1, as well as Northpointe Reserve, which opened for sale in April 2024. The overall proximity of these projects relative to the subject property is identified as follows.


Greenbriar Phase 1
East Village & The Cottages
Subject
Terrace Park
Northpointe Reserve
NATOMAS EASTSIDE
METRO AIR PARK
Sacramento International
Power Line Rd
W Elkhorn Blvd
Bombay
NATOMAS CREEK
VILLAGE 9
Fremont
N Bayou Rd
Kiesel
NATOMAS RIVERSIDE
Beatrice
Garden Hwy
WESTLAKE
Club Center Dr
N Park Dr
NATOMAS PARK
VILLAGE 14
Del Paso Rd
RP SPORTS COMPLEX
Sleep Train Arena
VILLAGE 2
N Market Blvd
Sacramento Housing and Redevelopment Agency
NATOMAS ESTATES
NATOMAS CROSSING
Natomas High School
San Juan Rd
SOUTH NATOMAS
NORTHGATE
METRO CENTER
UNITY PARKSIDE
NATOMAS CORPORATE CENTER
RIVER GARDENS
SWALLOWS NEST
AMERICAN RIVER PARK

COMPETING PROJECTS

Project 1 – Bleau

Project 2 – Crestvue

Project 3 – Drifton

Project 4 –Lakelet

Project 5 – Shor

Project 6 – Water Edge (V14/20)

COMPETING PROJECTS

Project 7 – Watersyde

Project 8 – Wavmor

Project 9 – Ashville

Project 10 – Bridgeport

Project 11 – Durham

Project 12 – Terrace Park

COMPETING PROJECTS

Project 13 – Northpointe Reserve

Project 14 – Cottages

PROJECT 1 – BLEAU

This is a large lot project in the Northlake MPC by Lennar Homes. It opened for sale in January 2021. Current pricing characteristics as provided from the Gregory Group (1st Quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	**Bleau**
Region	Sacramento
County	Sacramento
Community	Natomas
Master Plan	Northlake
Age Restricted	No
Project Phone	(916) 304-9711
Sales Office Hours	N/A
GPS Coordinates	**N** : 38.683199 **W** : 121.546483
Cross Street	
Finished Lots	N/A

AT A GLANCE

Average Price	$757,157	**Qtr Sold**	6
Average Sq Ft	2,923	**Qtr WSR**	0.46
Total Inventory	90	**Tot WSR**	0.96
Standing Inventory	0	**Avg Incentives**	$47,150
Open Date	01/23/21	**Survey Date**	4/1/26
Developer Name	Lennar Homes	**Special Tax per Month**	$278.00
Developer Phone		**HOA per Month**	$88.00
Product Type	Detached	**Broker Coop**	0
Type Description	Traditional	**Special Incentives**	$0
Lot Size	5,000	**Project Density**	
Lot Dimension	50 x 100	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	2,150	$670,990	$312.09	$47,150	$623,840	$290.16	4	3	1	2	None
	2,727	$720,990	$264.39	$47,150	$673,840	$247.10	4	3	2	2	Bonus
	2,977	$758,990	$254.95	$47,150	$711,840	$239.11	4	3	2	2	Loft
	3,046	$763,990	$250.82	$47,150	$716,840	$235.34	5	3	2	3	Loft
	3,180	$786,990	$247.48	$47,150	$739,840	$232.65	4	2.5	2	3	Loft
	3,460	$840,990	$243.06	$47,150	$793,840	$229.43	5	4	2	2	NGen, Loft

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	348	267	258	6	90	81	9		0.96	0.46	$757,157	-0.66
Qtr 4/25	348	256	251	1	97	92	5		0.98	0.08	$762,190	4.55
Qtr 3/25	348	250	250	1	98	98	0		1.02	0.08	$728,990	0.00
Qtr 2/25	348	250	249	10	99	98	1		1.08	0.77	$728,990	-10.87
Qtr 1/25	348	249	239	10	109	99	10	5	1.10	0.77	$817,911	9.62
Qtr 4/24	348	230	229	0	119	118	1	5	1.12	0.00	$746,157	0.00
Qtr 3/24	348	230	229	38	119	118	1	10	1.19	2.92	$746,157	0.00
Qtr 2/24	348	193	191	28	157	155	2	10	1.07	2.15	$746,157	5.72
Qtr 1/24	348	166	163	18	185	182	3	15	0.98	1.38	$705,790	-7.13
Qtr 4/23	245	148	145	18	100	97	3	5	0.95	1.38	$759,990	1.06
Qtr 3/23	245	130	127	15	118	115	3	20	0.91	1.15	$751,990	0.00
Qtr 2/23	245	121	112	14	133	124	9	25	0.88	1.08	$751,990	0.00
Qtr 1/23	245	106	98	13	147	139	8	20	0.86	1.00	$751,990	6.52
Qtr 4/22	245	89	85	6	160	156	4	20	0.84	0.46	$705,990	-6.09
Qtr 3/22	236	86	79	1	157	150	7	15	0.90	0.08	$751,740	0.13
Qtr 2/22	235	80	78	9	157	155	2	10	1.05	0.69	$750,740	2.28
Qtr 1/22	235	70	69	19	166	165	1	5	1.13	1.46	$733,990	5.50
Qtr 4/21	235	51	50	9	185	184	1	5	1.02	0.69	$695,740	4.74
Qtr 3/21	235	41	41	18	194	194	0	5	1.17	1.38	$664,240	0.00

This project includes 348 lots typically 5,000 square feet and reflects a traditional configuration. The total lot count includes those identified for this product line in Phase 2 of Northlake (subject property). Absorption based on the total rate of sales is 3.8 sales per month, with lower absorption in the past quarter at 1.8 sales per month. Most recent pricing is from $623,840 to $793,840, net of $47,150 in concessions.

PROJECT 2 – CRESTVUE

This is a large lot project in the Northlake MPC by Lennar Homes. It opened for sale in January 2021. Current pricing characteristics as provided from the Gregory Group (1st Quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	Crestvue
Region	Sacramento
County	Sacramento
Community	Natomas
Master Plan	Northlake
Age Restricted	No
Project Phone	N/A
Sales Office Hours	N/A
GPS Coordinates	N : 38.685250 W : 121.552150
Cross Street	
Finished Lots	N/A

AT A GLANCE

Average Price	$687,190	**Qtr Sold**	9
Average Sq Ft	2,558	**Qtr WSR**	0.69
Total Inventory	69	**Tot WSR**	0.61
Standing Inventory	0	**Avg Incentives**	$31,711
Open Date	01/23/21	**Survey Date**	4/1/26
Developer Name	Lennar Homes	**Special Tax per Month**	$284.00
Developer Phone		**HOA per Month**	$98.00
Product Type	Detached	**Broker Coop**	0
Type Description	Traditional	**Special Incentives**	$0
Lot Size	4,675	**Project Density**	
Lot Dimension	55 x 85	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	1,797	$600,990	$334.44	$31,711	$569,279	$316.79	3	2	1	2	None
	2,268	$650,990	$287.03	$31,711	$619,279	$273.05	4	3	2	3	None
	2,679	$692,990	$258.67	$31,711	$661,279	$246.84	4	3	2	3	Loft
	2,869	$729,990	$254.44	$31,711	$698,279	$243.39	4	3	2	3	Loft
	3,178	$760,990	$239.46	$31,711	$729,279	$229.48	5	4.5	2	3	None

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	235	172	166	9	69	63	6		0.61	0.69	$687,190	-6.40
Qtr 4/25	235	159	157	11	78	76	2		0.61	0.85	$734,168	-2.10
Qtr 3/25	235	153	148	11	87	82	5		0.61	0.85	$749,927	0.60
Qtr 2/25	235	145	137	7	98	90	8		0.59	0.54	$745,430	0.83
Qtr 1/25	235	138	130	6	105	97	8	5	0.60	0.46	$739,309	8.60
Qtr 4/24	235	134	124	10	111	101	10	10	0.60	0.77	$680,790	0.00
Qtr 3/24	235	120	114	15	121	115	6	5	0.59	1.15	$680,790	0.00
Qtr 2/24	235	103	99	2	136	132	4	10	0.55	0.15	$680,790	1.07
Qtr 1/24	235	97	97	0	138	138	0	0	0.58	0.00	$673,590	0.00
Qtr 4/23	235	97	97	0	138	138	0	5	0.63	0.00	$673,590	0.00
Qtr 3/23	97	97	97	1	0	0	0	0	0.69	0.08	$673,590	0.00
Qtr 2/23	97	97	96	11	1	0	1	25	0.76	0.85	$673,590	0.00
Qtr 1/23	97	89	85	6	12	8	4	20	0.75	0.46	$673,590	1.08
Qtr 4/22	97	85	79	6	18	12	6	20	0.78	0.46	$666,390	-2.94
Qtr 3/22	97	81	73	8	24	16	8	15	0.83	0.62	$686,590	-5.51
Qtr 2/22	97	70	65	4	32	27	5	10	0.88	0.31	$726,590	1.40
Qtr 1/22	97	63	61	17	36	34	2	10	1.00	1.31	$716,590	5.29
Qtr 4/21	97	44	44	15	53	53	0	10	0.90	1.15	$680,590	2.41
Qtr 3/21	97	31	29	9	68	66	2	5	0.83	0.69	$664,590	2.44
Qtr 2/21	97	22	20	12	77	75	2	5	0.91	0.92	$648,790	6.43

This project includes 235 lots typically 4,675 square feet and reflects a traditional configuration. The total lot count includes those identified for this product line in Phase 2 of Northlake (subject property). Absorption based on the total rate of sales is 2.4 sales per month, with higher absorption in the past quarter at 2.8 sales per month. Most recent pricing is from $569,279 to $729,279, net of $31,711 in concessions.

PROJECT 3 – DRIFTON

This is a large lot project in the Northlake MPC by Lennar Homes. It opened for sale in January 2021. Current pricing characteristics as provided from the Gregory Group (1st Quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	Drifton		
Region	Sacramento		
County	Sacramento		
Community	Natomas		
Master Plan	Northlake		
Age Restricted	No		
Project Phone	N/A		
Sales Office Hours	N/A		
GPS Coordinates	N : 38.683199	W : 121.546483	
Cross Street			
Finished Lots	N/A		

AT A GLANCE

Average Price	$789,490	**Qtr Sold**	9
Average Sq Ft	3,037	**Qtr WSR**	0.69
Total Inventory	62	**Tot WSR**	0.66
Standing Inventory	0	**Avg Incentives**	$28,361
Open Date	03/07/21	**Survey Date**	4/1/26
Developer Name	Lennar Homes	**Special Tax per Month**	$306.00
Developer Phone		**HOA per Month**	$98.00
Product Type	Detached	**Broker Coop**	0
Type Description	Traditional	**Special Incentives**	$0
Lot Size	5,500	**Project Density**	
Lot Dimension	55 x 100	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	2,282	$672,990	$294.91	$28,361	$644,629	$282.48	4	2.5	1	2	None
	2,964	$767,990	$259.11	$28,361	$739,629	$249.54	5	3	2	2	Loft
	3,104	$786,990	$253.54	$28,361	$758,629	$244.40	5	3	2	3	Loft
	3,135	$824,990	$263.15	$28,361	$796,629	$254.11	4	3.5	2	2	NextGen
	3,312	$836,990	$252.71	$28,361	$808,629	$244.15	4	3.5	2	3	Loft
	3,425	$846,990	$247.30	$28,361	$818,629	$239.02	4	3.5	2	3	Loft

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	236	181	174	9	62	55	7		0.66	0.69	$789,490	-6.47
Qtr 4/25	236	170	165	7	71	66	5		0.66	0.54	$844,068	-0.70
Qtr 3/25	236	161	158	8	78	75	3		0.66	0.62	$850,016	0.33
Qtr 2/25	236	161	150	5	86	75	11		0.67	0.38	$847,234	-3.26
Qtr 1/25	236	151	145	1	91	85	6	5	0.68	0.08	$875,780	17.45
Qtr 4/24	236	144	144	9	92	92	0	10	0.72	0.69	$745,657	0.00
Qtr 3/24	236	135	135	4	101	101	0	5	0.73	0.31	$745,657	0.00
Qtr 2/24	236	135	131	8	105	101	4	10	0.76	0.62	$745,657	0.61
Qtr 1/24	236	126	123	6	113	110	3	15	0.77	0.46	$741,157	0.43
Qtr 4/23	134	120	117	7	17	14	3	5	0.80	0.54	$737,990	0.68
Qtr 3/23	134	111	110	8	24	23	1	20	0.82	0.62	$732,990	0.00
Qtr 2/23	134	108	102	16	32	26	6	25	0.85	1.23	$732,990	0.55
Qtr 1/23	134	92	86	11	48	42	6	20	0.80	0.85	$728,990	0.00
Qtr 4/22	134	82	75	10	59	52	7	20	0.79	0.77	$728,990	-7.00
Qtr 3/22	134	74	65	0	69	60	9	15	0.80	0.00	$783,823	-2.14
Qtr 2/22	134	68	65	11	69	66	3	10	0.96	0.85	$800,990	4.07
Qtr 1/22	134	56	54	19	80	78	2	10	0.98	1.46	$769,657	4.34
Qtr 4/21	134	42	35	11	99	92	7	5	0.83	0.85	$737,657	3.51
Qtr 3/21	135	27	24	9	111	108	3	5	0.83	0.69	$712,657	2.49

This project includes 236 lots typically 5,500 square feet and reflects a traditional configuration. The total lot count includes those identified for this product line in Phase 2 of Northlake (subject property). Absorption based on the total rate of sales is 2.6 sales per month, with higher absorption in the past quarter at 2.8 sales per month. Most recent pricing is from $644,629 to $818,629, net of $28,361 in concessions.

PROJECT 4 – LAKELET

This is a smaller lot project in the Northlake MPC by Lennar Homes. It opened for sale in January 2021. Current pricing characteristics as provided from the Gregory Group (1st Quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	**Lakelet**
Region	Sacramento
County	Sacramento
Community	Natomas
Master Plan	Northlake
Age Restricted	No
Project Phone	N/A
Sales Office Hours	N/A
GPS Coordinates	**N** : 38.683199 **W** : 121.546483
Cross Street	
Finished Lots	N/A

AT A GLANCE

Average Price	$642,657	**Qtr Sold**	16
Average Sq Ft	2,233	**Qtr WSR**	1.23
Total Inventory	96	**Tot WSR**	0.78
Standing Inventory	0	**Avg Incentives**	$35,776
Open Date	01/23/21	**Survey Date**	4/1/26
Developer Name	Lennar Homes	**Special Tax per Month**	$230.00
Developer Phone		**HOA per Month**	$98.00
Product Type	Detached	**Broker Coop**	2.0%
Type Description	Small Lot, Detached	**Special Incentives**	$0
Lot Size	3,690	**Project Density**	
Lot Dimension	41 x 90	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	2,114	$614,990	$290.91	$35,776	$579,214	$273.99	3	2.5	2	2	Office, Loft
	2,223	$644,990	$290.14	$35,776	$609,214	$274.05	4	3	2	2	None
	2,362	$667,990	$282.81	$35,776	$632,214	$267.66	4	3.5	2	2	Loft

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	307	219	211	16	96	88	8		0.78	1.23	$642,657	-3.41
Qtr 4/25	307	199	195	9	112	108	4		0.76	0.69	$665,323	2.28
Qtr 3/25	307	190	186	12	121	117	4		0.76	0.92	$650,507	-3.00
Qtr 2/25	307	180	174	4	133	127	6		0.75	0.31	$670,657	0.25
Qtr 1/25	307	178	170	10	137	129	8	5	0.78	0.77	$668,990	1.67
Qtr 4/24	307	166	160	19	147	141	6	15	0.78	1.46	$657,990	0.00
Qtr 3/24	307	143	141	3	166	164	2	5	0.73	0.23	$657,990	6.65
Qtr 2/24	307	141	138	4	169	166	3	10	0.77	0.31	$616,990	1.48
Qtr 1/24	307	134	134	7	173	173	0	15	0.81	0.54	$607,990	-4.45
Qtr 4/23	134	130	127	9	7	4	3	5	0.83	0.69	$636,323	0.79
Qtr 3/23	134	119	118	14	16	15	1	20	0.84	1.08	$631,323	0.00
Qtr 2/23	134	111	104	19	30	23	7	25	0.82	1.46	$631,323	1.12
Qtr 1/23	134	93	85	7	49	41	8	20	0.75	0.54	$624,323	0.00
Qtr 4/22	134	83	78	4	56	51	5	10	0.77	0.31	$624,323	-3.55
Qtr 3/22	134	80	74	10	60	54	6	15	0.84	0.77	$647,323	-4.19
Qtr 2/22	134	71	64	3	70	63	7	10	0.86	0.23	$675,657	1.15
Qtr 1/22	134	67	61	13	73	67	6	5	1.00	1.00	$667,990	9.60
Qtr 4/21	134	51	48	11	86	83	3	5	0.98	0.85	$609,490	1.87
Qtr 3/21	134	37	37	17	97	97	0	5	1.06	1.31	$598,323	5.96
Qtr 2/21	134	22	20	11	114	112	2	5	0.91	0.85	$564,657	14.23
Qtr 1/21	134	9	9	9	125	125	0	10	1.00	0.69	$494,323	0.00

This project includes 307 lots typically 3,690 square feet. The total lot count includes those identified for this product line in Phase 2 of Northlake (subject property). Absorption based on the total rate of sales is 3.1 sales per month, with higher absorption in the past quarter at 4.9 sales per month. Most recent pricing is from $579,214 to $632,214, net of $35,776 in concessions.

PROJECT 5 – SHOR

This is a smaller lot project in the Northlake MPC by Lennar Homes. It opened for sale in January 2021. Current pricing characteristics as provided from the Gregory Group (1st Quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	**Shor**
Region	Sacramento
County	Sacramento
Community	Natomas
Master Plan	Northlake
Age Restricted	No
Project Phone	N/A
Sales Office Hours	N/A
GPS Coordinates	**N** : 38.683199 **W** : 121.546483
Cross Street	
Finished Lots	N/A

AT A GLANCE

Average Price	$612,240	**Qtr Sold**	9
Average Sq Ft	1,981	**Qtr WSR**	0.69
Total Inventory	131	**Tot WSR**	0.76
Standing Inventory	0	**Avg Incentives**	$22,821
Open Date	01/23/21	**Survey Date**	4/1/26
Developer Name	Lennar Homes	**Special Tax per Month**	$215.00
Developer Phone		**HOA per Month**	$98.00
Product Type	Detached	**Broker Coop**	2.0%
Type Description	Small Lot, Detached	**Special Incentives**	$0
Lot Size	2,788	**Project Density**	
Lot Dimension	41 x 68	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	1,774	$577,990	$325.81	$22,821	$555,169	$312.95	3	2.5	2	2	None
	1,945	$597,990	$307.45	$22,821	$575,169	$295.72	3	2.5	2	2	Loft
	2,018	$628,990	$311.69	$22,821	$606,169	$300.38	4	3	2	2	Loft
	2,190	$643,990	$294.06	$22,821	$621,169	$283.64	4	3	2	2	Loft

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	337	213	206	9	131	124	7		0.76	0.69	$612,240	-0.29
Qtr 4/25	337	200	197	10	140	137	3		0.77	0.77	$613,990	0.03
Qtr 3/25	337	195	187	7	150	142	8		0.77	0.54	$613,828	-1.11
Qtr 2/25	337	187	180	6	157	150	7		0.78	0.46	$620,740	0.24
Qtr 1/25	337	179	174	13	163	158	5	5	0.80	1.00	$619,240	4.74
Qtr 4/24	337	177	161	2	176	160	16	10	0.79	0.15	$591,240	0.00
Qtr 3/24	337	162	159	16	178	175	3	5	0.83	1.23	$591,240	3.05
Qtr 2/24	337	144	143	3	194	193	1	10	0.80	0.23	$573,740	3.15
Qtr 1/24	337	140	140	9	197	197	0	15	0.84	0.69	$556,240	0.00
Qtr 4/23	140	136	131	4	9	4	5	5	0.86	0.31	$556,240	1.46
Qtr 3/23	140	128	127	7	13	12	1	20	0.91	0.54	$548,240	0.00
Qtr 2/23	140	124	120	21	20	16	4	25	0.94	1.62	$548,240	-3.48
Qtr 1/23	140	104	99	14	41	36	5	20	0.87	1.08	$567,990	0.00
Qtr 4/22	140	91	85	5	55	49	6	10	0.84	0.38	$567,990	-3.77
Qtr 3/22	140	86	80	5	60	54	6	15	0.91	0.38	$590,240	-5.45
Qtr 2/22	140	79	75	9	65	61	4	10	1.01	0.69	$624,240	3.14
Qtr 1/22	140	67	66	18	74	73	1	5	1.08	1.38	$605,240	7.84
Qtr 4/21	140	48	48	10	92	92	0	5	0.98	0.77	$561,240	2.51
Qtr 3/21	140	38	38	15	102	102	0	5	1.09	1.15	$547,490	4.78
Qtr 2/21	140	24	23	14	117	116	1	5	1.05	1.08	$522,490	12.91
Qtr 1/21	140	9	9	9	131	131	0	10	1.00	0.69	$462,740	0.00

This project includes 337 lots typically 2,788 square feet. The total lot count includes those identified for this product line in Phase 2 of Northlake (subject property). Absorption based on the total rate of sales is 3.3 sales per month, with lower absorption in the past quarter at 2.8 sales per month. Most recent pricing is from $555,169 to $621,169, net of $22,821 in concessions.

PROJECT 6 – WATERS EDGE

This is a smaller lot project in the Northlake MPC by Lennar Homes. It opened for sale in June 2024. Current pricing characteristics as provided from the Gregory Group (1st Quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	**Waters Edge**
Region	Sacramento
County	Sacramento
Community	Natomas
Master Plan	Northlake
Age Restricted	No
Project Phone	N/A
Sales Office Hours	N/A
GPS Coordinates	**N** : 0.000000 **W** : 0.000000
Cross Street	
Finished Lots	N/A

AT A GLANCE

Average Price	$564,490	**Qtr Sold**	7
Average Sq Ft	1,640	**Qtr WSR**	0.54
Total Inventory	74	**Tot WSR**	0.70
Standing Inventory	0	**Avg Incentives**	$24,413
Open Date	06/15/24	**Survey Date**	4/1/26
Developer Name	Lennar Homes	**Special Tax per Month**	$201.00
Developer Phone		**HOA per Month**	$88.00
Product Type	Detached	**Broker Coop**	
Type Description	Small Lot, Detached	**Special Incentives**	$0
Lot Size	3,690	**Project Density**	
Lot Dimension	41 x 90	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	1,454	$541,990	$372.76	$24,413	$517,577	$355.97	3	2.5	2	2	None
	1,569	$553,990	$353.08	$24,413	$529,577	$337.53	3	2.5	2	2	Loft
	1,631	$566,990	$347.63	$24,413	$542,577	$332.67	3	2.5	2	2	Loft
	1,907	$594,990	$312.00	$24,413	$570,577	$299.20	4	3	2	2	Loft

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	139	71	65	7	74	68	6		0.70	0.54	$564,490	-4.44
Qtr 4/25	139	65	58	7	81	74	7		0.73	0.54	$590,740	0.90
Qtr 3/25	139	57	51	15	88	82	6		0.76	1.15	$585,453	-1.06
Qtr 2/25	139	43	36	7	103	96	7		0.67	0.54	$591,740	1.89
Qtr 1/25	139	35	29	13	110	104	6	10	0.71	1.00	$580,740	0.09
Qtr 4/24	139	24	16	11	123	115	8	10	0.57	0.85	$580,240	0.09
Qtr 3/24	139	9	5	2	134	130	4	5	0.33	0.15	$579,740	8.01
Qtr 2/24	139	5	3	3	136	134	2	5	1.50	0.23	$536,750	0.00

This project includes 139 lots typically 3,690 square feet. The total lot count includes those identified for this product line in Phase 2 of Northlake (subject property). Absorption based on the total rate of sales is 2.8 sales per month, with lower absorption in the past quarter at 2.2 sales per month. Most recent pricing is from $517,577 to $570,577, net of $24,413 in concessions.

PROJECT 7 – WATERSYDE

This is a larger lot project in the Northlake MPC by Lennar Homes. It opened for sale in January 2021. Current pricing characteristics as provided from the Gregory Group (1st Quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	**Watersyde**
Region	Sacramento
County	Sacramento
Community	Natomas
Master Plan	Northlake
Age Restricted	No
Project Phone	N/A
Sales Office Hours	N/A
GPS Coordinates	**N** : 38.683199 **W** : 121.546483
Cross Street	
Finished Lots	N/A

AT A GLANCE

Average Price	$707,990	**Qtr Sold**	6
Average Sq Ft	2,650	**Qtr WSR**	0.46
Total Inventory	81	**Tot WSR**	0.72
Standing Inventory	0	**Avg Incentives**	$21,938
Open Date	01/23/21	**Survey Date**	4/1/26
Developer Name	Lennar Homes	**Special Tax per Month**	$253.00
Developer Phone		**HOA per Month**	$98.00
Product Type	Detached	**Broker Coop**	2.0%
Type Description	Traditional	**Special Incentives**	$0
Lot Size	4,000	**Project Density**	
Lot Dimension	50 x 80	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	2,307	$660,990	$286.51	$21,938	$639,052	$277.01	4	3	2	2	None
	2,469	$664,990	$269.34	$21,938	$643,052	$260.45	4	3	2	2	Loft
	2,704	$715,990	$264.79	$21,938	$694,052	$256.68	4	3.5	2	2	Loft
	2,804	$738,990	$263.55	$21,938	$717,052	$255.72	5	4	2	2	Loft
	2,968	$758,990	$255.72	$21,938	$737,052	$248.33	4	3.5	2	3	Next Gen, Loft

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	276	204	195	6	81	72	9		0.72	0.46	$707,990	-7.22
Qtr 4/25	276	193	189	10	87	83	4		0.74	0.77	$763,046	-1.77
Qtr 3/25	276	188	179	17	97	88	9		0.73	1.31	$776,756	-1.98
Qtr 2/25	276	172	162	13	114	104	10		0.70	1.00	$792,408	0.89
Qtr 1/25	276	159	149	5	127	117	10	5	0.68	0.38	$785,383	16.80
Qtr 4/24	276	152	144	9	132	124	8	15	0.70	0.69	$672,390	0.00
Qtr 3/24	276	141	135	6	141	135	6	5	0.70	0.46	$672,390	0.00
Qtr 2/24	276	133	129	4	147	143	4	10	0.72	0.31	$672,390	0.00
Qtr 1/24	276	127	125	10	151	149	2	15	0.75	0.77	$672,390	-2.72
Qtr 4/23	120	120	115	4	5	0	5	5	0.75	0.31	$691,190	0.00
Qtr 3/23	120	114	111	11	9	6	3	20	0.79	0.85	$691,190	0.00
Qtr 2/23	120	108	100	7	20	12	8	25	0.79	0.54	$691,190	2.67
Qtr 1/23	120	100	93	9	27	20	7	20	0.82	0.69	$673,190	1.05
Qtr 4/22	120	93	84	9	36	27	9	10	0.83	0.69	$666,190	-1.68
Qtr 3/22	127	81	75	4	52	46	6	15	0.85	0.31	$677,590	-5.55
Qtr 2/22	127	73	71	8	56	54	2	10	0.96	0.62	$717,390	3.07
Qtr 1/22	127	65	63	13	64	62	2	5	1.03	1.00	$695,990	6.32
Qtr 4/21	127	50	50	21	77	77	0	5	1.02	1.62	$654,590	6.87
Qtr 3/21	127	30	29	8	98	97	1	5	0.83	0.62	$612,490	-0.37
Qtr 2/21	127	21	21	14	106	106	0	5	0.95	1.08	$614,790	12.85

This project includes 276 lots typically 4,000 square feet. The total lot count includes those identified for this product line in Phase 2 of Northlake (subject property). Absorption based on the total rate of sales is 2.9 sales per month, with lower absorption in the past quarter at 1.8 sales per month. Most recent pricing is from $639,052 to $737,052, net of $21,938 in concessions.

PROJECT 8 – WAVMOR

This is a larger lot project in the Northlake MPC by Lennar Homes. It opened for sale in January 2021. Current pricing characteristics as provided from the Gregory Group (1st quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	Wavmor	**Average Price**	$670,240
Region	Sacramento	**Average Sq Ft**	2,483
County	Sacramento	**Total Inventory**	123
Community	Natomas	**Standing Inventory**	0
Master Plan	Northlake	**Open Date**	01/23/21
Age Restricted	No	**Developer Name**	Lennar Homes
Project Phone	(916) 304-9711	**Developer Phone**	
Sales Office Hours	N/A	**Product Type**	Detached
		Type Description	Traditional
GPS Coordinates	N : 38.683199 W : 121.546483	**Lot Size**	4,500
Cross Street		**Lot Dimension**	45 x 100
Finished Lots	N/A	**Blue Top Lots**	N/A

AT A GLANCE

Qtr Sold	14	**Survey Date**	4/1/26
Qtr WSR	1.08	**Special Tax per Month**	$254.00
Tot WSR	0.73	**HOA per Month**	$98.00
Avg Incentives	$31,450	**Broker Coop**	2.0%
		Special Incentives	$0
		Project Density	
		Model/Trailer	N/A

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	2,134	$631,990	$296.15	$31,450	$600,540	$281.42	3	2	1	2	None
	2,394	$652,990	$272.76	$31,450	$621,540	$259.62	4	3	2	2	Loft
	2,620	$684,990	$261.45	$31,450	$653,540	$249.44	5	3	2	2	Loft
	2,786	$710,990	$255.20	$31,450	$679,540	$243.91	4	3.5	2	2	Loft

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	320	203	197	14	123	117	6		0.73	1.08	$670,240	-5.00
Qtr 4/25	320	189	183	7	137	131	6		0.71	0.54	$705,490	2.34
Qtr 3/25	320	183	176	13	144	137	7		0.72	1.00	$689,328	-5.64
Qtr 2/25	320	169	163	9	157	151	6		0.71	0.69	$730,553	-0.37
Qtr 1/25	320	160	154	3	166	160	6	5	0.71	0.23	$733,240	10.60
Qtr 4/24	320	170	151	1	169	150	19	5	0.74	0.08	$662,990	0.00
Qtr 3/24	320	150	150	2	170	170	0	5	0.78	0.15	$662,990	0.00
Qtr 2/24	320	150	148	9	172	170	2	10	0.83	0.69	$662,990	1.38
Qtr 1/24	320	141	139	16	181	179	2	15	0.84	1.23	$653,990	-1.43
Qtr 4/23	153	128	123	9	30	25	5	5	0.80	0.69	$663,490	0.00
Qtr 3/23	153	120	114	10	39	33	6	20	0.81	0.77	$663,490	0.00
Qtr 2/23	153	111	104	12	49	42	7	25	0.82	0.92	$663,490	1.22
Qtr 1/23	153	99	92	8	61	54	7	20	0.81	0.62	$655,490	0.15
Qtr 4/22	153	90	84	9	69	63	6	10	0.83	0.69	$654,490	-3.04
Qtr 3/22	153	82	75	2	78	71	7	15	0.85	0.15	$674,990	-10.18
Qtr 2/22	153	77	73	9	80	76	4	10	0.99	0.69	$751,490	8.72
Qtr 1/22	153	68	64	15	89	85	4	5	1.05	1.15	$691,240	8.56
Qtr 4/21	153	49	49	16	104	104	0	5	1.00	1.23	$636,740	2.87
Qtr 3/21	153	38	33	9	120	115	5	5	0.94	0.69	$618,990	2.87
Qtr 2/21	153	24	24	15	129	129	0	5	1.09	1.15	$601,740	10.31
Qtr 1/21	153	9	9	9	144	144	0	10	1.00	0.69	$545,490	0.00

This project includes 320 lots typically 4,500 square feet. The total lot count includes those identified for this product line in Phase 2 of Northlake (subject property). Absorption based on the total rate of sales is 2.9 sales per month, with higher absorption in the past quarter at 4.3 sales per month. Most recent pricing is from $600,540 to $679,540 net of $31,450 in concessions.

PROJECT 9 – ASHVILLE

This is a small lot project in Natomas by Meritage Homes. It opened for sale in June 2025. Current pricing characteristics as provided from the Gregory Group (1st quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	**Ashville**
Region	Sacramento
County	Sacramento
Community	Natomas
Master Plan	East Village
Age Restricted	No
Project Phone	N/A
Sales Office Hours	N/A
GPS Coordinates	**N** : 0.000000 **W** : 0.000000
Cross Street	
Finished Lots	N/A

AT A GLANCE

Average Price	$590,600	**Qtr Sold**	7
Average Sq Ft	2,202	**Qtr WSR**	0.54
Total Inventory	86	**Tot WSR**	0.68
Standing Inventory	0	**Avg Incentives**	$20,000
Open Date	06/12/25	**Survey Date**	4/1/26
Developer Name	Meritage Homes	**Special Tax per Month**	$372.00
Developer Phone		**HOA per Month**	$0.00
Product Type	Detached	**Broker Coop**	
Type Description	Small Lot, Detached	**Special Incentives**	$0
Lot Size	3,600	**Project Density**	
Lot Dimension	40 x 90	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	2,020	$568,200	$281.29	$20,000	$548,200	$271.39	4	3	2	2	Loft
	2,168	$588,000	$271.22	$20,000	$568,000	$261.99	4	3	2	2	Loft
	2,419	$615,600	$254.49	$20,000	$595,600	$246.22	5	3	2	2	Loft

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	114	35	28	7	86	79	7		0.68	0.54	$590,600	-3.39
Qtr 4/25	114	22	21	7	93	92	1		0.72	0.54	$611,348	-3.01
Qtr 3/25	114	22	14	11	100	92	8		0.93	0.85	$630,353	-1.12
Qtr 2/25	114	11	3	3	111	103	8	0	1.50	0.23	$637,522	0.00

This project includes 114 lots typically 3,600 square feet. Absorption based on the total rate of sales is 2.7 sales per month, and lower absorption in the past quarter at 2.2 sales per month. It is located in East Village (Panhandle) with current pricing from $548,200 to $595,600, net of $20,000 in concessions.

PROJECT 10 – BRIDGEPORT

This is a project in Natomas by Meritage Homes in East Village. It opened for sale in June 2025. Current pricing characteristics as provided from the Gregory Group (1st quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	**Bridgeport**
Region	Sacramento
County	Sacramento
Community	Natomas
Master Plan	East Village
Age Restricted	No
Project Phone	N/A
Sales Office Hours	N/A
GPS Coordinates	**N** : 0.000000 **W** : 0.000000
Cross Street	
Finished Lots	N/A

AT A GLANCE

Average Price	$638,767	**Qtr Sold**	6
Average Sq Ft	2,536	**Qtr WSR**	0.46
Total Inventory	122	**Tot WSR**	0.41
Standing Inventory	0	**Avg Incentives**	$20,000
Open Date	06/15/25	**Survey Date**	4/1/26
Developer Name	Meritage Homes	**Special Tax per Month**	$381.00
Developer Phone		**HOA per Month**	$0.00
Product Type	Detached	**Broker Coop**	
Type Description	Traditional	**Special Incentives**	$0
Lot Size	4,500	**Project Density**	
Lot Dimension	50 x 90	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	2,310	$620,300	$268.53	$20,000	$600,300	$259.87	4	3	2	2	Loft
	2,534	$639,300	$252.29	$20,000	$619,300	$244.40	4	3	2	2	Loft
	2,765	$656,700	$237.50	$20,000	$636,700	$230.27	4	3	2	2	Loft

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	139	25	17	6	122	114	8		0.41	0.46	$638,767	-2.67
Qtr 4/25	139	14	11	5	128	125	3		0.39	0.38	$656,293	-1.49
Qtr 3/25	139	14	6	5	133	125	8		0.40	0.38	$666,190	1.89
Qtr 2/25	139	4	1	1	138	135	3	0	0.50	0.08	$653,833	0.00

This project includes 139 lots typically 4,500 square feet. Absorption based on the total rate of sales is 1.6 sales per month, and higher absorption in the past quarter at 1.8 sales per month. It is located in East Village (Panhandle) with current pricing from $600,300 to $636,700, net of $20,000 in concessions.

PROJECT 11 – DURHAM

This is a project in Natomas by Meritage Homes in East Village. It opened for sale in June 2025. Current pricing characteristics as provided from the Gregory Group (1st quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	**Durham**		
Region	Sacramento		
County	Sacramento		
Community	Natomas		
Master Plan	East Village		
Age Restricted	No		
Project Phone	N/A		
Sales Office Hours	N/A		
GPS Coordinates	**N** : 0.000000	**W** : 0.000000	
Cross Street			
Finished Lots	N/A		

AT A GLANCE

Average Price	$726,000	**Qtr Sold**	3
Average Sq Ft	2,725	**Qtr WSR**	0.23
Total Inventory	65	**Tot WSR**	0.27
Standing Inventory	0	**Avg Incentives**	$20,000
Open Date	06/15/25	**Survey Date**	4/1/26
Developer Name	Meritage Homes	**Special Tax per Month**	$427.00
Developer Phone		**HOA per Month**	$0.00
Product Type	Detached	**Broker Coop**	
Type Description	Traditional	**Special Incentives**	$0
Lot Size	5,500	**Project Density**	
Lot Dimension	55 x 100	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	2,098	$665,000	$316.97	$20,000	$645,000	$307.44	4	2	1	2	None
	2,831	$739,000	$261.04	$20,000	$719,000	$253.97	4	3	2	2	Flex, Loft
	3,247	$774,000	$238.37	$20,000	$754,000	$232.21	5	3.5	2	3	Flex, Loft

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	76	18	11	3	65	58	7		0.27	0.23	$726,000	-0.95
Qtr 4/25	76	14	8	1	68	62	6		0.29	0.08	$732,930	-4.51
Qtr 3/25	76	14	7	7	69	62	7		0.47	0.54	$767,513	4.61
Qtr 2/25	76	4	0	0	76	72	4	0	0.00	0.00	$733,667	0.00

This project includes 76 lots typically 5,000 square feet. Absorption based on the total rate of sales is 1.1 sales per month, and lower absorption in the past quarter at 0.9 sales per month. It is located in East Village (Panhandle) with current pricing from $645,000 to $754,000, net of $20,000 in concessions.

PROJECT 12– TERRACE PARK

This is a project in Natomas by Tri Pointe Homes in East Village. It opened for sale in November 2024. Current pricing characteristics as provided from the Gregory Group (1st quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	**Terrace Park**		
Region	Sacramento		
County	Sacramento		
Community	Natomas		
Master Plan	Natomas Creek		
Age Restricted	No		
Project Phone	N/A		
Sales Office Hours	N/A		
GPS Coordinates	**N** : 0.000000	**W** : 0.000000	
Cross Street			
Finished Lots	N/A		

AT A GLANCE

Average Price	$566,627	**Qtr Sold**	9
Average Sq Ft	1,914	**Qtr WSR**	0.69
Total Inventory	41	**Tot WSR**	0.52
Standing Inventory	0	**Avg Incentives**	$25,000
Open Date	11/01/24	**Survey Date**	4/1/26
Developer Name	Tri Pointe Homes	**Special Tax per Month**	$286.00
Developer Phone		**HOA per Month**	$0.00
Product Type	Detached	**Broker Coop**	
Type Description	Small Lot, Detached	**Special Incentives**	$0
Lot Size	2,888	**Project Density**	
Lot Dimension	36 x 80	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	1,815	$546,642	$301.18	$25,000	$521,642	$287.41	3	2.5	2	2	None
	1,917	$572,441	$298.61	$25,000	$547,441	$285.57	3	2.5	2	2	Loft
	2,011	$580,797	$288.81	$25,000	$555,797	$276.38	4	2.5	2	2	None

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	79	43	38	9	41	36	5		0.52	0.69	$566,627	4.97
Qtr 4/25	79	36	29	7	50	43	7		0.48	0.54	$539,815	-6.69
Qtr 3/25	79	29	22	6	57	50	7		0.47	0.46	$578,500	-3.37
Qtr 2/25	79	22	16	4	63	57	6		0.47	0.31	$598,664	1.72
Qtr 1/25	79	18	12	7	67	61	6	5	0.57	0.54	$588,551	2.84
Qtr 4/24	79	13	5	5	74	66	8	5	0.63	0.38	$572,272	0.00

This project includes 79 lots typically smaller lots of 2,888 square feet. Absorption based on the total rate of sales is 2.1 sales per month, and higher absorption in the past quarter at 2.8 sales per month. It is located in East Village (Panhandle) with current pricing from $521,642 to $555,797, net of $25,000 in concessions.

PROJECT 13 - NORTHPOINTE RESERVE

This is a small lot project in Natomas by Next Generation Capital. It opened for sale in March 2024. Current pricing characteristics as provided from the Gregory Group (1st quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	**Northpointe Reserve**
Region	Sacramento
County	Sacramento
Community	Natomas
Master Plan	Natomas Park
Age Restricted	No
Project Phone	N/A
Sales Office Hours	N/A
GPS Coordinates	**N** : 0.000000 **W** : 0.000000
Cross Street	
Finished Lots	N/A

AT A GLANCE

Average Price	$484,900	**Qtr Sold**	3
Average Sq Ft	1,416	**Qtr WSR**	0.23
Total Inventory	25	**Tot WSR**	0.22
Standing Inventory	0	**Avg Incentives**	$20,000
Open Date	03/30/24	**Survey Date**	4/1/26
Developer Name	Next Generation Capital	**Special Tax per Month**	$128.00
Developer Phone		**HOA per Month**	$100.00
Product Type	Detached	**Broker Coop**	
Type Description	Small Lot, Detached	**Special Incentives**	$0
Lot Size	1,449	**Project Density**	
Lot Dimension	23 x 63	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	1,409	$479,900	$340.60	$20,000	$459,900	$326.40	3	2.5	2	2	None
	1,414	$449,900	$318.18	$20,000	$429,900	$304.03	3	2.5	2	2	None
	1,427	$524,900	$367.83	$20,000	$504,900	$353.82	3	2.5	2	2	None

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	48	27	23	3	25	21	4		0.22	0.23	$484,900	-3.32
Qtr 4/25	48	26	20	4	28	22	6		0.22	0.31	$501,567	0.00
Qtr 3/25	48	20	16	1	32	28	4		0.21	0.08	$501,567	0.00
Qtr 2/25	48	19	15	2	33	29	4		0.23	0.15	$501,567	0.00
Qtr 1/25	48	17	13	7	35	31	4	5	0.25	0.54	$501,567	1.44
Qtr 4/24	48	11	6	4	42	37	5	5	0.15	0.31	$494,445	-0.69
Qtr 3/24	48	10	2	0	46	38	8	5	0.08	0.00	$497,900	0.00
Qtr 2/24	48	6	2	2	46	42	4	5	0.15	0.15	$497,900	0.00
Qtr 1/24	48	13	0	0	48	35	13	10	0.00	0.00	$497,900	0.00

This project includes 48 lots typically 1,449 square feet. It is a higher density, detached project with smaller homes. Current pricing is from $459,900 to $504,900, net of $20,000 in concessions.

PROJECT 14 – THE COTTAGES

This is a small lot project in Natomas by Risewell Homes. It opened for sale in August 2025. Current pricing characteristics as provided from the Gregory Group (1st quarter 2026) are noted as follows.

PROJECT INFORMATION

Project Name	**The Cottages**
Region	Sacramento
County	Sacramento
Community	Natomas
Master Plan	No
Age Restricted	No
Project Phone	N/A
Sales Office Hours	N/A
GPS Coordinates	**N** : 0.000000 **W** : 0.000000
Cross Street	
Finished Lots	N/A

AT A GLANCE

Average Price	$620,288	**Qtr Sold**	2
Average Sq Ft	2,077	**Qtr WSR**	0.15
Total Inventory	64	**Tot WSR**	0.13
Standing Inventory	0	**Avg Incentives**	$15,000
Open Date	08/26/25	**Survey Date**	4/1/26
Developer Name	Risewell Homes	**Special Tax per Month**	$320.00
Developer Phone		**HOA per Month**	$57.00
Product Type	Detached	**Broker Coop**	
Type Description	Small Lot, Detached	**Special Incentives**	$0
Lot Size	3,200	**Project Density**	
Lot Dimension	40 x 80	**Model/Trailer**	N/A
Blue Top Lots	N/A		

PLAN DETAILS

Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
	1,829	$576,525	$315.21	$15,000	$561,525	$307.01	3	2.5	2	2	None
	2,034	$622,165	$305.88	$15,000	$607,165	$298.51	4	3	2	2	None
	2,141	$629,090	$293.83	$15,000	$614,090	$286.82	3	2.5	2	2	Flex, Loft
	2,304	$653,370	$283.58	$15,000	$638,370	$277.07	4	3	2	2	Loft

SURVEY INFORMATION

Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/26	68	11	4	2	64	57	7		0.13	0.15	$620,288	0.45
Qtr 4/25	68	9	2	2	66	59	7		0.11	0.15	$617,500	-2.06
Qtr 3/25	68	4	0	0	68	64	4	0	0.00	0.00	$630,509	0.00

This project includes 68 lots typically 3,200 square feet. Absorption based on the total rate of sales is 1.2 sales per month, with lower absorption in the past quarter at 0.6 sales per month. Most recent pricing is from $629,000 to $679,000 net of $15,000 in concessions.

Conclusions

Potential absorption for the subject is best identified from the same product lines in Phase 2 of this project.

Subject Positioning

Proposed price points for the subject property are based on pricing established in the Absorption Study prepared by The Gregory Group dated April 2026.

PROJECT	MIN LOT SIZE (SF)	AVERAGE BASE PRICE (NET)	AVERAGE SIZE (SF)	PRICE/SF	ABS. PROJ.
SHOR	2,788 SF	$580,990	1,982 SF	$294	5/Mo.
LAKELET	3,690 SF	$617,990	2,232 SF	$277	4/Mo.
WATERSYDE	4,000 SF	$685,390	2,650 SF	$260	3/Mo.
WAVMORE	4,500 SF	$665,990	2,484 SF	$269	3/Mo.
CRESTVUE	4,675 SF	$680,790	2,558 SF	$272	3/Mo.
BLEAU	5,000 SF	$733,823	2,923 SF	$254	2/Mo.
DRIFTON	5,500 SF	$757,990	3,037 SF	$252	2/Mo.
WATERS EDGE (v14/20)	3,690 SF	$540,990	1,640 SF	$332	4/Mo.

Absorption conclusions noted in these projects range from 2 to 5 sales per month, per project. Overall, they equate to 26 homes sold per month. It appears that absorption is a function of price. Current asking prices for this project as of the effective date of valuation are slightly higher than illustrated in this absorption study ranging from $243 to $329 per square foot, with an overall average identified at $277 per square foot. This is noted as follows.

PROJECT	MIN LOT SIZE (SF)	AVERAGE BASE PRICE (NET)	AVERAGE SIZE (SF)	PRICE/SF
SHOR	2,788 SF	$589,419	1,982 SF	$297
LAKELET	3,690 SF	$605,881	2,232 SF	$271
WATERSYDE	4,000 SF	$686,052	2,650 SF	$259
WAVMORE	4,500 SF	$638,790	2,484 SF	$257
CRESTVUE	4,675 SF	$655,479	2,558 SF	$256
BLEAU	5,000 SF	$710,007	2,923 SF	$243
DRIFTON	5,500 SF	$761,129	3,037 SF	$251
WATERS EDGE (v14/20)	3,690 SF	$540,077	1,640 SF	$329
TOTALS	**4,230 SF**	**$660,223**	**2,412 SF**	**$263**

The total pricing recommended in the Absorption Study prepared by the Gregory Group is generally consistent with current pricing. Current pricing is utilized in this analysis. As noted in this section, total sales identified in Q1 2026 in Natomas were identified at 113 sales. Still, Northlake has proven history noted by absorption references over the life of this project.

Project	1Q 26 Sold	4Q 25 Sold	3Q 25 Sold	2Q 25 Sold	1Q 25 Sold	2024 Sold	2023 Sold	2022 Sold	2021 Sold	AVERAGE
Alta	**0**	0	0	0	0	0	32	36	48	3.1/Mo.
Bleau	**6**	1	1	10	10	84	60	35	51	3.8/Mo.
Crestvue	**9**	11	11	7	6	27	19	35	41	2.4/Mo.
Drifton	**9**	7	8	5	1	27	42	40	35	2.6/Mo.
Lakelet	**16**	9	12	4	10	33	44	37	46	3.1/Mo.
Shor	**9**	10	7	6	13	30	46	37	48	3.0/Mo.
Waters Edge	**7**	7	15	7	13	16	0	0	0	2.8/Mo.
Watersyde	**6**	10	17	13	5	29	31	35	49	2.9/Mo.
Wavmor	**14**	7	13	9	3	28	39	35	49	2.9/Mo.
TOTALS	**76**	**62**	**84**	**61**	**61**	**274**	**313**	**290**	**367**	**3.0/Mo.**

On an annual basis, this equates as follows.

2021 – 367 Sales
2022 – 290 Sales
2023 – 313 Sales
2024 – 274 Sales
2025 – 268 Sales
2026 – YTD – 76 Sales

Sales in this community were strong in 2021 amidst the Covid-19 era. This dropped in 2022, especially over the last 2 quarters due to rising interest rates. The developer adjusted pricing to market at this time and 2023 produced 313 sales. As noted, 2024 sales are at 274 sales whereas sales in 2025 dropped slightly to 268 sales, with stronger sales. This data suggests consistent demand. While the projects are the same in Phase 2, V14/20 provides some diversity with a lower priced project. Still, it reflects the majority of future supply for Natomas.

Interaction of Existing Supply and Demand

In deriving potential absorption for the subject, the following elements are considered:

- Regional absorption trends trended downward in 2025 with recovery in pricing and higher incentives.
- Northlake sold 268 homes in 2025 with an additional 76 sales in Q1 2026.
- Subject lots are primary short term lots in Natomas which can capture healthy market share. Panhandle has potential to compete with the subject, but is a secondary location in Natomas.
- Pricing and absorption conclusions identified in the Market Study provided for review are consistent with other primary growth regions in Sacramento.
- Resale home trends in Zip Code 95834 and 95835 show pricing from $290 to $300 per square foot.

Absorption trends noted from the competing projects show potential absorption characteristics from approximately 2 to 4 sales per month. This is consistent with projections from the Absorption Study prepared by The Gregory Group as of April 2026 with absorption rates from 2 to 5 sales per month. On an overall basis, the following conclusions were developed in the Absorption Study. It is noted that this information was slightly modified by the appraiser to account for sales in Q1 2026, as well as base this information on units which have not closed escrow as of the effective date of valuation.

Project	LOT SIZE (SF)	# OF UNITS	UNITS CLOSED	REMAINING UNITS	ABSORPTION	2026 SALES	2027 SALES	2028 SALES	2029 SALES	2030 SALES
Bleau	5,000 SF	110	12	98	2/Mo.	16	26	26	26	4
Crestvue	4,675 SF	138	69	69	2/Mo.	23	39	7	0	0
Drifton	5,500 SF	108	36	72	2/Mo.	16	26	26	4	0
Lakelet	3,690 SF	173	72	101	2/Mo.	31	52	18	0	0
Shor	2,788 SF	193	67	126	3/Mo.	39	60	27	0	0
Waters Edge (V14/20)	3,690 SF	153	66	87	2/Mo.	23	39	25	0	0
Watersyde	4,000 SF	163	76	87	2/Mo.	23	39	25	0	0
Wavmor	4,500 SF	139	41	98	3/Mo.	31	35	32	0	0
TOTALS		**1,177**	**439**	**738**	**0**	**202**	**316**	**186**	**30**	**4**

It is noted that the absorption study provided for review is based on home sales. Absorption presented later in this report is based on lot sales to a builder. The main difference in the absorption schedules is that the appraiser's calculations are based on consideration of site development costs. The overall absorption of homes identified in tables above equates to 26 sales per month.

In addition, the absorption study identifies an alternative scenario. Recent developments in Iran - including the ongoing conflict and the closure of the Strait of Hormuz - are creating ripple effects across the broader economy. Oil prices have climbed above $100 per barrel, inflationary pressures are intensifying, and a growing number of economists are acknowledging an increased likelihood of a near-term recession. The fieldwork and primary drafting of this report were completed in February; since then, the situation in Iran has escalated significantly. While the competitive project analysis has not been updated to reflect these developments, there is clear potential for further deterioration in economic and housing conditions in the months ahead.

As noted throughout this report, future conditions remain inherently uncertain. However, given the heightened risk of a more pronounced economic slowdown than anticipated earlier in the year, it is appropriate to consider an alternative absorption scenario. The original absorption projections remain valid based on the information available at the time of analysis. That said, the duration and escalation of the conflict—particularly the potential for ground troop involvement and disruptions to critical infrastructure such as Kharg Island, where a substantial share of Iran's oil is processed and distributed—could amplify economic impacts. These may include sustained increases in energy prices, slower economic growth, and rising inflation, all of which could dampen new home sales. Accordingly, an alternative scenario has been developed that assumes escalating military activity in Iran, resulting in slower absorption rates and an extended timeline for the buildout of the Northlake community.

Project	LOT SIZE (SF)	# OF UNITS	UNITS CLOSED	REMAINING UNITS	ABSORPTION	2026 SALES	2027 SALES	2028 SALES	2029 SALES	2030 SALES
Bleau	5,000 SF	110	12	98	2/Mo.	16	26	26	26	4
Crestvue	4,675 SF	138	69	69	2/Mo.	23	26	20	0	0
Drifton	5,500 SF	108	36	72	2/Mo.	16	26	26	4	0
Lakelet	3,690 SF	173	72	101	2/Mo.	16	26	26	26	7
Shor	2,788 SF	193	67	126	3/Mo.	24	39	39	24	0
Waters Edge (V14/20)	3,690 SF	153	66	87	2/Mo.	16	26	26	19	0
Watersyde	4,000 SF	163	76	87	2/Mo.	16	26	26	19	0
Wavmor	4,500 SF	139	41	98	3/Mo.	23	39	36	0	0
TOTALS		**1,177**	**439**	**738**	**0**	**150**	**234**	**225**	**118**	**11**

The overall absorption of homes identified in tables above, based on the alternative scenario equates to 18 sales per month.

In addition, the current takedown schedule of the subject lots, modified March 4, 2024 is noted as follows.

YEAR	2026 Remainder	2027	2028	TOTAL
Subject Lots Absorbed Schedule of Takedowns	240	229	82	551

The takedown schedule is fairly consistent with absorption noted above. As noted earlier, historic absorption is between 268 and 367 sales per annum.

As noted earlier in this report, Lennar has already acquired lots which is considered in this analysis. Currently, they hold title to 191 units in the project. The net result in 547 lots identified under the Integral Ownership. The overall absorption of lots as identified later in this report is identified as follows. This is allocated as follows.

YEAR	2026	2027	2028	TOTALS
Subject Lots Absorbed Schedule of Takedowns	240	229	78	547

As noted earlier, the Natomas sub-market has shown sales between 479 and 1,018 sales per annum since 2016. Data for 2015 is based on two quarters and reflects the time period when building commenced in the region after several years of no activity. Absorption considerations for the subject are based on rates for each product type. Still, with limited competition for the subject lots in Natomas, absorption is a reasonable conclusion.

The overall salability of the subject lots in both the short and long term is favorable in the current market climate.

HIGHEST AND BEST USE

Highest and best use may be defined as that reasonable and probable use that will support the highest present value as of the effective date of the report. It is also defined as "the reasonable, probable, and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible and that results in the highest value." Elements integral in the highest and best use analysis include the following:

a. Physical characteristics of the subject property;
b. Location and the immediate environs;
c. Current zoning and municipality planning goals;
d. Neighborhood and area demographic trends;
e. Market supply and demand; and
f. Motivation of the most probable purchaser and/or user.

The highest and best use of a specific parcel of land is not determined through subjective analysis; rather highest and best use is shaped by the competitive forces within the market where the property is located. Therefore, the analysis and interpretation of highest and best use is an economic study of market forces focused on the subject property. The use that maximizes value represents the highest and best use. In accordance with the definition of highest and best use, it is appropriate to analyze the subject site as though vacant, followed by analysis of the existing improvements.

Legally Permissible

The subject property is currently vested for development of the proposed uses identified in this report. This project identified as P11-083 was approved by the City of Sacramento in 2017 including the following:

1) Certification of the Environmental Impact Report including adoption of the mitigation monitoring and reporting program;
2) Approval of the Development Agreement;
3) Adoption of the 2017 Greenbriar Financing plan;
4) Resolution Authorizing Building Permits and Multi-Unit Dwellings pursuant to Sacramento City Code Floodplain Management Regulations;
5) Directing the Greenbriar Development Impact Fees to be allocated to the North Natomas Regional Park;
6) Amending the General Plan Land Use and Urban Form Diagram to change land use designations for various parcels consistent with the development project;
7) Amending the zoning of the project;
8) Amending the Planned Unit Development Guidelines;
9) Approving the Mixed-Income Housing Strategy;
10) Approving the tentative map and project design with conditions of approval.

This project is fully vested for development from both a planning and environmental viewpoint. The environmental process for Greenbriar began in 2006 and involved the preparation of the following documents that are relevant to the proposed amendments being considered for the project:

- Draft EIR (DEIR) for the Greenbriar Development Project (Volumes I-III), July 2006
- Recirculated Draft EIR (RDEIR) for the Greenbriar Development Project (Air Quality; Hydrology, Drainage and Water Quality), November 2006
- Second Recirculated Draft EIR (SRDEIR) for the Greenbriar Development Project (Transportation and Circulation), April 2007
- Final EIR (FEIR) for the Greenbriar Development Project, August 2007

On September 19, 2007, the Sacramento Local Agency Formation Commission (LAFCo) certified the Final EIR and approved the Sphere of Influence Amendment for the project. In January 2008, the City of Sacramento certified the EIR and approved the Greenbriar Development Project (City of Sacramento 2008). After the City's approval of the project, LAFCo approved annexation of the proposed project to the City of Sacramento service area boundary in June 2008 (LAFCo 2008).

Applicable Agency Permits secured for this project include the following:

1) California Department of Fish & Wildlife Final Streambed Alteration Agreement No. 1600-2013-0224-R2
2) Central Valley Regional Water Control Board Clean Water Act Section 401 permit (WDID #5A35CR00587)
3) Department of the Army Section 404 Permit # SPK-2005-00572
4) United States Department of the Interior Fish & Wildlife Service Biological Opinion
5) CDFW Incidental Take Permit. 2081-2013-059-02

According to Cheryle Hodge with the City of Sacramento Planning Department, the subject project is conforming with all applicable environmental mitigation. Furthermore, the subject property is a stand-alone project and not subject to the Natomas Basin HCP Fees.

The proposed development of this project is consistent with the overall zoning and General Plan. This project includes an affordable housing component identified as the Mixed-Income Housing Strategy. Accordingly, the total project is proposed for 2,425 market rate housing units and 339 market rate rental units. The Greenbriar Mixed-Income Housing Strategy provides for the development of 189 affordable units for seniors (APN 201-0300-180). With the development of this project, designated for residents whose income does not exceed 80% of the AMI for Sacramento County, no further affordable housing is required. The developer of this project receives a fee credit for the construction of this project relative to the 2,425 market rate units identified for the project. The only caveat is that the developer obtains a building permit for this project prior to issuance of 65% of the building permits for the 2,425 market rate units. This equates to 1,576 permits. However, since the building permit has been issued for this component, no restrictions are applicable to the subject property.

Development of the proposed land uses described in this report reflect a legal, permissible use under the current zoning, general plan, and all entitlements are secured for development. This includes the recent approval of the Third Amendment to the Development Agreement. This document calls for the construction of the SVO as part of legally permissible land uses.

Physically Possible

This criterion considers the physical features of the site such as street frontage, depth, topography, access, soil conditions, utilities, etc. At this point in the analysis the physical characteristics are examined to see if they are suited for the legally permissible uses. Based on physical inspection of the subject properties, there are no known reasons why the properties would not support any use than those consistent with legally permissible land uses.

Financially Feasible/Maximally Productive

As noted in the prior section, the subject property is projected to have adequate demand in the current market environment. Financial feasibility depends upon supply and demand influences. With respect to financial feasibility of single-family residential development, in recent months merchant builders have acquired unimproved lots in the Sacramento region for near term construction, and there are multiple active projects in the subject's immediate area that demonstrate demand for new homes. Finished lots are transferring at prices that exceed the sum on unimproved lots and site development costs, which indicate completion of site development is financially feasible.

Highest and Best Use (As Vacant) – Conclusion

Based on review of these elements, the highest and best use for the subject property is for near term development. The most probable buyer of the subject residential lots is an investor who would purchase the project in bulk, complete the remaining site improvements and sell the individual product types to production home builders.

Highest and Best Use (As Improved) – Conclusion

The highest and best use as improved reflects the proposed uses identified in this report. All of the proposed uses are consistent with their highest and best use. The most probable buyer of the subject residential lots is an investor who would purchase the project in bulk, complete the remaining site improvements and sell the individual product types to production home builders.

PART 4 – METHODOLOGY AND VALUATION

METHODOLOGY

The valuation process is the orderly program in which the data used to derive an opinion of value for the subject property as it is acquired, classified, analyzed, and presented. The first step in the process is to define the appraisal problem, i.e., identify the real estate, the effective date of the value estimate, the property rights being appraised, and the type of value sought. Once this has been accomplished, the appraiser collects and analyzes the factors that affect the market value of the subject property. These factors are addressed in the area and neighborhood analysis, the site and improvement analysis, the highest and best use analysis, and in the application of the three approaches to value. Appraisers generally use three approaches to value; the Cost Approach, the Sales Comparison Approach, and the Income Approach. The final step in the valuation process is the reconciliation or correlation of the value indications. In the reconciliation, the appraiser considers the relative applicability of each of the approaches used, examines the range of the value indications, and gives most weight to the approach or approaches that appear to produce the most reliable solution to the appraisal problem.

The first step in the appraisal of the subject property is to examine the different value scenarios required for this property under the purpose of this report. In order to derive an opinion of value for this property, all three approaches to value will be considered.

In the **Cost Approach**, the reproduction or replacement cost of the building and land improvements, as the date of the appraisal, is developed together with an estimate of the losses in value (depreciation) that have taken place due to wear and tear, design and plan, or neighborhood influences. The depreciated building cost estimate is added to the value of the land. The total represents the value indicated by the cost approach. This approach assumes that the site is developed to its highest and best use. It is also a good test of project feasibility in the case of proposed projects. This approach to value is based on a comparison that a prudent investor would pay no more for a property than the amount the investor can obtain a comparable site and construct a building of equal desirability and utility without undue delay. This approach is most applicable when a property is new or relatively new, and sufficient comparable land sales are available to support a reasonable conclusion of land value.

In the **Sales Comparison Approach**, the subject property is compared to similar properties that have been sold recently or for which listing prices or offering figures are known. Data for generally comparable properties are used, and comparisons are made to demonstrate a probable price at which the subject property would sell if offered in the open market. This is a good indication of value assuming the market data considered is recent and reliable.

In the **Income Capitalization Approach**, value is based on the present value of the anticipated net income stream from the subject property. Two common techniques are typically utilized, direct capitalization and yield capitalization. In direct capitalization, the current or estimated rental income is projected with deductions for vacancy and collection loss and operating expenses. A conclusion about the prospective net operating income of the property is developed. In support of this net operating income estimate, operating statements for previous years may be reviewed, together with available operating cost estimates of similar properties. An applicable capitalization method and appropriate capitalization rates are developed for use in computations that lead to an indication of value by the Income Approach. In yield capitalization (or discounted cash flow analysis), the net income stream is projected over a typical investment holding period for the property type being appraised, with a reversion at the end of the

holding period. The income stream and reversion are then discounted to a present value utilizing a discount rate, typically derived from market analysis and investor surveys. In most cases, the Income Approach is considered to be the best method of estimating value for an income producing property.

After an indication of value is achieved in each of the approaches, the applicability and reliability of each approach is then evaluated and weighed by the appraiser. Through physical inspection of the property and the appraiser's analysis, judgment, and experience, a final opinion of value is then made for the subject property.

Subject Property Valuation

The market value of the appraised properties, by ownership, subject to the existing liens will be estimated using the sales comparison approach to value. As noted throughout this report, this value is presented in conjunction with the **Hypothetical Condition** that all improved properties are available for development to their highest and best use. In addition, the extraction/land residual methodology will be utilized. Under this methodology, land value is developed by deducting the construction costs from the proposed revenues in arriving at an estimated value of the finished lots. Discounted cash flow analysis for the determination of lot value was not necessary given the number of lots in each village and relatively short absorption period. The concluded lot values identified by the Sales Comparison Approach and the Income Approach were reconciled in order to provide the finished lot value for each village.

These conclusions are used in developing the overall value by ownership.

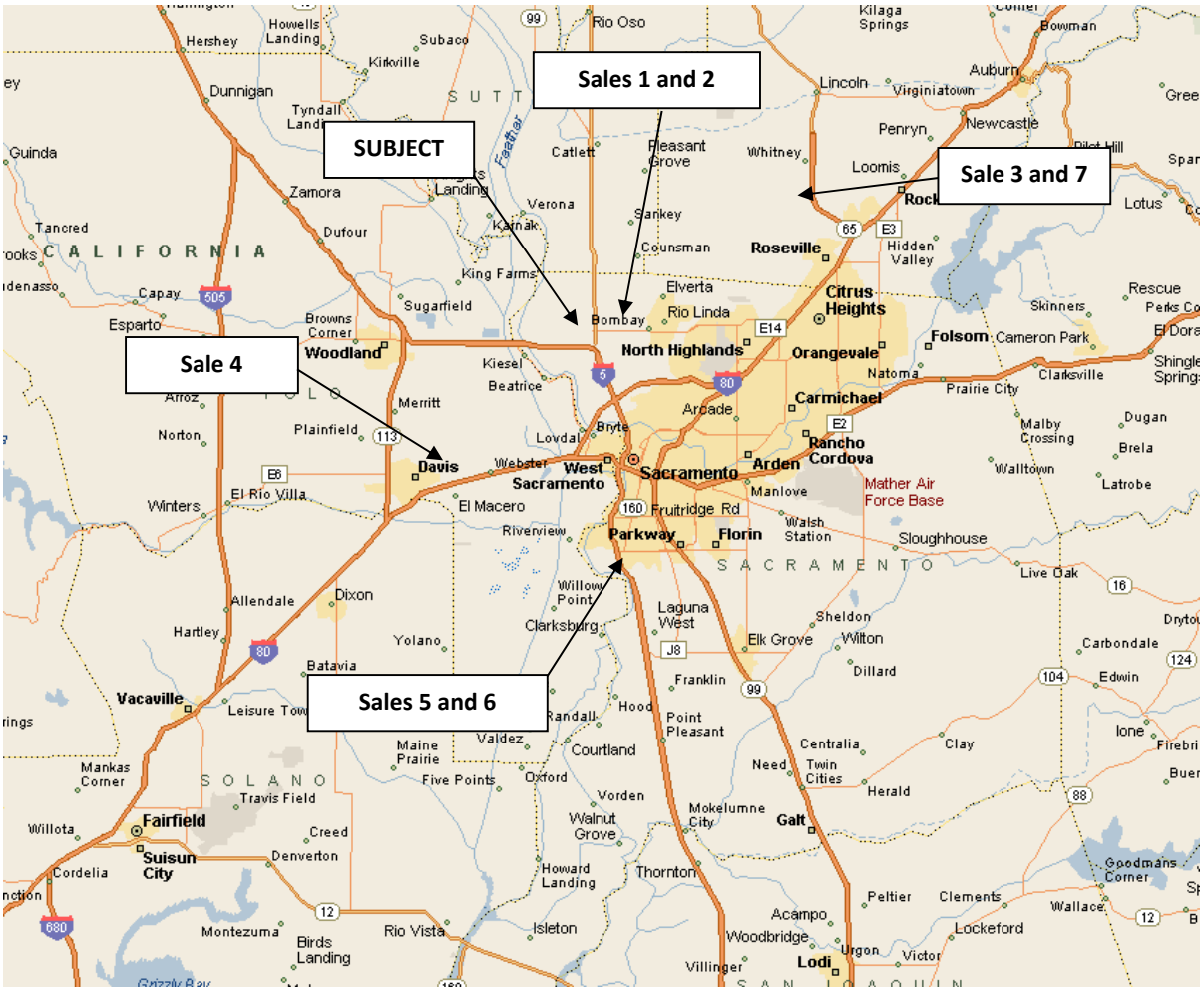
For the Lennar Ownership, conclusions are derived from each of the reported villages and allocated amongst the 191 lots currently owned. In addition, there is added value for these lots as Permits and Fees paid as of the effective date of valuation, as well as for the completed model homes and production homes.

For the Integral component, 547 lots, once the individual values are derived or identified as the aggregate retail value or retail sales proceeds, a discounted cash flow model will be performed. Under the discounted cash flow analysis, the expected revenue, absorption period, expenses and discount rate associated with the sell-off of the developable parcels will be utilized. A DCF analysis is a procedure in which a discount rate is applied to a projected revenue stream generated from the sale of individual components of a project. In this method of valuation, the appraiser specifies the quantity, variability, timing and duration of the revenue streams and discounts each to its present value at a specified yield rate. It provides a conclusion of the value for 547 lots as sold to a single purchaser or investor.

Lastly, as noted throughout this report, this project includes 439 homes which have closed escrow as of the effective date of valuation. For this analysis, assessed values are identified for the overall revenue basis. However, since tax bills are trailing for this project, these revenues are based on the recorded purchase price from Sacramento County Public records.

SALES COMPARISON APPROACH
REVENUE PROJECTIONS – FINISHED LOTS

The Sales Comparison Approach involves a comparison of the subject property with other properties which have been sold or have been offered for sale in the open, competitive market. These transactions serve the primary function of providing a unit comparison used to estimate an independent opinion of value by this approach. The reliability of the value estimate depends upon the degree of similarity between the property being appraised and the comparable sales. Adjustments are made to the comparable sales to reflect their differences from the subject. The land sales used for comparative purposes are summarized below.



SALE	PROPERTY ADDRESS LOCATION	TOTAL SALES PRICE SALES PRICE/LOT SALE DATE	BUYER SELLER DOCUMENT NO.	STATUS # OF LOTS TYPICAL LOT SIZE (SF)	ANNUAL LEVIES/ SPECIAL ASSESSMENTS	SITE COSTS/LOT PERMITS/FEES	LOADED PRICE PER FINISHED LOT
1	W. Side of Sorrento Road, N. of Del Paso Road - Panhandle Sacramento, CA 95835	$12,918,000 **$81,759** March 13, 2026	Pulte Home Corporation Carl E. Brothers JR TR 20260313-0461	Paper Lots 158 Lots 5,000 SF	$0 per annum	$78,000 $135,000	**$294,759**
	Comments: This transaction reflects the purchase of 39.8 AC of vacant land in Sacramento. It is part of the panhandle development project. The total net acreage was identified at 27 AC as there are park areas and power line corridors running through the property. Site development costs were reported at $78,000 per lot, and permits and fees, including impact fees at $135,000 per unit. This transfer included a lengthy escrow period. It sold with tentative map approval for 158 lots typically 5,000 square feet. There were no bonds or permits encumbering the property at the time of sale as the developer was seeking bonding capacity through SCIP.						
2	W. Side of Sorrento Road, N. of Del Paso Road - Panhandle Sacramento, CA 95835	$14,000,000 **$87,500** April 1, 2026	HBS I Panhandle LLC (Beazer) Peter Cononelos 20260401-1280	Paper Lots 160 Lots 5,000 SF	$0 per annum	$78,000 $135,000	**$300,500**
	Comments: This transaction reflects the purchase of 40.08 AC of vacant land in Sacramento. It is part of the panhandle development project. The total net acreage was lower as there are park areas and power line corridors running through the property. It sold with tentative map approval for 160 lots typically 5,000 square feet. There were two villages identified for this project with lots from 4,500 to 5,000 square feet. Site development costs were reported at $78,000 per lot, and permits and fees, including impact fees at $135,000 per unit. This transfer included a lengthy escrow period. There were no bonds or permits encumbering the property at the time of sale as the developer was seeking bonding capacity through SCIP.						
3	N. Side of Sunset Road, East of Highway 65 Portion of Placer One Roseville, CA 95747	$39,115,000 **$146,498** December 18, 2025	John Mourier Construction JEN Partners 2025-0071151	Finished Lots 267 Lots 5,400 SF	$2,801 per annum	$0 $80,200	**$226,698**
	Comments: This transaction reflects the purchase of 267 finished lots in the Placer One master planned community in an unincorporated area of Placer County. This reflects the second takedown of lots by John Mourier Construction as the entire agreement is for 626 lots. The first takedown occurred in late-2024 for 238 lots. These lots reflect takedowns from 6 villages with lot sizes ranging from 4,900 to 6,500 square feet with the weighted average lot size noted at 5,400 square feet. The lots were delivered in a finished condition with permits and fees noted at $80,200 per lot.						
4	N. side of E. Covell Blvd., E. of Pole Line Road Palomino Place Davis, CA 95618	$20,905,000 **$175,672** May 14, 2025	Palomino 119 Lots LLC Binning Ranch Holding Co. 2025-8183	Paper Lots 119 Lots 5,100 SF	$1,700 per annum	$118,514 $65,000	**$359,186**
	Comments: This transaction reflects the purchase of a 25.8 ac site in Davis for the development of a 119-lot residential subdivision. The total purchase price was noted at $20,905,000. This included initial acquisition of the property in May 2025 at $19,600,000, as well as an additional $1,305,000 in August 2025. Property was delivered as vacant land at the time of sale and site development costs, based on engineer's costs noted at $118,514 per lot. Permits and fees for the homes reported at $65,000 per unit, and the property has special assessments at $1,700 per annum.						
5	LDR-2 (Por.) - Delta Shores West S. side of Cosumnes River Blvd., W. of I-5 Sacramento, CA 95832	$7,020,000 **$260,000** March 24, 2025	Meritage Homes M&H Realty LLC 20250324-0764	Finished Lots 27 Lots 6,825 SF	$2,301 per annum	$0 $61,552	**$321,552**
	Comments: This transaction represents the purchase of portion of LDR-2 within Delta Shores West by Meritage Homes. It reflects the second take down of 27 finished lots as part of an agreement for 157 lots. The first takedown of 77 lots occurred in July 2024 and the last takedown of 52 finished lots is scheduled for mid-2026. This price is fixed throughout the contract at $260,000 per finished lot. The typical lot size is 6,825 square feet and special assessments are identified at $2,300.70 per annum. Permits and fees are noted at $61,552 per annum.						
6	Parcel 8, Delta Shores Phase 2 S. side of Cosumnes River Blvd., N. of Delta Shores Cir. Sacramento, CA 95832	$4,500,000 **$44,554** March 21, 2024	DS-6 LLC (Signature Homes) M&H Realty LLC 20240321/0825	Paper Lots 101 Lots 1,612 SF	$1,892 per annum	$85,436 $59,546	**$189,536**
	Comments: This transaction represents the purchase of 101 lots within Delta Shores by Signature Homes. The property includes 101 proposed lots, with a typical lot size at 1,612 square feet (26' x 62'). It includes special assessments identified at $1,892 per annum and assumed with the finished lots. Site development costs, including profit identified at $85,436 per lot, whereas permits and fees reported at $59,546 per unit. Developer is proposing attached construction (duet and 3-plex) with homes ranging in size from approximately 1,600 to 2,000 square feet with pricing starting in the mid $500s.						
7	Amoruso Ranch - Phase 1, Subphase A1 S. Side of Amoruso Ranch Road Roseville, CA 95747	$28,980,000 **$210,000** December 14, 2023	Richmond American Homes Brookfield Sacramento Holdings 2023-0067641	Finished Lots 138 Lots 6,000 SF	$3,150 per annum	In Price $93,000	**$303,000**
	Comments: This transaction represents the purchase of 138 finished lots in Amoruso Ranch by Richmond American Homes. The property includes 138 finished lots with a typical size at 6,000 square feet. It includes special assessments identified at $3,150 per annum and assumed with the finished lots. Permits and fees noted at $93,000 per unit.						
SP	**Greenbriar CFD NO. 2018-3, IA #2** **Single-Family Residential Component** **Sacramento, CA**		**Benchmark Village**	**Assumed Finished** **100 Lots** **4,500 SF**	**$2,885 per annum**	**Assumed Finished** **$29,845**	

APPLICATION OF ADJUSTMENTS

Prior to adjustments, the comparable sales ranged from $189,536 to $359,186 per fully loaded finished lot. The comparable sales are analyzed on this basis, and once the opinion of value is noted the permits and fees for this project are deducted from the opinion of value in order to develop a final opinion of value for the subject property. Once the value is identified, the values for each individual area can be developed based on lot size. The analysis of the sales comparison approach is predicated on a "benchmark" village for the subject property. This has been identified as the 4,500-square foot lot type with a hypothetical size of 100 lots. The following is a discussion of the adjustments made to the comparable sales.

Property Rights Conveyed

The comparable sales represent conveyance of the fee simple estate. No adjustments are necessary.

Financing

The comparable sales represent all cash transactions or their equivalent. No adjustments are necessary.

Condition of Sale

All of the properties presented for comparison are arm's length transactions. No adjustments are noted for the sales.

Market Conditions

If property values have appreciated or depreciated over time, the appropriate adjustment is required. The comparable sales range from December 2023 to current transactions. In order to isolate any adjustment for market conditions, trends in pricing are analyzed. This is examined using The Gregory Group for new home pricing changes. The table below summarizes home prices in the entire region, Sacramento County, as well as the Natomas Submarket since 2024. It is based on 1st quarter comparisons for each year.

	SACRAMENTO REGION (4-County)				SACRAMENTO COUNTY				NATOMAS SUB-MARKET			
YEAR	# OF PROJECTS	AVERAGE PRICE (NET)	AVERAGE SIZE (SF)	$/SF	# OF PROJECTS	AVERAGE PRICE (NET)	AVERAGE SIZE (SF)	$/SF	# OF PROJECTS	AVERAGE PRICE (NET)	AVERAGE SIZE (SF)	$/SF
2026	247	$694,945	2,379	$292.12	135	$639,160	2,299	$278.02	16	$638,755	2,416	$264.39
2025	221	$719,732	2,359	$305.10	129	$670,034	2,303	$290.94	16	$700,135	2,393	$292.58
2024	218	$727,824	2,440	$298.29	111	$675,135	2,365	$285.47	10	$636,019	2,508	$253.60
Total Change 2024-2026 ($/SF)				**-2.1%**				**-2.6%**				**4.3%**
Compounded Annual Change (2024-2026)				**-0.4%**				**-0.5%**				**1.8%**
Total Change 2025-2026 ($/SF)				**-4.3%**				**-4.4%**				**-9.6%**

According to information identified by The Gregory Group, home pricing in the entire region has decreased 2.1% since 2024 (Based on 1Q comparisons). This is higher on average for Sacramento County at (-2.6%), with the Natomas submarket reflecting a positive change at 4.3%. The Natomas region was influenced with additional projects coming on-line. Pricing in the past 12 months was lower at 4.3% and 4.4%, respectively in the 4-County area and Sacramento County, whereas Natomas shows an overall decline of 9.6%.

In addition, data compiled from the California Association of Realtors is identified. The following changes are identified in home pricing since March 2024.

MON-YR.	CA	EL DORADO	PLACER	SACRAMENTO	YOLO
March-24	$854,490	$677,000	$659,000	$530,000	$635,830
April-24	$904,910	$757,000	$671,740	$548,580	$615,000
May-24	$908,040	$699,000	$675,000	$555,000	$653,980
June-24	$900,720	$709,000	$685,000	$560,000	$649,500
July-24	$886,560	$695,000	$670,000	$560,000	$610,000
August-24	$888,740	$650,000	$675,000	$559,000	$620,960
September-24	$868,150	$689,000	$660,000	$560,000	$610,000
October-24	$888,740	$664,000	$649,200	$550,000	$612,500
November-24	$852,880	$653,120	$649,490	$550,500	$573,000
December-24	$861,020	$723,000	$639,480	$545,000	$610,000
January-25	$861,020	$615,000	$650,000	$540,000	$600,000
February-25	$884,350	$677,500	$649,000	$550,000	$633,500
March-25	$910,160	$722,500	$665,000	$560,000	$615,000
April-25	$910,170	$675,000	$665,000	$550,000	$635,000
May-25	$900,170	$699,000	$665,000	$550,000	$687,400
June-25	$899,790	$730,000	$705,000	$549,450	$680,000
July-25	$884,050	$717,500	$687,480	$559,500	$635,000
August-25	$899,130	$679,500	$675,000	$550,000	$599,450
September-25	$883,640	$680,000	$653,000	$539,860	$628,000
October-25	$886,960	$680,000	$658,750	$550,000	$625,000
November-25	$852,680	$690,000	$665,000	$535,000	$650,000
December-25	$850,680	$650,000	$645,740	$530,000	$605,000
January-26	$822,630	$705,380	$625,000	$540,000	$559,200
February-26	$830,370	$700,000	$639,980	$545,000	$600,000
March-26	$889,190	$659,000	$675,750	$550,000	$647,500
PRICE CHANGES					
Mar.-24 to Mar.-26	4.1%	-2.7%	2.5%	3.8%	1.8%
Mar.-25 to Mar.-26	-2.3%	-8.8%	1.6%	-1.8%	5.3%
Feb.-26 to Mar.-25	7.1%	-5.9%	5.6%	0.9%	7.9%

Pricing characteristics are noted above since March 2024. Overall pricing fluctuated in 2025. Overall pricing shows a range from (2.7%) to 3.8% in the 4-county area in the past 2 years, whereas similar ranges were noted over the past year from (8.8%) to 5.3%. Sacramento County is showing an increased price of 2.5% since March 2024, with pricing showing a gain of 1.6% in the past year.

The adjustment for market conditions is based on review of these elements, as well as current market conditions. New homes are selling but at the expense of higher levels of concessions. However, it is difficult to justify adjustments for market conditions as of the effective date of valuation. For this analysis, this element is considered in the final reconciliation of value by the sales comparison approach.

Location

The location adjustment is oriented towards the concept that structures located in areas perceived as more desirable due to a number of factors, including accessibility, frontage, and land prices, may achieve a higher price. The subject property is deemed to have a good location in the Natomas sub-market in the City of Sacramento. The comparable sales are located throughout the region based on the built-up nature of the immediate area and the overall general characteristics of the new home market. Still, location adjustments are required to these sales, and the best overall comparison is from analysis of projects in the immediate area to those from the sub-markets for the comparable sales.

The comparable sales were derived from Davis, Laguna, and Roseville. Sales 1 and 2 are from Natomas and offer a similar location. Information from The Gregory Group 1st Quarter 2026 for these various sub-markets are illustrated as follows. All prices are net of concessions.

SUBMARKET	AVERAGE NET PRICE	SIZE (SF)	PRICE/SF
Natomas	$638,755	2,416	$264.39
Roseville	$693,147	2,360	$293.71
Davis	N/A	N/A	N/A
Laguna	$677,684	2,320	$292.11

Information for Natomas is based on all projects. As noted in the market analysis section, pricing for the subject is from $243 to $329 per square foot, with overall project averages near $263 per square foot. For this analysis, projects from Roseville are adjusted downward 10% for the overall superior location. This is based on review of pricing noted above. Sales 5 and 6 are from Delta Shores, which falls under the Laguna submarket. While pricing of this sub-market is higher than noted for Natomas, no adjustments could be quantified for these sales based on the overall orientation in the northern portion of this sub-market. Sale 4 is located in Davis. There are currently no new projects in Davis, and this sale was adjusted downward 40% based on review of resale characteristics. Adjustments for this analysis are predicated on the land component only (Excluding Fees) and are calculated as follows.

ITEM	SALE 3	SALE 4	SALE 7
Land Price	$146,498	$175,672	$210,000
Site Costs	$0	$118,514	$0
Market Conditions Adj.	($0)	($0)	($0)
Finished Lot Indicator	$146,498	$294,186	$210,000
Location Adjustment	(10%)	(40%)	(10%)
TOTAL ADJUSTMENT	**($14,649)**	**($117,674)**	**($21,000)**
ROUNDED	**($15,000)**	**($118,000)**	**($21,000)**

Number of Lots

The adjustments applied to the comparable sales are based on the inclusion of 100 potential lots for the "benchmark" village. The comparable sales include transactions from 27 to 267 lots. Sale 3 was adjusted upward 10% for the total number of lots included in the transaction. This sale reflects a takedown of 267 lots as part of a larger transaction comprised of 626 lots. This adjustment is based on the overall land price identified at $146,498 per lot (excluding fees).

Typical Lot Size

The benchmark village includes a typical lot size at 4,500 square feet. The comparable sales range in size from 3,000 to 5,775 square feet. Adjustments for this analysis were based on $12.00 per square foot. With increased demand for residential lots this adjustment is widening.

Annual CFDs

The subject property includes proposed CFDs at $2,885 per annum. This is based on the weighted average for the subject project. The comparable sales noted in this report include slightly various CFDs and adjustments are noted for these transactions. Effectively, the higher level of special assessments lowers purchasing power for potential buyers and projects lacking special assessments can offer higher pricing. This adjustment is predicated on the actual payment over a 7-year holding period at 6%. Adjustments are noted as follows.

ITEM	SALE 1&2	SALE 4	SALE 5	SALE 6	SALE 7
Annual CFD's	$0	$1,700	$2,301	$1,892	$3,150
Subject CFD's	$2,885	$2,885	$2,885	$2,885	$2,885
Variance	$2,885	$1,185	$584	$993	$265
PV Factor **(1)**	5.582	5.582	5.582	5.582	5.582
ADJUSTMENT	**($16,104)**	**($6,615)**	**($3,260)**	**($5,543)**	**$1,479**
ROUNDED	**($16,100)**	**($6,600)**	**($3,300)**	**($5,500)**	**$1,500**

(1) PV factor reflects the PV of $1 for 7 years at 6%

Please refer to the following adjustment grid for a summary of the adjustments.

ELEMENTS OF COMPARISON	SUBJECT	1	2	3	4	5	6	7
Indicated Price per Lot (Loaded)		**$294,759**	**$300,500**	**$226,698**	**$359,186**	**$321,552**	**$189,536**	**$303,000**
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
-Adjustment		$0	$0	$0	$0	$0	$0	$0
-Adjusted Base		$294,759	$300,500	$226,698	$359,186	$321,552	$189,536	$303,000
Financing Terms	Cash	Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.	Cash Equiv.
-Adjustment		$0	$0	$0	$0	$0	$0	$0
-Adjusted Base		$294,759	$300,500	$226,698	$359,186	$321,552	$189,536	$303,000
Conditions of Sale	Arms-Length	Similar	Similar	Similar	Similar	Similar	Similar	Similar
-Adjustment		$0	$0	$0	$0	$0	$0	$0
-Adjusted Base		$294,759	$300,500	$226,698	$359,186	$321,552	$189,536	$303,000
Market Conditions	May-26	Mar-26	Apr-26	Dec-25	May-25	Mar-25	Mar-24	Dec-23
-Adjustment		$0	$0	$0	$0	$0	$0	$0
-Adjusted Base		$294,759	$300,500	$226,698	$359,186	$321,552	$189,536	$303,000
Adjusted Price per Lot (Loaded)		**$294,759**	**$300,500**	**$226,698**	**$359,186**	**$321,552**	**$189,536**	**$303,000**
Physical Characteristics								
Location	Good	Similar	Similar	Superior	Superior	Similar	Similar	Superior
-Adjustment		**$0**	**$0**	**($15,000)**	**($118,000)**	**$0**	**$0**	**($21,000)**
Number of Lots	100 Lots	158 Lots	160 Lots	267 Lots (+10%)	119 Lots	27 Lots	101 Lots	138 Lots
-Adjustment	"Benchmark"	**$0**	**$0**	**$14,650**	**$0**	**$0**	**$0**	**$0**
Typical Lot Size	4,500 SF	5,000 SF	5,000 SF	5,400 SF	5,100 SF	6,825 SF	1,612 SF	6,000 SF
-Adjustment		**$0**	**$0**	**($10,800)**	**$0**	**($27,900)**	**$34,700**	**($18,000)**
Annual Special Taxes	$2,885/Yr.	None	None	$2,801/Yr.	$1,700/Yr.	$2,301/Yr.	$1,892/Yr.	$3,150/Yr.
-Adjustment		**($16,100)**	**($16,100)**	**$0**	**($6,600)**	**($3,300)**	**($5,500)**	**$1,500**
Net Adjustment		**($16,100)**	**($16,100)**	**($11,150)**	**($124,600)**	**($31,200)**	**$29,200**	**($37,500)**
Indicated Price per Lot (Loaded)		**$278,659**	**$284,400**	**$215,548**	**$234,586**	**$290,352**	**$218,736**	**$265,500**

Conclusion – Sales Comparison Approach

The seven transactions demonstrate an adjusted price per finished lot range from $215,548 to $290,352 per lot, including fees. They reflect the most applicable sales for comparison. As noted, land transactions are scarce in this environment in the current market environment. All of the transactions presented provide validity in deriving the "benchmark" value. They demonstrate a mean (Average) price per finished lot at $255,397 with an overall median price per finished lot at $265,500. Elements considered in deriving the overall "benchmark" value include the following:

- Overall location setting in a master planned community with numerous amenities. Home site with lake frontage are an enhancement to the overall project along with walking trails, community center and project wide amenities. This element is factored into the overall conclusion.

- Premier development site for the Natomas sub-market, as well as the entire region. Orientation of this project is well located in close proximity to Metro Air Park and is desirable site in Natomas. Most new development sites in Natomas configured on infill locations.

- Detached lots are desired in Natomas and the entire region.

- Minimal competition for the subject lots in the short-run.

- Market conditions were influenced by rising inflation due to Middle East Conflicts. While interest rates were stable, inflation is rising causing concern for changes in interest rates in the short run.

Based on review of these elements, the lower end of the adjusted range in emphasized. Sales 1 and 2 are from the immediate area and recent closings. However, both of these transactions included lengthy escrow periods. Furthermore, there is a disparity in permits and fees as these properties included total permits and fees near $135,000 per unit. While these transactions are located near the subject, this element warrants secondary weight toward these sales.

In addition, it appears that pricing is trending downward for new homes. No adjustments were applied to the comparable sales for market conditions, although with lower pricing and increased levels of concessions, are noted. This further adds support for the lower end of the range.

Based on these elements, the "benchmark" lot value is identified at **$230,000 per lot.**

The next step is to isolate the various villages for the subject. Refinements for each specific project is applied for the lot size, and adjustments are similar to that in the prior section. In addition, the permits and fees for each village are deducted from the overall totals in order to derive an opinion of value as finished lots. These calculations are noted on the following table.

PRODUCT TYPE	MINIMUM LOT SIZE (SF)	BENCHMARK VALUE	BENCHMARK LOT SIZE	ADJUSTMENT LOT SIZE	ADJUSTED VALUE	LESS NET PERMITS & FEES	FINISHED LOT VALUE	ROUNDED
Shor	2,788 SF	$230,000	4,500 SF	($20,544)	$209,456	($26,567)	$182,889	**$183,000**
Lakelet	3,690 SF	$230,000	4,500 SF	($9,720)	$220,280	($28,234)	$192,046	**$192,000**
Watersyde	4,000 SF	$230,000	4,500 SF	($6,000)	$224,000	($30,287)	$193,713	**$194,000**
Wavmor	4,500 SF	$230,000	4,500 SF	$0	$230,000	($29,845)	$200,155	**$200,000**
Crestvue	4,675 SF	$230,000	4,500 SF	$0	$230,000	($30,281)	$199,719	**$200,000**
Bleau	5,000 SF	$230,000	4,500 SF	$6,000	$236,000	($31,453)	$204,547	**$205,000**
Drifton	5,500 SF	$230,000	4,500 SF	$12,000	$242,000	($32,894)	$209,106	**$210,000**
V14/20	3,690 SF	$230,000	4,500 SF	($9,720)	$220,280	($49,711)	$170,569	**$170,000**

While the Crestvue lots are slightly larger than the benchmark lot size, no adjusted could be quantified for the additional lot size.

INCOME APPROACH

The income approach involves discounting the retail value of the finished production units and discounts them at an appropriate rate over time. Elements considered in this model include all costs of development of these homes including construction costs, taxes over the holding period, sales, and marketing costs, overhead, as well as an allowance for entrepreneurship. These net revenues are discounted to a present value in order to develop an overall value for the finished lots. This value is presented in conjunction with the hypothetical condition that site improvements are completed to this project as of the effective date of valuation.

Valuation for the finished lots was identified utilizing two methods including extraction based on static methodology and discounted cash flow analysis.

EXTRACTION METHOD

The extraction method is also processed for this analysis. The subject project includes various lot sizes, and the extraction method is applicable for each product type. Under this methodology, land value is developed by deducting the construction costs and all costs for the construction of homes from the proposed revenues in arriving at an estimated value of the finished lots.

REVENUE

Revenue is generated from the sale of completed homes, lot premiums and model home recapture (if any). Project revenues are based on the typical product that meets the highest and best use criteria for the subject project relative to the market area. The following table summarizes the price points for the individual villages identified for review. This is based on the net pricing which is after concessions.

PROJECT	MIN LOT SIZE (SF)	AVERAGE BASE PRICE (NET)	AVERAGE SIZE (SF)	PRICE/SF
SHOR	2,788 SF	$589,419	1,982 SF	$297
LAKELET	3,690 SF	$605,881	2,232 SF	$271
WATERSYDE	4,000 SF	$686,052	2,650 SF	$259
WAVMORE	4,500 SF	$638,790	2,484 SF	$257
CRESTVUE	4,675 SF	$655,479	2,558 SF	$256
BLEAU	5,000 SF	$710,007	2,923 SF	$243
DRIFTON	5,500 SF	$761,129	3,037 SF	$251
WATERS EDGE (v14/20)	3,690 SF	$540,077	1,640 SF	$329
TOTALS	**4,230 SF**	**$660,223**	**2,412 SF**	**$263**

Revenue projections are based on a typical village for each product line at 100 units. Given this smaller number of units for each village, no trending or inflationary expenses are identified as the results of the extraction method are based on static conditions.

Lot premiums for the overall calculation of the extraction method are based on lots with lake frontage. This premium is calculated based on $60,000 per lot for this amenity. This element is based on review of comparable project with similar amenities in Northern California. The following table shows the overall premium for each product line relative to the total number of lots in order to isolate the contributory value of the premium on an overall basis.

PROJECT NAME	# OF LOTS	MIN LOT SIZE (SF)	PREMIUM LOTS	AVERAGE PREMIUM	TOTAL PREMIUM	PER LOT (TOTAL)
Shor	135	2,788 SF	0	$60,000	$0	$0
Lakelet	113	3,690 SF	0	$60,000	$0	$0
Watersyde	83	4,000 SF	11	$60,000	$660,000	$7,952
Wavmor	129	4,500 SF	16	$60,000	$960,000	$7,442
Crestvue	79	4,675 SF	13	$60,000	$780,000	$9,873
Bleau	108	5,000 SF	39	$60,000	$2,340,000	$21,667
Drifton	78	5,500 SF	6	$60,000	$360,000	$4,615
V14/20	80	3,690 SF	0	$60,000	$0	$0
PROJECT	**805**	**4,230 SF**	**85**		**$5,100,000**	**$6,335**

The total lot premiums identified for the overall location adjacent to the lake front are identified at $5,100,000 or $6,335 per lot. This is based on the 740 remaining lots for this project (Excluding the Units which have closed escrow as of the effective date of valuation).

Model Home Recapture

Based on the number of lots, it is projected that each product line would require model homes. This is based on three model homes allocated for each product line. Model upgrade expenses can vary widely depending upon the construction quality, targeted market, and anticipated length of time on the market. These upgrades, exterior and interior, including furniture, can range from $25,000 per model to over $250,000 per model. For purposes of calculations, model upgrades are identified at $150,000 per model. This estimate includes $60,000 per model for upgrades, $20,000 per model in personal property/furniture, $10,000 per model for sales office construction/conversion costs, and $60,000 for landscaping, including rear yards. This is applied for the Shor, Lakelet, Watersyde, Wavmor, Crestvue, and V14/20 product lines. Model upgrade costs for the Bleau and Drifton projects are based on a total model upgrade cost of $200,000 per model. The overall variance is due to increased upgrades in these projects based on the overall price-points.

When the model homes are sold, the developer will recapture a portion of the expenses associated with the installation of premium upgrades in the model units. Model upgrades are based on all costs associated with model development – landscaping, upgrades, furniture, fixtures, and sales office set-up. Although not considered real estate, furniture is a real cost of tract development. To omit furniture would overstate land value. The model upgrades are a fixed expense, and the number of models provided is based on the typical project size and market conditions. Builders typically recapture around 30% to 50% of model expenses. The difference between model costs and recapture upgrades reflects furniture costs (not real estate), upgrade depreciation and obsolescence, and sales office conversion costs. For this analysis, model home recapture is identified at 40% of model costs for each product line.

It is noted that upgrades for the production homes are not included in this analysis. These additional revenues are often buyer preference.

Expenses

The holding and selling costs typically associated with a development where home construction is completed are summarized as follows.

Sales Commissions, Closing Costs and Warranty expenses are typically non-financeable and paid at the time of closing. Sales commissions include both internal commissions and broker co-op. These are projected at 3% of gross revenue. Closing, title, and escrow fees are at 0.25% of gross revenue, whereas warranty expenses are 1.0% of gross revenue.

Direct Construction Costs pertain to the labor and material to build the project. Direct construction generally costs range from $90 to $125 per square foot. Cost comparables from other projects in the region over the past three years are summarized as follows.

DEVELOPER TYPE	DATE	# OF UNITS	AVG. HOME SIZE (SF)	AVG. LOT SIZE (SF)	AVG. DIRECT COSTS/SF
Regional	2026	50+	2,630	3,700	$106.26
Regional	2026	50+	1,487	2,613	$104.50
Regional	2026	50+	1,903	7,600	$100.95
Regional	2026	50+	2,761	5,500	$96.80
Regional	2026	50+	2,430	6,000	$124.19
Regional	2025	50+	1,608	6,100	$109.04
Regional	2025	50+	2,010	5,500	$131.47
Regional	2025	50+	1,426	2,052	$101.81
Regional	2025	80+	2,284	2,640	$116.01
Regional	2025	80+	1,431	3,000	$112.00
Regional	2025	50+	1,791	1,612	$109.27
Regional	2024	40+	2,035	3,500	$102.00
Regional	2024	80+	1,499	4,500	$93.66
Regional	2024	100+	1,529	2,412	$94.58
Regional	2024	100+	1,791	2,400	$102.90
Regional	2024	50+	2,242	3,000	$101.67
AVERAGES			**1,929**		**$106.69**

These projects show direct construction costs from $93.66 to $131.47 per square foot. The overall costs for the subject are applied at $95 to $105 per square foot. Reconciliation is toward the lower end of the range. The subject project is a larger, master planned community controlled by a single, national homebuilder. The weighted average construction costs for the project in its entirety are $96.35 per square foot, generally consistent with the projects identified above. Based on the varying size and price points for this project, direct construction costs are as follows.

PROJECT NAME	# OF LOTS	MIN LOT SIZE (SF)	AVERAGE SIZE (SF)	DIRECT COSTS/SF	TOTAL COSTS
Shor	135	2,788 SF	1,982	$100	$198,200
Lakelet	113	3,690 SF	2,233	$95	$212,135
Watersyde	83	4,000 SF	2,650	$95	$251,750
Wavmor	129	4,500 SF	2,484	$95	$235,980
Crestvue	79	4,675 SF	2,557	$95	$242,915
Bleau	108	5,000 SF	2,923	$95	$277,685
Drifton	78	5,500 SF	3,037	$95	$288,515
V14/20	80	3,690 SF	1,640	$105	$172,200

Changes in Expenses (Expense Increases or Decreases) is not warranted given the absorption period projection for each hypothetical village.

Building Permits and Fees are based on actual projections provided for review. They reflect net fees after consideration of credits as noted in the eligible facilities. These costs are summarized as follows.

PROJECT	Shor	Lakelet	Watersyde	Wavmor	Crestvue	Bleau	Drifton	V14/20
DIMENSIONS	41' x 68'	41' x 90'	50' x 80'	45' x 100'	55' x 85'	50' x 100'	55' x 100'	41' x 90'
MIN. LOT SIZE (SF)	2,788 SF	3,690 SF	4,000 SF	4,500 SF	4,675 SF	5,000 SF	5,500 SF	3,690 SF
# LOTS	193	173	153	163	138	110	108	139
City Impact Fees/Lot	$20,398	$21,113	$22,300	$21,828	$22,038	$22,659	$23,385	$18,557
Greenbriar Fees	$3,820	$3,820	$3,820	$3,820	$3,820	$3,820	$3,820	$3,820
Agency Fees	$13,925	$14,995	$16,058	$16,010	$16,271	$16,925	$17,761	$13,876
School Fees/Park Fees	$0	$0	$0	$0	$0	$0	$0	$24,210
Total Fees	$38,143	$39,928	$42,178	$41,658	$42,129	$43,404	$44,966	$60,463
Less Credits	($11,576)	($11,694)	($11,891)	($11,813)	($11,848)	($11,951)	($12,072)	($10,752)
Total Fees Per Lot	**$26,567**	**$28,234**	**$30,287**	**$29,845**	**$30,281**	**$31,453**	**$32,894**	**$49,711**

General and Administrative costs include all salaries for internal professionals (construction supervisors, support staff, etc.) and office overhead and supplies. This estimate is identified at 3% of gross proceeds.

Marketing Costs are projected at 1.25% of gross proceeds.

Other Indirect Costs are the costs and fees incurred in developing the project and during the construction cycle, which may include architectural and engineering, insurance/bonds, common costs, field overhead and project coordinator fees. These costs are projected at 5% of gross proceeds.

Real Estate Taxes are estimated based on the current tax rate at 1.1687% and applied to the estimated value via extraction. Based on the overall calculations on value identified for each product area, the allocation of taxes is calculated as follows.

PROJECT	SHOR	LAKELET	WATERSYDE	WAVMOR	CRESTVUE	BLEAU	DRIFTON	V14/20
LOT SIZE	2,788 SF	3,690 SF	4,000 SF	4,500 SF	4,675 SF	5,000 SF	5,500 SF	3,690 SF
AVERAGE HOME SIZE	1,982 SF	2,233 SF	2,650 SF	2,484 SF	2,557 SF	2,923 SF	3,037 SF	1,640 SF
Land Value Conclusion	$192,500	$189,900	$199,900	$183,200	$188,800	$200,400	$211,500	$162,700
Annual Base Taxes (1.1687%)	$2,249.75	$2,219.36	$2,336.23	$2,141.06	$2,206.51	$2,342.07	$2,471.80	$1,901.47
Per Month	$187.48	$184.95	$194.69	$178.42	$183.88	$195.17	$205.98	$158.46
Absorption Period - Months **(A)**	25	25	33	33	33	33	33	25
Total Expenditure/Lot	$4,686.97	$4,623.67	$6,424.64	$5,887.91	$6,067.89	$6,440.71	$6,797.45	$3,961.41
# of Units	100	100	100	100	100	100	100	100
Overall Totals	$468,697	$462,367	$642,464	$588,791	$606,789	$644,071	$679,745	$396,141
50% basis due to Absorption	$234,349	$231,183	$321,232	$294,396	$303,395	$322,035	$339,873	$198,070
Per Unit **(A)**	**$2,343**	**$2,312**	**$3,212**	**$2,944**	**$3,034**	**$3,220**	**$3,399**	**$1,981**

(A) Total absorption Period Based on 100 Units

Direct Levies include the charges applied to the vacant lots during construction. These direct levies show annual payments at $404.42 identified as follows.

DIRECT LEVIES	TOTALS
0168/Sac Area Flood Control	$10.90
0169/Natomas Basin	$1.50
0198/SAFCA	$2.00
1111/Sac Service Zone #1	$285.17
0673/N. Natomas TMA CFD	$91.10
0738/RD #1000	$10.00
0730/RD #1000 Stormwater	$3.75
TOTALS	**$404.42**

Based on the overall calculations on value identified for each product area, the allocation of direct levies is calculated as follows.

PROJECT	SHOR	LAKELET	WATERSYDE	WAVMOR	CRESTVUE	BLEAU	DRIFTON	V14/20
LOT SIZE	2,788 SF	3,690 SF	4,000 SF	4,500 SF	4,675 SF	5,000 SF	5,500 SF	3,690 SF
AVERAGE HOME SIZE	1,982 SF	2,233 SF	2,650 SF	2,484 SF	2,557 SF	2,923 SF	3,037 SF	1,640 SF
Direct Levies Per Annum	$404.42	$404.42	$404.42	$404.42	$404.42	$404.42	$404.42	$404.42
Per Month	$33.70	$33.70	$33.70	$33.70	$33.70	$33.70	$33.70	$33.70
Absorption Period - Months **(A)**	25	25	33	33	33	33	33	25
Total Expenditure/Lot	$842.54	$842.54	$1,112.16	$1,112.16	$1,112.16	$1,112.16	$1,112.16	$842.54
# of Units	100	100	100	100	100	100	100	100
Overall Totals	$84,254	$84,254	$111,216	$111,216	$111,216	$111,216	$111,216	$84,254
50% basis due to Absorption	$42,127	$42,127	$55,608	$55,608	$55,608	$55,608	$55,608	$42,127
Per Unit **(A)**	**$421**	**$421**	**$556**	**$556**	**$556**	**$556**	**$556**	**$421**

(A) Total absorption Period Based on 100 Units

Special Taxes

The subject project is proposed for a special districts as described in the Taxes and Special Assessments section of this report. The overall allocation of these districts per product type are illustrated as follows.

PROJECT	SHOR	LAKELET	WATERSYDE	WAVMOR	CRESTVUE	BLEAU	DRIFTON	V14/20
LOT SIZE	2,788 SF	3,690 SF	4,000 SF	4,500 SF	4,675 SF	5,000 SF	5,500 SF	3,690 SF
CFD 2018-08 - IA#2	$2,309.91	$2,630.31	$2,995.09	$2,884.68	$3,268.95	$3,321.98	$3,621.82	$1,828.23
Villages	1&2	4, 5 & 11	3, 6 & 8	14-17	7, 9 & 10	12 & 13	18 & 19	V14/20

Based on the overall calculations on value identified for each product area, the allocation of special assessments is calculated as follows.

PROJECT	SHOR	LAKELET	WATERSYDE	WAVMOR	CRESTVUE	BLEAU	DRIFTON	V14/20
LOT SIZE	2,788 SF	3,690 SF	4,000 SF	4,500 SF	4,675 SF	5,000 SF	5,500 SF	3,690 SF
AVERAGE HOME SIZE	1,982 SF	2,233 SF	2,650 SF	2,484 SF	2,557 SF	2,923 SF	3,037 SF	1,640 SF
Special District Per Annum	$2,309.91	$2,630.31	$2,995.09	$2,884.68	$3,268.95	$3,321.98	$3,621.82	$1,828.23
Per Month	$192.49	$219.19	$249.59	$240.39	$272.41	$276.83	$301.82	$152.35
Absorption Period - Months **(A)**	25	25	33	33	33	33	33	25
Total Expenditure/Lot	$4,812.31	$5,479.81	$8,236.50	$7,932.87	$8,989.61	$9,135.45	$9,960.01	$3,808.81
# of Units	100	100	100	100	100	100	100	100
Overall Totals	$481,231	$547,981	$823,650	$793,287	$898,961	$913,545	$996,001	$380,881
50% basis due to Absorption	$240,616	$273,991	$411,825	$396,644	$449,481	$456,772	$498,000	$190,441
Per Unit **(A)**	**$2,406**	**$2,740**	**$4,118**	**$3,966**	**$4,495**	**$4,568**	**$4,980**	**$1,904**

(A) Total absorption Period Based on 100 Units

HOA Dues

HOA is projected to be $90 per month, per unit for the lots in Phase 2, whereas dues are identified at $83.50 for the V14/20 lots. A prudent development would annex homes into a HOA in phases, after homes are built (typically on issuance of certificate of occupancy). As a result, the developer typically pays limited HOA fees. Primary exceptions include when homes fall out of contract after certificates of occupancy have been issued, or market conditions stall and the developer is left paying fees for a large group of homes. This analysis includes 50% of the HOA fees paid by the developer. Overall calculations are illustrated as follows.

PROJECT	SHOR	LAKELET	WATERSYDE	WAVMOR	CRESTVUE	BLEAU	DRIFTON	V14/20
LOT SIZE	2,788 SF	3,690 SF	4,000 SF	4,500 SF	4,675 SF	5,000 SF	5,500 SF	3,690 SF
AVERAGE HOME SIZE	1,982 SF	2,233 SF	2,650 SF	2,484 SF	2,557 SF	2,923 SF	3,031 SF	1,640 SF
HOA Per Annum	$1,080.00	$1,080.00	$1,080.00	$1,080.00	$1,080.00	$1,080.00	$1,080.00	$1,002.00
Per Month	$90.00	$90.00	$90.00	$90.00	$90.00	$90.00	$90.00	$83.50
Absorption Period - Months **(A)**	25	25	33	33	33	33	33	25
Total Expenditure/Lot	$2,250.00	$2,250.00	$2,970.00	$2,970.00	$2,970.00	$2,970.00	$2,970.00	$2,087.50
# of Units	100	100	100	100	100	100	100	100
Overall Totals	$225,000	$225,000	$297,000	$297,000	$297,000	$297,000	$297,000	$208,750
50% basis due to Absorption	$112,500	$112,500	$148,500	$148,500	$148,500	$148,500	$148,500	$104,375
Per Unit **(A)**	**$1,125**	**$1,125**	**$1,485**	**$1,485**	**$1,485**	**$1,485**	**$1,485**	**$1,044**

(A) Total absorption Period Based on 100 Units

DEVELOPER'S INCENTIVE

Developers surveyed in this market climate noted that projects are being looked at based on profit requirements. Urban projects typically require much higher profits, as capital outlays for construction are nearly double that of suburban projects. The expectations noted below reflect bottom line profit for the project.

PRO-FORMA Based on Market Acquisition	AREA	EXPECTATION
Regional Homebuilder 1,000+ Lots (2024 Pro-Forma) Paper Lots	Sacramento MSA	19.0% total IRR based on finished lots
Regional Homebuilder 50+ Lots (2024 Pro-Forma) Paper Lots	Sacramento MSA	13.1% profit from production homes priced From the low $400s to mid $500s
Regional Homebuilder 50+ Lots (2024 Pro-Forma) Finished	East Bay Area	12.75% profit from production homes priced Above $1.0 million. BMR requirement with 15.0% of units.
Regional Homebuilder 100+Lots (2024 Pro-Forma) Finished	East Bay Area	20.2% profit from production homes priced above $800,000. Developer acquired project in early 2021. BMR requirement with 8.0% of units.
Regional Homebuilder 100+ Lots (2023 Pro-Forma) Finished	Central Valley	15.6% profit from production homes priced above $650,000. Developer acquired project in early 2020.
Regional Homebuilder 100+ Lots (2023 Pro-Forma) Finished	Central Valley	12.97% profit from production homes priced above $600,000.
Regional Homebuilder 100+ Lots (2023 Pro-Forma) Finished	Central Valley	13.5% profit from production homes priced Above $1,000,000.
Regional Homebuilder 50+ Lots (2023 Pro-Forma) Finished	Central Valley	17.7% profit from production homes priced Above $600,000.

The net profit noted implies net profit, net of debt financing only. Some builders do not use or report equity financing. In addition to product segment and expected sales rate, numerous other factors affect profit expectations, such as entitlements, location, lot condition, prior project history, as well as broader market conditions such as recessionary risks.

For this model, developer's incentive of 9% of revenues (gross sales proceeds) are projected for each product line. While two of these projects (Bleau, Drifton) demonstrate a longer absorption period than the remainder of the product lines, larger homes are undersupplied in the immediate area somewhat mitigating the overall risk. It is noted that profit levels are commensurate with home development, including direct construction costs, permits, and fees, as well as all agents of production involved with vertical improvements.

Cost of Funds

Cost of funds is the overall cost, or blended cost of debt and equity, i.e., the time value of money. Debt financing is typically less costly and is offered by conventional lenders, while equity financing carries higher risk and higher costs. Equity financing is typically paid on a waterfall basis. Preferred returns typically range from 8% to 20% and come with minimum IRR expectations. Private equity requirements vary based on project size and type. Smaller projects may rely on private equity financing based on a preferred return only (reflecting a minor premium on rates expected from "safe" commercial investments such as low-risk self-storage facilities), while larger projects—such as master planned communities—may require a preferred return, as well as multiples of 2X or 3X, in addition to project performance requirements such as sales rate (3+/month) and unleveraged IRR requirements (25+%).

Assuming typical loan costs, a discount rate (cost of funds) of 6.50% is assigned for the subject. The annual rate is applied to the calculated net income after profit figure for each product type and applied to the overall holding period. These calculations are identified as follows.

PROJECT	**SHOR**	**LAKELET**	**WATERSYDE**	**WAVMOR**	**CRESTVUE**	**BLEAU**	**DRIFTON**	**V14/20**
LOT SIZE	**2,788 SF**	**3,690 SF**	**4,000 SF**	**4,500 SF**	**4,675 SF**	**5,000 SF**	**5,500 SF**	**3,690 SF**
AVERAGE HOME SIZE	**1,982 SF**	**2,233 SF**	**2,650 SF**	**2,484 SF**	**2,557 SF**	**2,923 SF**	**3,037 SF**	**1,640 SF**
Net Income/Lot After Profit	$222,632	$219,581	$243,340	$222,948	$229,777	$243,941	$257,483	$188,193
Absorption Period - Months **(A)**	25	25	33	33	33	33	33	25
Rate (6.5% applied Monthly)	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%	0.54%
Overall Totals	**$30,148**	**$29,735**	**$43,497**	**$39,852**	**$41,073**	**$43,604**	**$46,025**	**$25,484**

Interaction of Developer's Incentive/Cost of Funds

The interaction of Developer's Incentive and the Cost of Funds considers the overall profitability for each specific project. The total of these components measured against gross retail sales proceeds for each project shows this overall relationship. Based on the calculations identified in this section, subject gross sale proceeds are noted as follows.

PROJECT	**SHOR**	**LAKELET**	**WATERSYDE**	**WAVMOR**	**CRESTVUE**	**BLEAU**	**DRIFTON**	**V14/20**
LOT SIZE	**2,788 SF**	**3,690 SF**	**4,000 SF**	**4,500 SF**	**4,675 SF**	**5,000 SF**	**5,500 SF**	**3,690 SF**
AVERAGE HOME SIZE	**1,982 SF**	**2,233 SF**	**2,650 SF**	**2,484 SF**	**2,557 SF**	**2,923 SF**	**3,037 SF**	**1,640 SF**
Developer's Incentive	$53,210	$54,691	$62,622	$58,323	$60,044	$66,067	$69,133	$48,769
Cost of Funds	$30,148	$29,735	$43,497	$39,852	$41,073	$43,604	$46,025	$25,484
TOTAL	**$83,358**	**$84,426**	**$106,119**	**$98,175**	**$101,116**	**$109,671**	**$115,158**	**$74,253**
Gross Sales Proceeds	$591,219	$607,681	$695,804	$648,032	$667,152	$734,074	$768,144	$541,877
% of GSP	**14.1%**	**13.9%**	**15.3%**	**15.1%**	**15.2%**	**14.9%**	**15.0%**	**13.7%**

The overall profit expectation for each village ranges from 13.7% to 15.3% of gross sales proceeds. This is supportive of the project feasibility and is attractive to home builders. In addition, these parameters were tested in Discount Cash Flow models based on the overall conclusions noted in the prior sections. The only variance is that costs were inflated over time at 2% per annum, as well as the inclusion of appreciation (2%/Year beginning in Quarter 5). These net revenues based on entrepreneurship at 9% of gross sales proceeds, whereas discount rates from 10% to 11% were applied. Conclusions are noted below along with the resultant IRR projections.

PROJECT	CONCLUSION/LOT	IRR
Shor	$191,800	22.0%
Lakelet	$188,600	22.3%
Watersyde	$202,300	20.5%
Wavmor	$185,100	20.6%
Crestvue	$190,800	20.6%
Bleau	$197,700	21.9%
Drifton	$208,800	21.9%
V14/20	$161,300	22.6%

These conclusions reinforce those identified through extraction. Calculations of the overall lot value based on each product type based on calculations noted in this section are identified on the following table. Individual cash flow models follow this chart.

PROJECT		SHOR	LAKELET	WATERSYDE	WAVMOR	CRESTVUE	BLEAU	DRIFTON	V14/20
Average Home Size		1,982	2,232	2,650	2,484	2,557	2,923	3,037	1,640
Number of Lots		100	100	100	100	100	100	100	100
Direct Construction Costs/SF		$100	$95	$95	$95	$95	$95	$95	$105
# of Models		3	3	3	3	3	3	3	3
Costs/Model		$150,000	$150,000	$150,000	$150,000	$150,000	$200,000	$200,000	$150,000
REVENUE									
--Base Home Revenue		$589,419	$605,881	$686,052	$638,790	$655,479	$710,007	$761,129	$540,077
--Lot Premium		$0	$0	$7,952	$7,442	$9,873	$21,667	$4,615	$0
--Model Recapture (40%)		$1,800	$1,800	$1,800	$1,800	$1,800	$2,400	$2,400	$1,800
TOTAL REVENUE (Gross Sales Proceeds)		**$591,219**	**$607,681**	**$695,804**	**$648,032**	**$667,152**	**$734,074**	**$768,144**	**$541,877**
EXPENSES									
-Sales Commissions	3.00%	$17,737	$18,230	$20,874	$19,441	$20,015	$22,022	$23,044	$16,256
-Closing, Title, Escrow	0.25%	$1,478	$1,519	$1,740	$1,620	$1,668	$1,835	$1,920	$1,355
-Warranty	1.00%	$5,912	$6,077	$6,958	$6,480	$6,672	$7,341	$7,681	$5,419
-Direct Construction Costs		$198,200	$212,040	$251,750	$235,980	$242,915	$277,685	$288,515	$172,200
-Permits and Fees		$26,567	$28,234	$30,287	$29,845	$30,281	$31,453	$32,894	$49,711
-General and Administrative	3.00%	$17,737	$18,230	$20,874	$19,441	$20,015	$22,022	$23,044	$16,256
-Marketing	1.25%	$7,390	$7,596	$8,698	$8,100	$8,339	$9,176	$9,602	$6,773
-Other Indirects (Construction/Insurance/Contingency)	5.00%	$29,561	$30,384	$34,790	$32,402	$33,358	$36,704	$38,407	$27,094
-Model Costs		$4,500	$4,500	$4,500	$4,500	$4,500	$6,000	$6,000	$4,500
-Ad Valorem Taxes	1.1687%	$2,343	$2,312	$3,212	$2,944	$3,034	$3,220	$3,399	$1,981
-Direct Levies		$421	$421	$556	$556	$556	$556	$556	$421
-Special Taxes		$2,406	$2,740	$4,118	$3,966	$4,495	$4,568	$4,980	$1,904
-HOA (at 50%)		$1,125	$1,125	$1,485	$1,485	$1,485	$1,485	$1,485	$1,044
TOTAL EXPENSES		**$315,377**	**$333,409**	**$389,842**	**$366,761**	**$377,331**	**$424,067**	**$441,529**	**$304,915**
NET INCOME BEFORE PROFIT		$275,842	$274,272	$305,962	$281,271	$289,821	$310,007	$326,615	$236,962
-Implied Developer's Incentive	9.0%	$53,210	$54,691	$62,622	$58,323	$60,044	$66,067	$69,133	$48,769
NET INCOME AFTER PROFIT		$222,632	$219,581	$243,340	$222,948	$229,777	$243,941	$257,483	$188,193
-Implied Costs of Funds	6.5%	$30,148	$29,735	$43,497	$39,852	$41,073	$43,604	$46,025	$25,484
VALUE INDICATION (PER LOT)		**$192,484**	**$189,846**	**$199,843**	**$183,096**	**$188,704**	**$200,336**	**$211,458**	**$162,709**
ROUNDED		**$192,500**	**$189,900**	**$199,900**	**$183,200**	**$188,800**	**$200,400**	**$211,500**	**$162,700**

SHOR - QUARTERLY DISCOUNTING		PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	
ITEM		1	2	3	4	5	6	7	8	9	10	TOTALS
SINGLE-FAMILY RESIDENTIAL												
Total Number Developed		100	100	88	76	64	52	40	28	16	4	
Total Number Constructed		15	12	12	12	12	12	12	12	1	0	100
Number of Units sold		0	12	12	12	12	12	12	12	12	4	100
Number of Units Unsold		100	88	76	64	52	40	28	16	4	0	
Average Selling Price - Including Lot Premium		$589,419	$589,419	$589,419	$589,419	$589,419	$589,419	$589,419	$589,419	$589,419	$589,419	
Total Revenues - Base Plans		$0	$7,073,028	$7,073,028	$7,073,028	$7,073,028	$7,073,028	$7,073,028	$7,073,028	$7,073,028	$2,357,676	$58,941,900
Model Home Recapture		$0	$0	$0	$0	$0	$0	$0	$0	$0	$180,000	$180,000
TOTAL PROJECT REVENUES		$0	$7,073,028	$7,073,028	$7,073,028	$7,073,028	$7,073,028	$7,073,028	$7,073,028	$7,073,028	$2,537,676	$59,121,900
Market Appreciation (Quarterly)	0.50%	$0	$0	$0	$0	$35,365	$70,907	$106,627	$142,525	$178,603	$77,088	$611,115
TOTAL REVENUE		**$0**	**$7,073,028**	**$7,073,028**	**$7,073,028**	**$7,108,393**	**$7,143,935**	**$7,179,655**	**$7,215,553**	**$7,251,631**	**$2,614,764**	**$59,733,015**
FIXED EXPENSES												
Construction Costs	$ 198,200	$2,973,000	$2,378,400	$2,378,400	$2,378,400	$2,378,400	$2,378,400	$2,378,400	$2,378,400	$198,200	$0	$19,820,000
Model Upgrades		$450,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$450,000
Permits & Fees	$ 26,567	$398,505	$318,804	$318,804	$318,804	$318,804	$318,804	$318,804	$318,804	$26,567	$0	$2,656,700
Total Construction Costs		$3,821,505	$2,697,204	$2,697,204	$2,697,204	$2,697,204	$2,697,204	$2,697,204	$2,697,204	$224,767	$0	$22,926,700
Inflation (Home Construction)	0.50%	$0	$13,486	$27,039	$40,661	$54,350	$68,108	$81,934	$95,830	$9,150	$0	$390,558
TOTAL CONSTRUCTION COSTS		**$3,821,505**	**$2,710,690**	**$2,724,243**	**$2,737,865**	**$2,751,554**	**$2,765,312**	**$2,779,138**	**$2,793,034**	**$233,917**	**$0**	**$23,317,258**
VARIABLE EXPENSES												
Property Taxes (1.1687%)	$560.39	$56,039	$49,314	$42,590	$35,865	$29,723	$22,864	$16,005	$9,146	$2,332	$0	$263,877
Direct Levies (Per Quarter)	$101.11	$10,111	$8,898	$7,684	$6,471	$5,363	$4,125	$2,888	$1,650	$421	$0	$47,611
HOA	$270.00	$27,000	$23,760	$20,520	$17,280	$14,040	$10,800	$7,560	$4,320	$1,080	$0	$126,360
Special Taxes (Per Quarter)	$577.48	$57,748	$50,818	$43,888	$36,959	$30,630	$23,561	$16,493	$9,424	$2,403	$0	$271,925
Other Indirect Costs	5.00%	$0	$353,651	$353,651	$353,651	$355,420	$357,197	$358,983	$360,778	$362,582	$130,738	$2,986,651
Marketing	1.25%	$0	$88,413	$88,413	$88,413	$88,855	$89,299	$89,746	$90,194	$90,645	$32,685	$746,663
Closing Costs, Warranty	1.25%	$0	$88,413	$88,413	$88,413	$88,855	$89,299	$89,746	$90,194	$90,645	$32,685	$746,663
Commissions	3.0%	$0	$212,191	$212,191	$212,191	$213,252	$214,318	$215,390	$216,467	$217,549	$78,443	$1,791,990
Admin. and Overhead	3.0%	$179,199	$179,199	$179,199	$179,199	$179,199	$179,199	$179,199	$179,199	$179,199	$179,199	$1,791,990
TOTAL VARIABLE EXPENSES		**$330,097**	**$1,054,657**	**$1,036,549**	**$1,018,442**	**$1,005,336**	**$990,663**	**$976,008**	**$961,372**	**$946,856**	**$453,749**	**$8,773,730**
TOTAL FIXED AND VARIABLE EXPENSES		**$4,151,602**	**$3,765,347**	**$3,760,793**	**$3,756,306**	**$3,756,890**	**$3,755,974**	**$3,755,146**	**$3,754,406**	**$1,180,773**	**$453,749**	**$32,090,988**
NET SALES REVENUE (BEFORE PROFIT)		**($4,151,602)**	**$3,307,681**	**$3,312,235**	**$3,316,722**	**$3,351,503**	**$3,387,961**	**$3,424,508**	**$3,461,147**	**$6,070,858**	**$2,161,015**	**$27,642,027**
Entrepreneurial Profit	8%	$0	$565,842	$565,842	$565,842	$568,671	$571,515	$574,372	$577,244	$580,130	$209,181	$4,778,641
Net Proceeds		**($4,151,602)**	**$2,741,839**	**$2,746,393**	**$2,750,879**	**$2,782,832**	**$2,816,446**	**$2,850,136**	**$2,883,903**	**$5,490,727**	**$1,951,834**	**$22,863,386**
Discount Rate	10%	0.97561	0.95181	0.92860	0.90595	0.88385	0.86230	0.84127	0.82075	0.80073	0.78120	
Net Cash Flow		($4,050,343)	$2,609,721	$2,550,299	$2,492,161	$2,459,618	$2,428,612	$2,397,720	$2,366,953	$4,396,581	$1,524,769	

NET PRESENT VALUE	**$19,176,092**
ROUNDED	**$19,180,000**
PER LOT	**$191,800**

IRR CALCULATIONS	VALUE	PERIOD 1	PERIOD 2	PERIOD 3	PERIOD 4	PERIOD 5	PERIOD 6	PERIOD 7	PERIOD 8	PERIOD 9	PERIOD 10
NET INCOME (BEFORE PROFIT)	($19,176,092)	($4,151,602)	$3,307,681	$3,312,235	$3,316,722	$3,351,503	$3,387,961	$3,424,508	$3,461,147	$6,070,858	$2,161,015
IRR (quarterly)	**5.50%**										
Annualized	**22.0%**										

LAKELET - QUARTERLY DISCOUNTING ITEM			PERIOD 1	PERIOD 2	PERIOD 3	PERIOD 4	PERIOD 5	PERIOD 6	PERIOD 7	PERIOD 8	PERIOD 9	PERIOD 10	TOTALS
SINGLE-FAMILY RESIDENTIAL													
Total Number Developed			100	100	88	76	64	52	40	28	16	4	
Total Number Constructed			15	12	12	12	12	12	12	12	1	0	100
Number of Units sold			0	12	12	12	12	12	12	12	12	4	100
Number of Units Unsold			100	88	76	64	52	40	28	16	4	0	
Average Selling Price - Including Lot Premium			$605,881	$605,881	$605,881	$605,881	$605,881	$605,881	$605,881	$605,881	$605,881	$605,881	
Total Revenues - Base Plans			$0	$7,270,572	$7,270,572	$7,270,572	$7,270,572	$7,270,572	$7,270,572	$7,270,572	$7,270,572	$2,423,524	$60,588,100
Model Home Recapture			$0	$0	$0	$0	$0	$0	$0	$0	$0	$180,000	$180,000
TOTAL PROJECT REVENUES			$0	$7,270,572	$7,270,572	$7,270,572	$7,270,572	$7,270,572	$7,270,572	$7,270,572	$7,270,572	$2,603,524	$60,768,100
Market Appreciation (Quarterly)		0.50%	$0	$0	$0	$0	$36,353	$72,887	$109,605	$146,506	$183,591	$79,089	$628,030
TOTAL REVENUE			**$0**	**$7,270,572**	**$7,270,572**	**$7,270,572**	**$7,306,925**	**$7,343,459**	**$7,380,177**	**$7,417,078**	**$7,454,163**	**$2,682,613**	**$61,396,130**
FIXED EXPENSES													
Construction Costs	$	212,135	$3,182,025	$2,545,620	$2,545,620	$2,545,620	$2,545,620	$2,545,620	$2,545,620	$2,545,620	$212,135	$0	$21,213,500
Model Upgrades			$450,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$450,000
Permits & Fees	$	28,234	$423,510	$338,808	$338,808	$338,808	$338,808	$338,808	$338,808	$338,808	$28,234	$0	$2,823,400
Total Construction Costs			$4,055,535	$2,884,428	$2,884,428	$2,884,428	$2,884,428	$2,884,428	$2,884,428	$2,884,428	$240,369	$0	$24,486,900
Inflation (Home Construction)		0.50%	$0	$14,422	$28,916	$43,483	$58,123	$72,835	$87,622	$102,482	$9,785	$0	$417,668
TOTAL CONSTRUCTION COSTS			**$4,055,535**	**$2,898,850**	**$2,913,344**	**$2,927,911**	**$2,942,551**	**$2,957,263**	**$2,972,050**	**$2,986,910**	**$250,154**	**$0**	**$24,904,568**
VARIABLE EXPENSES													
Property Taxes (1.1687%)		$551.04	$55,104	$48,492	$41,879	$35,267	$29,227	$22,482	$15,738	$8,993	$2,293	$0	$259,475
Direct Levies (Per Quarter)		$101.11	$10,111	$8,898	$7,684	$6,471	$5,363	$4,125	$2,888	$1,650	$421	$0	$47,611
HOA		$270.00	$27,000	$23,760	$20,520	$17,280	$14,040	$10,800	$7,560	$4,320	$1,080	$0	$126,360
Special Taxes (Per Quarter)		$657.58	$65,758	$57,867	$49,976	$42,085	$34,878	$26,829	$18,780	$10,732	$2,737	$0	$309,642
Other Indirect Costs		5.00%	$0	$363,529	$363,529	$363,529	$365,346	$367,173	$369,009	$370,854	$372,708	$134,131	$3,069,807
Marketing		1.25%	$0	$90,882	$90,882	$90,882	$91,337	$91,793	$92,252	$92,713	$93,177	$33,533	$767,452
Closing Costs, Warranty		1.25%	$0	$90,882	$90,882	$90,882	$91,337	$91,793	$92,252	$92,713	$93,177	$33,533	$767,452
Commissions		3.0%	$0	$218,117	$218,117	$218,117	$219,208	$220,304	$221,405	$222,512	$223,625	$80,478	$1,841,884
Admin. and Overhead		3.0%	$184,188	$184,188	$184,188	$184,188	$184,188	$184,188	$184,188	$184,188	$184,188	$184,188	$1,841,884
TOTAL VARIABLE EXPENSES			**$342,161**	**$1,086,615**	**$1,067,658**	**$1,048,701**	**$1,034,924**	**$1,019,489**	**$1,004,073**	**$988,676**	**$973,406**	**$465,863**	**$9,031,565**
TOTAL FIXED AND VARIABLE EXPENSES			**$4,397,696**	**$3,985,465**	**$3,981,002**	**$3,976,612**	**$3,977,474**	**$3,976,752**	**$3,976,123**	**$3,975,586**	**$1,223,560**	**$465,863**	**$33,936,134**
NET SALES REVENUE (BEFORE PROFIT)			**($4,397,696)**	**$3,285,107**	**$3,289,570**	**$3,293,960**	**$3,329,451**	**$3,366,707**	**$3,404,054**	**$3,441,491**	**$6,230,603**	**$2,216,750**	**$27,459,997**
Entrepreneurial Profit		8%	$0	$581,646	$581,646	$581,646	$584,554	$587,477	$590,414	$593,366	$596,333	$214,609	$4,911,690
Net Proceeds			**($4,397,696)**	**$2,703,461**	**$2,707,924**	**$2,712,314**	**$2,744,897**	**$2,779,231**	**$2,813,640**	**$2,848,125**	**$5,634,270**	**$2,002,141**	**$22,548,306**
Discount Rate		10%	0.97561	0.95181	0.92860	0.90595	0.88385	0.86230	0.84127	0.82075	0.80073	0.78120	
Net Cash Flow			($4,290,436)	$2,573,193	$2,514,577	$2,457,223	$2,426,089	$2,396,522	$2,367,018	$2,337,589	$4,511,520	$1,564,069	

NET PRESENT VALUE	**$18,857,363**
ROUNDED	**$18,860,000**
PER LOT	**$188,600**

IRR CALCULATIONS	VALUE	PERIOD 1	PERIOD 2	PERIOD 3	PERIOD 4	PERIOD 5	PERIOD 6	PERIOD 7	PERIOD 8	PERIOD 9	PERIOD 10
NET INCOME (BEFORE PROFIT)	($18,857,363)	($4,397,696)	$3,285,107	$3,289,570	$3,293,960	$3,329,451	$3,366,707	$3,404,054	$3,441,491	$6,230,603	$2,216,750
IRR (quarterly)	**5.58%**										
Annualized	**22.3%**										

WATERSYDE - QUARTERLY DISCOUNTING		PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	
ITEM		1	2	3	4	5	6	7	8	9	10	11	12	TOTALS
SINGLE-FAMILY RESIDENTIAL														
Total Number Developed		100	100	91	82	73	64	55	46	37	28	19	10	
Total Number Constructed		12	9	9	9	9	9	9	9	9	9	7	0	100
Number of Units sold		0	9	9	9	9	9	9	9	9	9	9	10	100
Number of Units Unsold		100	91	82	73	64	55	46	37	28	19	10	0	
Average Selling Price - Including Lot Premium		$694,004	$694,004	$694,004	$694,004	$694,004	$694,004	$694,004	$694,004	$694,004	$694,004	$694,004	$694,004	
Total Revenues - Base Plans		$0	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,940,040	$69,400,400
Model Home Recapture		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$180,000	$180,000
TOTAL PROJECT REVENUES		$0	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$6,246,036	$7,120,040	$69,580,400
Market Appreciation (Quarterly)	0.50%	$0	$0	$0	$0	$31,230	$62,617	$94,160	$125,861	$157,720	$189,739	$221,918	$289,836	$1,173,080
TOTAL REVENUE		**$0**	**$6,246,036**	**$6,246,036**	**$6,246,036**	**$6,277,266**	**$6,308,653**	**$6,340,196**	**$6,371,897**	**$6,403,756**	**$6,435,775**	**$6,467,954**	**$7,409,876**	**$70,753,480**
FIXED EXPENSES														
Construction Costs	$ 251,750	$3,021,000	$2,265,750	$2,265,750	$2,265,750	$2,265,750	$2,265,750	$2,265,750	$2,265,750	$2,265,750	$2,265,750	$1,762,250	$0	$25,175,000
Model Upgrades		$450,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$450,000
Permits & Fees	$ 30,287	$363,444	$272,583	$272,583	$272,583	$272,583	$272,583	$272,583	$272,583	$272,583	$272,583	$212,009	$0	$3,028,700
Total Construction Costs		$3,834,444	$2,538,333	$2,538,333	$2,538,333	$2,538,333	$2,538,333	$2,538,333	$2,538,333	$2,538,333	$2,538,333	$1,974,259	$0	$28,653,700
Inflation (Home Construction)	0.50%	$0	$12,692	$25,447	$38,266	$51,149	$64,096	$77,108	$90,185	$103,328	$116,536	$100,964	$0	$679,771
TOTAL CONSTRUCTION COSTS		**$3,834,444**	**$2,551,025**	**$2,563,780**	**$2,576,599**	**$2,589,482**	**$2,602,429**	**$2,615,441**	**$2,628,518**	**$2,641,661**	**$2,654,869**	**$2,075,223**	**$0**	**$29,333,471**
VARIABLE EXPENSES														
Property Taxes (1.1687%)	$591.07	$59,107	$53,787	$48,468	$43,148	$38,585	$33,159	$27,733	$22,307	$17,219	$11,684	$6,149	$0	$361,346
Direct Levies (Per Quarter)	$101.11	$10,111	$9,201	$8,291	$7,381	$6,600	$5,672	$4,744	$3,816	$2,945	$1,999	$1,052	$0	$61,813
HOA	$270.00	$27,000	$24,570	$22,140	$19,710	$17,280	$14,850	$12,420	$9,990	$7,560	$5,130	$2,700	$0	$163,350
Special Taxes (Per Quarter)	$748.77	$74,877	$68,138	$61,399	$54,660	$48,880	$42,006	$35,132	$28,259	$21,813	$14,801	$7,790	$0	$457,755
Other Indirect Costs	5.00%	$0	$312,302	$312,302	$312,302	$313,863	$315,433	$317,010	$318,595	$320,188	$321,789	$323,398	$370,494	$3,537,674
Marketing	1.25%	$0	$78,075	$78,075	$78,075	$78,466	$78,858	$79,252	$79,649	$80,047	$80,447	$80,849	$92,623	$884,419
Closing Costs, Warranty	1.25%	$0	$78,075	$78,075	$78,075	$78,466	$78,858	$79,252	$79,649	$80,047	$80,447	$80,849	$92,623	$884,419
Commissions	3.0%	$0	$187,381	$187,381	$187,381	$188,318	$189,260	$190,206	$191,157	$192,113	$193,073	$194,039	$222,296	$2,122,604
Admin. and Overhead	3.0%	$176,884	$176,884	$176,884	$176,884	$176,884	$176,884	$176,884	$176,884	$176,884	$176,884	$176,884	$176,884	$2,122,604
TOTAL VARIABLE EXPENSES		**$347,979**	**$988,414**	**$973,015**	**$957,617**	**$947,342**	**$934,980**	**$922,634**	**$910,304**	**$898,815**	**$886,254**	**$873,711**	**$954,921**	**$10,595,984**
TOTAL FIXED AND VARIABLE EXPENSES		**$4,182,423**	**$3,539,439**	**$3,536,795**	**$3,534,216**	**$3,536,824**	**$3,537,409**	**$3,538,075**	**$3,538,823**	**$3,540,476**	**$3,541,124**	**$2,948,933**	**$954,921**	**$39,929,455**
NET SALES REVENUE (BEFORE PROFIT)		**($4,182,423)**	**$2,706,597**	**$2,709,241**	**$2,711,820**	**$2,740,443**	**$2,771,244**	**$2,802,121**	**$2,833,074**	**$2,863,280**	**$2,894,651**	**$3,519,021**	**$6,454,955**	**$30,824,025**
Entrepreneurial Profit	8%	$0	$499,683	$499,683	$499,683	$502,181	$504,692	$507,216	$509,752	$512,300	$514,862	$517,436	$592,790	$5,660,278
Net Proceeds		**($4,182,423)**	**$2,206,915**	**$2,209,558**	**$2,212,138**	**$2,238,261**	**$2,266,552**	**$2,294,905**	**$2,323,322**	**$2,350,980**	**$2,379,789**	**$3,001,584**	**$5,862,165**	**$25,163,747**
Discount Rate	10%	0.97561	0.95181	0.92860	0.90595	0.88385	0.86230	0.84127	0.82075	0.80073	0.78120	0.76214	0.74356	
Net Cash Flow		($4,080,412)	$2,100,573	$2,051,794	$2,004,087	$1,978,297	$1,954,440	$1,930,624	$1,906,859	$1,882,496	$1,859,088	$2,287,642	$4,358,847	

NET PRESENT VALUE	**$20,234,336**
ROUNDED	**$20,230,000**
PER LOT	**$202,300**

IRR CALCULATIONS	VALUE	PERIOD 1	PERIOD 2	PERIOD 3	PERIOD 4	PERIOD 5	PERIOD 6	PERIOD 7	PERIOD 8	PERIOD 9	PERIOD 10	PERIOD 11	PERIOD 12
NET INCOME (BEFORE PROFIT)	($20,234,336)	($4,182,423)	$2,706,597	$2,709,241	$2,711,820	$2,740,443	$2,771,244	$2,802,121	$2,833,074	$2,863,280	$2,894,651	$3,519,021	$6,454,955
IRR (quarterly)	**5.13%**												
Annualized	**20.5%**												

WAVMOR - QUARTERLY DISCOUNTING			PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	
ITEM			1	2	3	4	5	6	7	8	9	10	11	12	TOTALS
SINGLE-FAMILY RESIDENTIAL															
Total Number Developed			100	100	91	82	73	64	55	46	37	28	19	10	
Total Number Constructed			12	9	9	9	9	9	9	9	9	9	7	0	100
Number of Units sold			0	9	9	9	9	9	9	9	9	9	9	10	100
Number of Units Unsold			100	91	82	73	64	55	46	37	28	19	10	0	
Average Selling Price - Including Lot Premium			$646,232	$646,232	$646,232	$646,232	$646,232	$646,232	$646,232	$646,232	$646,232	$646,232	$646,232	$646,232	
Total Revenues - Base Plans			$0	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$6,462,320	$64,623,200
Model Home Recapture			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$180,000	$180,000
TOTAL PROJECT REVENUES			$0	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$5,816,088	$6,642,320	$64,803,200
Market Appreciation (Quarterly)		0.50%	$0	$0	$0	$0	$29,080	$58,306	$87,678	$117,197	$146,864	$176,678	$206,642	$270,389	$1,092,835
TOTAL REVENUE			**$0**	**$5,816,088**	**$5,816,088**	**$5,816,088**	**$5,845,168**	**$5,874,394**	**$5,903,766**	**$5,933,285**	**$5,962,952**	**$5,992,766**	**$6,022,730**	**$6,912,709**	**$65,896,035**
FIXED EXPENSES															
Construction Costs	$	235,980	$2,831,760	$2,123,820	$2,123,820	$2,123,820	$2,123,820	$2,123,820	$2,123,820	$2,123,820	$2,123,820	$2,123,820	$1,651,860	$0	$23,598,000
Model Upgrades			$450,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$450,000
Permits & Fees	$	29,845	$358,140	$268,605	$268,605	$268,605	$268,605	$268,605	$268,605	$268,605	$268,605	$268,605	$208,915	$0	$2,984,500
Total Construction Costs			$3,639,900	$2,392,425	$2,392,425	$2,392,425	$2,392,425	$2,392,425	$2,392,425	$2,392,425	$2,392,425	$2,392,425	$1,860,775	$0	$27,032,500
Inflation (Home Construction)		0.50%	$0	$11,962	$23,984	$36,066	$48,209	$60,412	$72,676	$85,001	$97,389	$109,838	$95,160	$0	$640,696
TOTAL CONSTRUCTION COSTS			**$3,639,900**	**$2,404,387**	**$2,416,409**	**$2,428,491**	**$2,440,634**	**$2,452,837**	**$2,465,101**	**$2,477,426**	**$2,489,814**	**$2,502,263**	**$1,955,935**	**$0**	**$27,673,196**
VARIABLE EXPENSES		$540.82													
Property Taxes (1.1687%)		$540.82	$54,082	$49,215	$44,347	$39,480	$35,305	$30,340	$25,375	$20,411	$15,755	$10,691	$5,627	$0	$330,626
Direct Levies (Per Quarter)		$101.11	$10,111	$9,201	$8,291	$7,381	$6,600	$5,672	$4,744	$3,816	$2,945	$1,999	$1,052	$0	$61,813
HOA		$270.00	$27,000	$24,570	$22,140	$19,710	$17,280	$14,850	$12,420	$9,990	$7,560	$5,130	$2,700	$0	$163,350
Special Taxes (Per Quarter)		$721.17	$72,117	$65,626	$59,136	$52,645	$47,078	$40,458	$33,837	$27,217	$21,009	$14,256	$7,503	$0	$440,882
Other Indirect Costs		5.00%	$0	$290,804	$290,804	$290,804	$292,258	$293,720	$295,188	$296,664	$298,148	$299,638	$301,137	$345,635	$3,294,802
Marketing		1.25%	$0	$72,701	$72,701	$72,701	$73,065	$73,430	$73,797	$74,166	$74,537	$74,910	$75,284	$86,409	$823,700
Closing Costs, Warranty		1.25%	$0	$72,701	$72,701	$72,701	$73,065	$73,430	$73,797	$74,166	$74,537	$74,910	$75,284	$86,409	$823,700
Commissions		3.0%	$0	$174,483	$174,483	$174,483	$175,355	$176,232	$177,113	$177,999	$178,889	$179,783	$180,682	$207,381	$1,976,881
Admin. and Overhead		3.0%	$164,740	$164,740	$164,740	$164,740	$164,740	$164,740	$164,740	$164,740	$164,740	$164,740	$164,740	$164,740	$1,976,881
TOTAL VARIABLE EXPENSES			**$328,050**	**$924,041**	**$909,344**	**$894,646**	**$884,746**	**$872,871**	**$861,012**	**$849,168**	**$838,119**	**$826,056**	**$814,008**	**$890,575**	**$9,892,636**
TOTAL FIXED AND VARIABLE EXPENSES			**$3,967,950**	**$3,328,429**	**$3,325,753**	**$3,323,137**	**$3,325,380**	**$3,325,708**	**$3,326,113**	**$3,326,595**	**$3,327,932**	**$3,328,318**	**$2,769,944**	**$890,575**	**$37,565,832**
NET SALES REVENUE (BEFORE PROFIT)			**($3,967,950)**	**$2,487,659**	**$2,490,335**	**$2,492,951**	**$2,519,789**	**$2,548,686**	**$2,577,653**	**$2,606,690**	**$2,635,019**	**$2,664,448**	**$3,252,786**	**$6,022,135**	**$28,330,203**
Entrepreneurial Profit		8%	$0	$465,287	$465,287	$465,287	$467,613	$469,952	$472,301	$474,663	$477,036	$479,421	$481,818	$553,017	$5,271,683
Net Proceeds			**($3,967,950)**	**$2,022,372**	**$2,025,048**	**$2,027,664**	**$2,052,175**	**$2,078,735**	**$2,105,352**	**$2,132,027**	**$2,157,983**	**$2,185,027**	**$2,770,968**	**$5,469,118**	**$23,058,520**
Discount Rate		10%	0.97561	0.95181	0.92860	0.90595	0.88385	0.86230	0.84127	0.82075	0.80073	0.78120	0.76214	0.74356	
Net Cash Flow			($3,871,171)	$1,924,923	$1,880,459	$1,836,964	$1,813,824	$1,792,486	$1,771,159	$1,749,854	$1,727,958	$1,706,939	$2,111,879	$4,066,595	

NET PRESENT VALUE	**$18,511,870**
ROUNDED	**$18,510,000**
PER LOT	**$185,100**

IRR CALCULATIONS	VALUE	PERIOD 1	PERIOD 2	PERIOD 3	PERIOD 4	PERIOD 5	PERIOD 6	PERIOD 7	PERIOD 8	PERIOD 9	PERIOD 10	PERIOD 11	PERIOD 12
NET INCOME (BEFORE PROFIT)	($18,511,870)	($3,967,950)	$2,487,659	$2,490,335	$2,492,951	$2,519,789	$2,548,686	$2,577,653	$2,606,690	$2,635,019	$2,664,448	$3,252,786	$6,022,135
IRR (quarterly)	**5.16%**												
Annualized	**20.6%**												

CRESTVUE- QUARTERLY DISCOUNTING		PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	
ITEM		1	2	3	4	5	6	7	8	9	10	11	12	TOTALS
SINGLE-FAMILY RESIDENTIAL														
Total Number Developed		100	100	91	82	73	64	55	46	37	28	19	10	
Total Number Constructed		12	9	9	9	9	9	9	9	9	9	7	0	100
Number of Units sold		0	9	9	9	9	9	9	9	9	9	9	10	100
Number of Units Unsold		100	91	82	73	64	55	46	37	28	19	10	0	
Average Selling Price - Including Lot Premium		$665,352	$665,352	$665,352	$665,352	$665,352	$665,352	$665,352	$665,352	$665,352	$665,352	$665,352	$665,352	
Total Revenues - Base Plans		$0	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$6,653,520	$66,535,200
Model Home Recapture		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$180,000	$180,000
TOTAL PROJECT REVENUES		$0	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$5,988,168	$6,833,520	$66,715,200
Market Appreciation (Quarterly)	0.50%	$0	$0	$0	$0	$29,941	$60,031	$90,272	$120,665	$151,209	$181,906	$212,756	$278,172	$1,124,952
TOTAL REVENUE		**$0**	**$5,988,168**	**$5,988,168**	**$5,988,168**	**$6,018,109**	**$6,048,199**	**$6,078,440**	**$6,108,833**	**$6,139,377**	**$6,170,074**	**$6,200,924**	**$7,111,692**	**$67,840,152**
FIXED EXPENSES														
Construction Costs	$ 242,915	$2,914,980	$2,186,235	$2,186,235	$2,186,235	$2,186,235	$2,186,235	$2,186,235	$2,186,235	$2,186,235	$2,186,235	$1,700,405	$0	$24,291,500
Model Upgrades		$450,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$450,000
Permits & Fees	$ 30,281	$363,372	$272,529	$272,529	$272,529	$272,529	$272,529	$272,529	$272,529	$272,529	$272,529	$211,967	$0	$3,028,100
Total Construction Costs		$3,728,352	$2,458,764	$2,458,764	$2,458,764	$2,458,764	$2,458,764	$2,458,764	$2,458,764	$2,458,764	$2,458,764	$1,912,372	$0	$27,769,600
Inflation (Home Construction)	0.50%	$0	$12,294	$24,649	$37,066	$49,545	$62,087	$74,691	$87,358	$100,089	$112,883	$97,799	$0	$658,462
TOTAL CONSTRUCTION COSTS		**$3,728,352**	**$2,471,058**	**$2,483,413**	**$2,495,830**	**$2,508,309**	**$2,520,851**	**$2,533,455**	**$2,546,122**	**$2,558,853**	**$2,571,647**	**$2,010,171**	**$0**	**$28,428,062**
VARIABLE EXPENSES	$557.47													
Property Taxes (1.1687%)	$557.47	$55,747	$50,730	$45,713	$40,695	$36,392	$31,274	$26,156	$21,039	$16,240	$11,020	$5,800	$0	$340,805
Direct Levies (Per Quarter)	$101.11	$10,111	$9,201	$8,291	$7,381	$6,600	$5,672	$4,744	$3,816	$2,945	$1,999	$1,052	$0	$61,813
HOA	$270.00	$27,000	$24,570	$22,140	$19,710	$17,280	$14,850	$12,420	$9,990	$7,560	$5,130	$2,700	$0	$163,350
Special Taxes (Per Quarter)	$817.24	$81,724	$74,369	$67,014	$59,659	$53,349	$45,847	$38,345	$30,843	$23,807	$16,155	$8,503	$0	$499,614
Other Indirect Costs	5.00%	$0	$299,408	$299,408	$299,408	$300,905	$302,410	$303,922	$305,442	$306,969	$308,504	$310,046	$355,585	$3,392,008
Marketing	1.25%	$0	$74,852	$74,852	$74,852	$75,226	$75,602	$75,981	$76,360	$76,742	$77,126	$77,512	$88,896	$848,002
Closing Costs, Warranty	1.25%	$0	$74,852	$74,852	$74,852	$75,226	$75,602	$75,981	$76,360	$76,742	$77,126	$77,512	$88,896	$848,002
Commissions	3.0%	$0	$179,645	$179,645	$179,645	$180,543	$181,446	$182,353	$183,265	$184,181	$185,102	$186,028	$213,351	$2,035,205
Admin. and Overhead	3.0%	$169,600	$169,600	$169,600	$169,600	$169,600	$169,600	$169,600	$169,600	$169,600	$169,600	$169,600	$169,600	$2,035,205
TOTAL VARIABLE EXPENSES		**$344,182**	**$957,228**	**$941,515**	**$925,803**	**$915,123**	**$902,305**	**$889,502**	**$876,715**	**$864,787**	**$851,762**	**$838,752**	**$916,328**	**$10,224,002**
TOTAL FIXED AND VARIABLE EXPENSES		**$4,072,534**	**$3,428,285**	**$3,424,928**	**$3,421,633**	**$3,423,433**	**$3,423,156**	**$3,422,957**	**$3,422,838**	**$3,423,640**	**$3,423,409**	**$2,848,923**	**$916,328**	**$38,652,065**
NET SALES REVENUE (BEFORE PROFIT)		**($4,072,534)**	**$2,559,883**	**$2,563,240**	**$2,566,535**	**$2,594,676**	**$2,625,044**	**$2,655,483**	**$2,685,995**	**$2,715,736**	**$2,746,665**	**$3,352,001**	**$6,195,364**	**$29,188,087**
Entrepreneurial Profit	8%	$0	$479,053	$479,053	$479,053	$481,449	$483,856	$486,275	$488,707	$491,150	$493,606	$496,074	$568,935	$5,427,212
Net Proceeds		**($4,072,534)**	**$2,080,829**	**$2,084,186**	**$2,087,482**	**$2,113,227**	**$2,141,188**	**$2,169,208**	**$2,197,288**	**$2,224,586**	**$2,253,059**	**$2,855,927**	**$5,626,429**	**$23,760,875**
Discount Rate	10%	0.97561	0.95181	0.92860	0.90595	0.88385	0.86230	0.84127	0.82075	0.80073	0.78120	0.76214	0.74356	
Net Cash Flow		($3,973,204)	$1,980,563	$1,935,374	$1,891,155	$1,867,785	$1,846,339	$1,824,879	$1,803,417	$1,781,289	$1,760,086	$2,176,630	$4,183,564	

NET PRESENT VALUE	**$19,077,879**
ROUNDED	**$19,080,000**
PER LOT	**$190,800**

IRR CALCULATIONS	VALUE	PERIOD 1	PERIOD 2	PERIOD 3	PERIOD 4	PERIOD 5	PERIOD 6	PERIOD 7	PERIOD 8	PERIOD 9	PERIOD 10	PERIOD 11	PERIOD 12
NET INCOME (BEFORE PROFIT)	($19,077,879)	($4,072,534)	$2,559,883	$2,563,240	$2,566,535	$2,594,676	$2,625,044	$2,655,483	$2,685,995	$2,715,736	$2,746,665	$3,352,001	$6,195,364
IRR (quarterly)	**5.15%**												
Annualized	**20.6%**												

BLEAU - QUARTERLY DISCOUNTING		PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	
ITEM		**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**TOTALS**
SINGLE-FAMILY RESIDENTIAL														
Total Number Developed		100	100	91	82	73	64	55	46	37	28	19	10	
Total Number Constructed		12	9	9	9	9	9	9	9	9	9	7	0	100
Number of Units sold		0	9	9	9	9	9	9	9	9	9	9	10	100
Number of Units Unsold		100	91	82	73	64	55	46	37	28	19	10	0	
Average Selling Price - Including Lot Premium		$731,674	$731,674	$731,674	$731,674	$731,674	$731,674	$731,674	$731,674	$731,674	$731,674	$731,674	$731,674	
Total Revenues - Base Plans		$0	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$7,316,740	$73,167,400
Model Home Recapture		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$240,000	$240,000
TOTAL PROJECT REVENUES		$0	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$6,585,066	$7,556,740	$73,407,400
Market Appreciation (Quarterly)	0.50%	$0	$0	$0	$0	$32,925	$66,015	$99,271	$132,692	$166,281	$200,038	$233,963	$307,613	$1,238,799
TOTAL REVENUE		**$0**	**$6,585,066**	**$6,585,066**	**$6,585,066**	**$6,617,991**	**$6,651,081**	**$6,684,337**	**$6,717,758**	**$6,751,347**	**$6,785,104**	**$6,819,029**	**$7,864,353**	**$74,646,199**
FIXED EXPENSES														
Construction Costs	$ 277,685	$3,332,220	$2,499,165	$2,499,165	$2,499,165	$2,499,165	$2,499,165	$2,499,165	$2,499,165	$2,499,165	$2,499,165	$1,943,795	$0	$27,768,500
Model Upgrades		$600,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$600,000
Permits & Fees	$ 31,453	$377,436	$283,077	$283,077	$283,077	$283,077	$283,077	$283,077	$283,077	$283,077	$283,077	$220,171	$0	$3,145,300
Total Construction Costs		$4,309,656	$2,782,242	$2,782,242	$2,782,242	$2,782,242	$2,782,242	$2,782,242	$2,782,242	$2,782,242	$2,782,242	$2,163,966	$0	$31,513,800
Inflation (Home Construction)	0.50%	$0	$13,911	$27,892	$41,943	$56,064	$70,255	$84,518	$98,851	$113,257	$127,734	$110,666	$0	$745,090
TOTAL CONSTRUCTION COSTS		**$4,309,656**	**$2,796,153**	**$2,810,134**	**$2,824,185**	**$2,838,306**	**$2,852,497**	**$2,866,760**	**$2,881,093**	**$2,895,499**	**$2,909,976**	**$2,274,632**	**$0**	**$32,258,890**
VARIABLE EXPENSES	$577.63													
Property Taxes (1.1687%)	$577.63	$57,763	$52,564	$47,366	$42,167	$37,708	$32,405	$27,102	$21,800	$16,827	$11,418	$6,010	$0	$353,130
Direct Levies (Per Quarter)	$100.11	$10,011	$9,110	$8,209	$7,308	$6,535	$5,616	$4,697	$3,778	$2,916	$1,979	$1,042	$0	$61,202
HOA	$270.00	$27,000	$24,570	$22,140	$19,710	$17,280	$14,850	$12,420	$9,990	$7,560	$5,130	$2,700	$0	$163,350
Special Taxes (Per Quarter)	$830.50	$83,050	$75,576	$68,101	$60,627	$54,215	$46,591	$38,967	$31,343	$24,193	$16,417	$8,641	$0	$507,720
Other Indirect Costs	5.00%	$0	$329,253	$329,253	$329,253	$330,900	$332,554	$334,217	$335,888	$337,567	$339,255	$340,951	$393,218	$3,732,310
Marketing	1.25%	$0	$82,313	$82,313	$82,313	$82,725	$83,139	$83,554	$83,972	$84,392	$84,814	$85,238	$98,304	$933,077
Closing Costs, Warranty	1.25%	$0	$82,313	$82,313	$82,313	$82,725	$83,139	$83,554	$83,972	$84,392	$84,814	$85,238	$98,304	$933,077
Commissions	3.0%	$0	$197,552	$197,552	$197,552	$198,540	$199,532	$200,530	$201,533	$202,540	$203,553	$204,571	$235,931	$2,239,386
Admin. and Overhead	3.0%	$186,615	$186,615	$186,615	$186,615	$186,615	$186,615	$186,615	$186,615	$186,615	$186,615	$186,615	$186,615	$2,239,386
TOTAL VARIABLE EXPENSES		**$364,439**	**$1,039,867**	**$1,023,863**	**$1,007,859**	**$997,242**	**$984,441**	**$971,657**	**$958,891**	**$947,004**	**$933,996**	**$921,005**	**$1,012,373**	**$11,162,638**
TOTAL FIXED AND VARIABLE EXPENSES		**$4,674,095**	**$3,836,020**	**$3,833,997**	**$3,832,044**	**$3,835,548**	**$3,836,938**	**$3,838,417**	**$3,839,984**	**$3,842,503**	**$3,843,972**	**$3,195,637**	**$1,012,373**	**$43,421,529**
NET SALES REVENUE (BEFORE PROFIT)		**($4,674,095)**	**$2,749,046**	**$2,751,069**	**$2,753,022**	**$2,782,443**	**$2,814,143**	**$2,845,920**	**$2,877,774**	**$2,908,845**	**$2,941,132**	**$3,623,393**	**$6,851,980**	**$31,224,670**
Entrepreneurial Profit	8%	$0	$526,805	$526,805	$526,805	$529,439	$532,087	$534,747	$537,421	$540,108	$542,808	$545,522	$629,148	$5,971,696
Net Proceeds		**($4,674,095)**	**$2,222,240**	**$2,224,264**	**$2,226,217**	**$2,253,004**	**$2,282,056**	**$2,311,173**	**$2,340,353**	**$2,368,737**	**$2,398,324**	**$3,077,870**	**$6,222,832**	**$25,252,974**
Discount Rate	11%	0.97324	0.94719	0.92184	0.89717	0.87315	0.84978	0.82704	0.80491	0.78336	0.76240	0.74199	0.72213	
Net Cash Flow		($4,548,998)	$2,104,880	$2,050,410	$1,997,286	$1,967,219	$1,939,257	$1,911,435	$1,883,765	$1,855,583	$1,828,477	$2,283,758	$4,493,721	

NET PRESENT VALUE	**$19,766,794**
ROUNDED	**$19,770,000**
PER LOT	**$197,700**

IRR CALCULATIONS	**VALUE**	**PERIOD 1**	**PERIOD 2**	**PERIOD 3**	**PERIOD 4**	**PERIOD 5**	**PERIOD 6**	**PERIOD 7**	**PERIOD 8**	**PERIOD 9**	**PERIOD 10**	**PERIOD 11**	**PERIOD 12**
NET INCOME (BEFORE PROFIT)	($19,766,794)	($4,674,095)	$2,749,046	$2,751,069	$2,753,022	$2,782,443	$2,814,143	$2,845,920	$2,877,774	$2,908,845	$2,941,132	$3,623,393	$6,851,980
IRR (quarterly)	**5.48%**												
Annualized	**21.9%**												

DRIFTON- QUARTERLY DISCOUNTING		PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	
ITEM		1	2	3	4	5	6	7	8	9	10	11	12	TOTALS
SINGLE-FAMILY RESIDENTIAL														
Total Number Developed		100	100	91	82	73	64	55	46	37	28	19	10	
Total Number Constructed		12	9	9	9	9	9	9	9	9	9	7	0	100
Number of Units sold		0	9	9	9	9	9	9	9	9	9	9	10	100
Number of Units Unsold		100	91	82	73	64	55	46	37	28	19	10	0	
Average Selling Price - Including Lot Premium		$765,744	$765,744	$765,744	$765,744	$765,744	$765,744	$765,744	$765,744	$765,744	$765,744	$765,744	$765,744	
Total Revenues - Base Plans		$0	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$7,657,440	$76,574,400
Model Home Recapture		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$240,000	$240,000
TOTAL PROJECT REVENUES		$0	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$6,891,696	$7,897,440	$76,814,400
Market Appreciation (Quarterly)	0.50%	$0	$0	$0	$0	$34,458	$69,089	$103,893	$138,871	$174,024	$209,353	$244,858	$321,481	$1,296,028
TOTAL REVENUE		**$0**	**$6,891,696**	**$6,891,696**	**$6,891,696**	**$6,926,154**	**$6,960,785**	**$6,995,589**	**$7,030,567**	**$7,065,720**	**$7,101,049**	**$7,136,554**	**$8,218,921**	**$78,110,428**
FIXED EXPENSES														
Construction Costs	$ 288,515	$3,462,180	$2,596,635	$2,596,635	$2,596,635	$2,596,635	$2,596,635	$2,596,635	$2,596,635	$2,596,635	$2,596,635	$2,019,605	$0	$28,851,500
Model Upgrades		$600,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$600,000
Permits & Fees	$ 32,894	$394,728	$296,046	$296,046	$296,046	$296,046	$296,046	$296,046	$296,046	$296,046	$296,046	$230,258	$0	$3,289,400
Total Construction Costs		$4,456,908	$2,892,681	$2,892,681	$2,892,681	$2,892,681	$2,892,681	$2,892,681	$2,892,681	$2,892,681	$2,892,681	$2,249,863	$0	$32,740,900
Inflation (Home Construction)	0.50%	$0	$14,463	$28,999	$43,608	$58,289	$73,044	$87,872	$102,775	$117,752	$132,805	$115,058	$0	$774,666
TOTAL CONSTRUCTION COSTS		**$4,456,908**	**$2,907,144**	**$2,921,680**	**$2,936,289**	**$2,950,970**	**$2,965,725**	**$2,980,553**	**$2,995,456**	**$3,010,433**	**$3,025,486**	**$2,364,921**	**$0**	**$33,515,566**
VARIABLE EXPENSES														
Property Taxes (1.1687%)	$610.06	$61,006	$55,515	$50,025	$44,534	$39,825	$34,224	$28,624	$23,024	$17,772	$12,059	$6,347	$0	$372,956
Direct Levies (Per Quarter)	$100.11	$10,011	$9,110	$8,209	$7,308	$6,535	$5,616	$4,697	$3,778	$2,916	$1,979	$1,042	$0	$61,202
HOA	$270.00	$27,000	$24,570	$22,140	$19,710	$17,280	$14,850	$12,420	$9,990	$7,560	$5,130	$2,700	$0	$163,350
Special Taxes (Per Quarter)	$905.46	$90,546	$82,397	$74,248	$66,099	$59,108	$50,796	$42,484	$34,172	$26,377	$17,899	$9,420	$0	$553,546
Other Indirect Costs	5.00%	$0	$344,585	$344,585	$344,585	$346,308	$348,039	$349,779	$351,528	$353,286	$355,052	$356,828	$410,946	$3,905,521
Marketing	1.25%	$0	$86,146	$86,146	$86,146	$86,577	$87,010	$87,445	$87,882	$88,321	$88,763	$89,207	$102,737	$976,380
Closing Costs, Warranty	1.25%	$0	$86,146	$86,146	$86,146	$86,577	$87,010	$87,445	$87,882	$88,321	$88,763	$89,207	$102,737	$976,380
Commissions	3.0%	$0	$206,751	$206,751	$206,751	$207,785	$208,824	$209,868	$210,917	$211,972	$213,031	$214,097	$246,568	$2,343,313
Admin. and Overhead	3.0%	$195,276	$195,276	$195,276	$195,276	$195,276	$195,276	$195,276	$195,276	$195,276	$195,276	$195,276	$195,276	$2,343,313
TOTAL VARIABLE EXPENSES		**$383,839**	**$1,090,496**	**$1,073,526**	**$1,056,555**	**$1,045,271**	**$1,031,645**	**$1,018,038**	**$1,004,449**	**$991,802**	**$977,953**	**$964,123**	**$1,058,263**	**$11,695,962**
TOTAL FIXED AND VARIABLE EXPENSES		**$4,840,747**	**$3,997,641**	**$3,995,206**	**$3,992,844**	**$3,996,241**	**$3,997,370**	**$3,998,592**	**$3,999,906**	**$4,002,235**	**$4,003,439**	**$3,329,045**	**$1,058,263**	**$45,211,527**
NET SALES REVENUE (BEFORE PROFIT)		**($4,840,747)**	**$2,894,055**	**$2,896,490**	**$2,898,852**	**$2,929,914**	**$2,963,415**	**$2,996,997**	**$3,030,661**	**$3,063,485**	**$3,097,610**	**$3,807,509**	**$7,160,659**	**$32,898,900**
Entrepreneurial Profit	8%	$0	$551,336	$551,336	$551,336	$554,092	$556,863	$559,647	$562,445	$565,258	$568,084	$570,924	$657,514	$6,248,834
Net Proceeds		**($4,840,747)**	**$2,342,719**	**$2,345,154**	**$2,347,517**	**$2,375,822**	**$2,406,552**	**$2,437,350**	**$2,468,216**	**$2,498,227**	**$2,529,526**	**$3,236,585**	**$6,503,145**	**$26,650,066**
Discount Rate	11%	0.97324	0.94719	0.92184	0.89717	0.87315	0.84978	0.82704	0.80491	0.78336	0.76240	0.74199	0.72213	
Net Cash Flow		($4,711,189)	$2,218,997	$2,161,852	$2,106,112	$2,074,458	$2,045,052	$2,015,789	$1,986,683	$1,957,021	$1,928,505	$2,401,524	$4,696,145	

NET PRESENT VALUE	**$20,880,947**
ROUNDED	**$20,880,000**
PER LOT	**$208,800**

IRR CALCULATIONS	VALUE	PERIOD 1	PERIOD 2	PERIOD 3	PERIOD 4	PERIOD 5	PERIOD 6	PERIOD 7	PERIOD 8	PERIOD 9	PERIOD 10	PERIOD 11	PERIOD 12
NET INCOME (BEFORE PROFIT)	($20,880,947)	($4,840,747)	$2,894,055	$2,896,490	$2,898,852	$2,929,914	$2,963,415	$2,996,997	$3,030,661	$3,063,485	$3,097,610	$3,807,509	$7,160,659
IRR (quarterly)	**5.47%**												
Annualized	**21.9%**												

V14/20 - QUARTERLY DISCOUNTING			PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	
ITEM			1	2	3	4	5	6	7	8	9	10	TOTALS
SINGLE-FAMILY RESIDENTIAL													
Total Number Developed			100	100	88	76	64	52	40	28	16	4	
Total Number Constructed			15	12	12	12	12	12	12	12	1	0	100
Number of Units sold			0	12	12	12	12	12	12	12	12	4	100
Number of Units Unsold			100	88	76	64	52	40	28	16	4	0	
Average Selling Price - Including Lot Premium			$540,077	$540,077	$540,077	$540,077	$540,077	$540,077	$540,077	$540,077	$540,077	$540,077	
Total Revenues - Base Plans			$0	$6,480,924	$6,480,924	$6,480,924	$6,480,924	$6,480,924	$6,480,924	$6,480,924	$6,480,924	$2,160,308	$54,007,700
Model Home Recapture			$0	$0	$0	$0	$0	$0	$0	$0	$0	$180,000	$180,000
TOTAL PROJECT REVENUES			$0	$6,480,924	$6,480,924	$6,480,924	$6,480,924	$6,480,924	$6,480,924	$6,480,924	$6,480,924	$2,340,308	$54,187,700
Market Appreciation (Quarterly)		0.50%	$0	$0	$0	$0	$32,405	$64,971	$97,701	$130,594	$163,651	$71,093	$560,415
TOTAL REVENUE			**$0**	**$6,480,924**	**$6,480,924**	**$6,480,924**	**$6,513,329**	**$6,545,895**	**$6,578,625**	**$6,611,518**	**$6,644,575**	**$2,411,401**	**$54,748,115**
FIXED EXPENSES													
Construction Costs	$	172,200	$2,583,000	$2,066,400	$2,066,400	$2,066,400	$2,066,400	$2,066,400	$2,066,400	$2,066,400	$172,200	$0	$17,220,000
Model Upgrades			$450,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$450,000
Permits & Fees	$	49,711	$745,665	$596,532	$596,532	$596,532	$596,532	$596,532	$596,532	$596,532	$49,711	$0	$4,971,100
Total Construction Costs			$3,778,665	$2,662,932	$2,662,932	$2,662,932	$2,662,932	$2,662,932	$2,662,932	$2,662,932	$221,911	$0	$22,641,100
Inflation (Home Construction)		0.50%	$0	$13,315	$26,696	$40,144	$53,659	$67,242	$80,893	$94,612	$9,033	$0	$385,595
TOTAL CONSTRUCTION COSTS			**$3,778,665**	**$2,676,247**	**$2,689,628**	**$2,703,076**	**$2,716,591**	**$2,730,174**	**$2,743,825**	**$2,757,544**	**$230,944**	**$0**	**$23,026,695**
VARIABLE EXPENSES													
Property Taxes (1.1687%)		$471.28	$47,128	$41,473	$35,817	$30,162	$24,997	$19,228	$13,460	$7,691	$1,961	$0	$221,917
Direct Levies (Per Quarter)		$101.11	$10,111	$8,898	$7,684	$6,471	$5,363	$4,125	$2,888	$1,650	$421	$0	$47,611
HOA		$250.50	$25,050	$22,044	$19,038	$16,032	$13,026	$10,020	$7,014	$4,008	$1,002	$0	$117,234
Special Taxes (Per Quarter)		$457.06	$45,706	$40,221	$34,737	$29,252	$24,242	$18,648	$13,054	$7,459	$1,902	$0	$215,221
Other Indirect Costs		5.00%	$0	$324,046	$324,046	$324,046	$325,666	$327,295	$328,931	$330,576	$332,229	$120,570	$2,737,406
Marketing		1.25%	$0	$81,012	$81,012	$81,012	$81,417	$81,824	$82,233	$82,644	$83,057	$30,143	$684,351
Closing Costs, Warranty		1.25%	$0	$81,012	$81,012	$81,012	$81,417	$81,824	$82,233	$82,644	$83,057	$30,143	$684,351
Commissions		3.0%	$0	$194,428	$194,428	$194,428	$195,400	$196,377	$197,359	$198,346	$199,337	$72,342	$1,642,443
Admin. and Overhead		3.0%	$164,244	$164,244	$164,244	$164,244	$164,244	$164,244	$164,244	$164,244	$164,244	$164,244	$1,642,443
TOTAL VARIABLE EXPENSES			**$292,239**	**$957,377**	**$942,018**	**$926,658**	**$915,772**	**$903,585**	**$891,415**	**$879,262**	**$867,211**	**$417,441**	**$7,992,979**
TOTAL FIXED AND VARIABLE EXPENSES			**$4,070,904**	**$3,633,624**	**$3,631,645**	**$3,629,734**	**$3,632,363**	**$3,633,759**	**$3,635,240**	**$3,636,807**	**$1,098,155**	**$417,441**	**$31,019,674**
NET SALES REVENUE (BEFORE PROFIT)			**($4,070,904)**	**$2,847,300**	**$2,849,279**	**$2,851,190**	**$2,880,965**	**$2,912,136**	**$2,943,384**	**$2,974,711**	**$5,546,420**	**$1,993,959**	**$23,728,441**
Entrepreneurial Profit		8%	$0	$518,474	$518,474	$518,474	$521,066	$523,672	$526,290	$528,921	$531,566	$192,912	$4,379,849
Net Proceeds			**($4,070,904)**	**$2,328,826**	**$2,330,805**	**$2,332,716**	**$2,359,899**	**$2,388,464**	**$2,417,094**	**$2,445,790**	**$5,014,854**	**$1,801,047**	**$19,348,592**
Discount Rate		10%	0.97561	0.95181	0.92860	0.90595	0.88385	0.86230	0.84127	0.82075	0.80073	0.78120	
Net Cash Flow			($3,971,614)	$2,216,611	$2,164,384	$2,113,325	$2,085,807	$2,059,565	$2,033,418	$2,007,374	$4,015,536	$1,406,975	

NET PRESENT VALUE	**$16,131,380**
ROUNDED	**$16,130,000**
PER LOT	**$161,300**

IRR CALCULATIONS	VALUE	PERIOD 1	PERIOD 2	PERIOD 3	PERIOD 4	PERIOD 5	PERIOD 6	PERIOD 7	PERIOD 8	PERIOD 9	PERIOD 10
NET INCOME (BEFORE PROFIT)	($16,131,380)	($4,070,904)	$2,847,300	$2,849,279	$2,851,190	$2,880,965	$2,912,136	$2,943,384	$2,974,711	$5,546,420	$1,993,959
IRR (quarterly)	**5.66%**										
Annualized	**22.6%**										

RECONCILIATION – INCOME APPROACH
FINISHED LOT VALUES

The extraction approach and discounted cash flow analysis were utilized to develop an opinion of value as finished lots through the income approach. The following table shows this overall relationship.

PRODUCT TYPE	MINIMUM LOT SIZE (SF)	EXTRACTION	DCF	CONCLUDED LOT VALUE
Shor	2,788 SF	$192,500	$191,800	**$192,000**
Lakelet	3,690 SF	$189,900	$188,600	**$189,000**
Watersyde	4,000 SF	$199,900	$202,300	**$200,000**
Wavmor	4,500 SF	$183,200	$185,100	**$185,000**
Crestvue	4,675 SF	$188,800	$190,800	**$190,000**
Bleau	5,000 SF	$200,400	$197,700	**$200,000**
Drifton	5,500 SF	$211,500	$208,800	**$210,000**
V 14/20	3,690 SF	$162,700	$161,300	**$162,000**

The concluded lot values noted above reflect reconciliation from the Income Approach.

RECONCILIATION – TOTAL REVENUES

The sales comparison approach and the income approach were utilized to develop an opinion of value as finished lots. The following table shows this overall relationship.

PRODUCT TYPE	MINIMUM LOT SIZE (SF)	SALES COMPARISON APPROACH	INCOME APPROACH	CONCLUDED LOT VALUE
Shor	2,788 SF	$183,000	$192,000	**$185,000**
Lakelet	3,690 SF	$192,000	$189,000	**$190,000**
Watersyde	4,000 SF	$194,000	$200,000	**$195,000**
Wavmor	4,500 SF	$200,000	$185,000	**$195,000**
Crestvue	4,675 SF	$200,000	$190,000	**$200,000**
Bleau	5,000 SF	$205,000	$200,000	**$205,000**
Drifton	5,500 SF	$210,000	$210,000	**$210,000**
V 14/20	3,690 SF	$170,000	$162,000	**$165,000**

These conclusions are utilized in the development of values by ownership.

HYPOTHETICAL MARKET VALUE
191 LOTS – LENNAR HOMES OF CALIFORNIA, LLC

As noted in this report, the Lennar Homes of California LLC ownership includes 191 lots as of the effective date of valuation. These status of these lots is fluid as Lennar acquires the finished lots, pulls permits and fees, and ultimately sells completed homes to end unit homebuyers. As such, the overall value for each village is comprised of the individual land value, as well as contribution of any permits and fees pulled as of the effective date of valuation. The permits and fees include two categories. They include permits issued and the total value of the cost of permit is included for completed homes. In addition, there are several units in the project with final permits and the total value of the improvements as identified on the permit is utilized.

SHOR PRODUCT LINE – VILLAGES 1 AND 2 (18 LOTS)

The Shor product line is comprised of 193 total lots in Villages 1 and 2. As of the effective date of valuation, 67 homes have closed with 126 remaining lots in this project. Lennar Homes of California currently holds title to 18 lots. Based on the conclusion of value noted in the prior section, the underlying land value is noted as follows.

LEGAL	APNs	PROJECT	# OF LOTS	LOT VALUE	CONCLUDED VALUE
Lots 32, 34, 41..43, Village 1A	201-1540-043, 045, 052..054	SHOR	5	$185,000/Lot	$925,000
Lots 24..36 Village 1B	201-1770-024..036	SHOR	13	$185,000/Lot	$2,405,000
TOTALS			**18**		**$3,330,000**

The land component is identified at $4,995,000. In addition, Lennar Homes of California has pulled 5 permits for all of the lots in Village 1A. The total allocation in value for the permits is identified at $118,189 as of the effective date of valuation. These permits were verified through the City of Sacramento. The overall value for 18 Lots for Shor (Lennar Ownership) is calculated as follows.

ITEM	TOTALS
Land Component	$3,330,000
Completed Homes/Permits & Fees (Paid)	$118,189
TOTAL VALUE	**$3,448,189**

A copy of the allocation of completed homes and fees paid is noted as follows.

LOT #	APN	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
32	201-1540-043	**Issued**	**$22,972**	**10/17/2025**	**RES-2520829**	**$337,089**	**$22,972**
34	201-1540-045	**Issued**	**$25,663**	**10/17/2025**	**RES-2520831**	**$409,228**	**$25,663**
41	201-1540-052	**Issued**	**$25,721**	**2/11/2026**	**RES-2523087**	**$409,228**	**$25,721**
42	201-1540-053	**Issued**	**$23,031**	**2/11/2026**	**RES-2523089**	**$337,089**	**$23,031**
43	201-1540-054	**Issued**	**$20,802**	**2/11/2026**	**RES-2523090**	**$384,721**	**$20,802**
TOTALS							**$118,189**

LAKELET PRODUCT LINE – VILLAGES 4, 5 AND 11 (18 LOTS)

The Lakelet product line is comprised of 173 total lots in Villages 4, 5 and 11. As of the effective date of valuation, 72 homes have closed with 101 remaining lots in this project. Lennar Homes of California currently holds title to 17 lots in Village 4, and 1 lot in Village 5, for 18 Lots on an overall basis. Based on the conclusion of value noted in the prior section, the underlying land value is noted as follows.

LEGAL	APNs	PROJECT	# OF LOTS	LOT VALUE	CONCLUDED VALUE
Lots 16..22, 38, 39 42..44, 62..66 Village 4	201-1720-016..022, 038, 039, 042..044, 062..066	LAKELET	17	$190,000/Lot	$3,230,000
Lots 13 Village 5	201-1590-013	LAKELET	1	$190,000/Lot	$190,000
TOTALS			**18**		**$3,420,000**

The land component is identified at $3,420,000. In addition, Lennar Homes of California has pulled permits for all of the lots noted above. These permits are identified as follows.

Village 4 – 17 Units

LOT #	APN	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
16	201-1720-016	Issued	$27,122	4/10/2026	RES-2605416	$461,112	$27,122
17	201-1720-017	Issued	$25,957	4/10/2026	RES-2605417	$421,478	$25,957
18	201-1720-018	Issued	$25,567	4/10/2026	RES-2605418	$405,970	$25,567
19	201-1720-019	Issued	$27,122	4/10/2026	RES-2605419	$461,112	$27,122
20	201-1720-020	Issued	$25,957	4/2/2026	RES-2603457	$421,478	$25,957
21	201-1720-021	Issued	$25,508	4/1/2026	RES-2603456	$405,970	$25,508
22	201-1720-022	Issued	$30,830	4/1/2026	RES-2603455	$461,112	$30,830
38	201-1720-038	Issued	$25,957	1/15/2026	RES-2526276	$421,478	$25,957
39	201-1720-039	Issued	$25,508	1/15/2026	RES-2526277	$405,970	$25,508
42	201-1720-042	Issued	$25,899	12/4/2025	RES-2523073	$421,478	$25,899
43	201-1720-043	Issued	$27,122	1/15/2026	RES-2526278	$461,112	$27,122
44	201-1720-044	Issued	$25,508	1/15/2026	RES-2526279	$405,970	$25,508
62	201-1720-062	Issued	$26,936	10/10/2025	RES-2519201	$450,544	$26,936
63	201-1720-063	Issued	$25,450	12/3/2025	RES-2523076	$405,970	$25,450
64	201-1720-064	Issued	$25,899	12/3/2025	RES-2523079	$421,478	$25,899
65	201-1720-065	Issued	$27,064	12/3/2025	RES-2523080	$461,112	$27,064
66	201-1720-066	Issued	$25,440	10/10/2025	RES-2519197	$396,602	$25,440
TOTALS							**$448,846**

Village 5 – 1 Unit

LOT #	APN	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
13	201-1590-013	Final	$25,789	5/8/2025	RES-2506913	$411,835	$411,835

The overall value for 18 Lots for Lakelet (Lennar Ownership) is calculated as follows.

ITEM	TOTALS
Land Component	$3,420,000
Completed Homes/Permits & Fees (Paid) – Village 4	$448,846
Completed Homes/Permits & Fees (Paid) – Village 5	$411,835
TOTAL VALUE	**$4,280,681**

WATERSYDE PRODUCT LINE – VILLAGES 3, 6 AND 8 (27 LOTS)

The Watersyde product line is comprised of 153 total lots in Villages 3, 6 and 8. As of the effective date of valuation, 76 homes have closed with 77 remaining lots in this project. Lennar Homes of California currently holds title to 27 lots in Village 8. Based on the conclusion of value noted in the prior section, the underlying land value is noted as follows.

LEGAL	APNs	PROJECT	# OF LOTS	LOT VALUE	CONCLUDED VALUE
Lots 1..6, 52..61, 69..79 of Village 8	201-1710-001..006, 052..061, 069..079	WATERSYDE	27	$195,000/Lot	$5,265,000
TOTALS			**27**		**$5,265,000**

The land component is identified at $5,265,000. In addition, Lennar Homes of California has pulled permits for all of the lots noted above. These permits are identified as follows.

Village 8 – 27 Units

LOT #	APN	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
1	201-1710-001	Final	$28,559	9/25/2025	RES-2518189	$516,858	$516,858
2	201-1710-002	Issued	$29,794	10/31/2025	RES-2521079	$565,174	$29,794
3	201-1710-003	Issued	$27,347	12/11/2025	RES-2522989	$475,927	$27,347
4	201-1710-004	Issued	$29,794	2/26/2026	RES-2601565	$565,174	$29,794
5	201-1710-005	Issued	$28,879	4/17/2026	RES-2603460	$528,526	$28,879
6	201-1710-006	Issued	$29,794	5/5/2026	RES-2606897	$565,174	$29,794
52	201-1710-052	Issued	$28,368	5/5/2026	RES-2606899	$507,914	$28,368
53	201-1710-053	Issued	$34,609	5/5/2026	RES-2606900	$437,635	$34,609
54	201-1710-054	Issued	$28,879	4/17/2026	RES-2603464	$528,526	$28,879
55	201-1710-055	Issued	$28,304	4/17/2026	RES-2603466	$502,601	$28,304
56	201-1710-056	Issued	$26,451	2/26/2026	RES-2601567	$442,879	$26,451
57	201-1710-057	Issued	$28,737	12/11/2025	RES-2522992	$512,868	$28,737
58	201-1710-058	Issued	$28,310	12/11/2025	RES-2522996	$507,914	$28,310
59	201-1710-059	Issued	$28,795	10/31/2025	RES-2521081	$521,898	$28,795
60	201-1710-060	Issued	$26,266	9/25/2025	RES-2518190	$432,165	$26,266
61	201-1710-061	Issued	$28,108	9/25/2025	RES-2518192	$491,376	$28,108
69	201-1710-069	Final	$28,810	8/21/2025	RES-2516067	$510,120	$510,120
70	201-1710-070	Final	$28,174	9/4/2025	RES-2517037	$496,896	$496,896
71	201-1710-071	Final	$26,173	9/4/2025	RES-2517040	$432,924	$432,924
72	201-1710-072	Issued	$28,676	9/25/2025	RES-2518195	$516,858	$28,676
73	201-1710-073	Issued	$28,302	10/31/2025	RES-2521085	$502,394	$28,302
74	201-1710-074	Issued	$26,451	10/31/2025	RES-2521088	$442,879	$26,451
75	201-1710-075	Issued	$28,377	12/11/2025	RES-2522998	$521,868	$28,377
76	201-1710-076	Issued	$28,368	2/26/2026	RES-2601571	$507,914	$28,368
77	201-1710-077	Issued	$26,451	2/26/2026	RES-2601572	$442,879	$26,451
78	201-1710-078	Issued	$28,795	4/17/2026	RES-2603468	$521,868	$28,795
79	201-1710-079	Issued	$28,368	5/5/2026	RES-2606903	$507,914	$28,368
TOTALS							**$2,613,021**

The overall value for 27 Lots for Watersyde (Lennar Ownership) is calculated as follows.

ITEM	TOTALS
Land Component	$5,265,000
Completed Homes/Permits & Fees (Paid) – Village 8	$2,613,021
TOTAL VALUE	**$7,878,021**

WAVMOR PRODUCT LINE – VILLAGES 14, 15, 16 AND 17 (23 LOTS)

The Wavmor product line is comprised of 163 total lots in Villages 14-17. As of the effective date of valuation, 41 homes have closed with 122 remaining lots in this project. Lennar Homes of California currently holds title to 18 lots in Village 14, and 5 lots in Village 17, for 23 Lots on an overall basis. There are no lots in Villages 15 or 16 held by Lennar. Based on the conclusion of value noted in the prior section, the underlying land value is noted as follows.

LEGAL	APNs	PROJECT	# OF LOTS	LOT VALUE	CONCLUDED VALUE
Lots 12..23, 47..52 Village 14	201-1570-058..069, 201-1570-093..098	WAVMOR	18	$195,000/Lot	$3,510,000
Lots 4..6, 8, 21 Village 17	201-1570-004..006, 008, 021	WAVMOR	5	$195,000/Lot	$975,000
TOTALS			**23**		**$4,485,000**

The land component is identified at $4,485,000. In addition, Lennar Homes of California has pulled permits for 23 lots in this product line. These permits are identified as follows.

Village 14 – 18 Units

LOT #	APN	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
12	201-1570-058	Issued	$27,943	4/24/2026	RES-2602178	$489,756	$27,943
13	201-1570-059	Issued	$29,275	4/16/2026	RES-2527242	$524,562	$29,275
14	201-1570-060	Issued	$25,562	4/16/2026	RES-2603724	$406,509	$25,562
15	201-1570-061	Issued	$30,662	2/28/2026	RES-2601578	$459,958	$30,662
16	201-1570-062	Issued	$28,998	12/5/2025	RES-2522534	$524,631	$28,998
17	201-1570-063	Issued	$28,152	12/5/2025	RES-2522535	$489,204	$28,152
18	201-1570-064	Issued	$26,994	10/22/2025	RES-2521069	$453,852	$26,994
19	201-1570-065	Issued	$29,848	10/22/2025	RES-2521072	$495,000	$29,848
20	201-1570-066	Issued	$27,067	12/5/2025	RES-2522536	$459,958	$27,067
21	201-1570-067	Issued	$32,593	2/18/2026	RES-2601580	$524,631	$32,593
22	201-1570-068	Issued	$28,007	4/16/2026	RES-2527243	$495,000	$28,007
23	201-1570-069	Issued	$28,784	4/23/2026	RES-2602179	$524,562	$28,784
47	201-1570-093	Issued	$25,776	12/5/2025	RES-2522537	$406,509	$25,776
48	201-1570-094	Issued	$30,588	2/18/2026	RES-2601582	$453,748	$30,588
49	201-1570-095	Issued	$31,810	2/18/2026	RES-2601584	$494,448	$31,810
50	201-1570-096	Issued	$28,705	4/16/2026	RES-2527244	$518,007	$28,705
51	201-1570-097	Issued	$25,562	4/23/2026	RES-2602180	$406,440	$25,562
52	201-1570-098	Issued	$26,779	4/23/2026	RES-2602181	$453,748	$26,779
TOTALS							**$513,105**

Village 17 – 5 Units

LOT #	APN	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
4	201-1570-004	Issued	$27,943	10/22/2025	RES-2521017	$494,448	$27,943
5	201-1570-005	Issued	$28,701	10/22/2025	RES-2521021	$517,835	$28,701
6	201-1570-006	Issued	$26,597	10/13/2025	RES-2520345	$443,485	$26,597
8	201-1570-008	Final	$28,586	10/13/2025	RES-2520348	$513,014	$513,014
21	201-1570-021	Issued	$27,018	10/13/2025	RES-2520351	$397,109	$27,018
TOTALS							$623,273

The overall value for 23 Lots for Wavmor (Lennar Ownership) is calculated as follows.

ITEM	TOTALS
Land Component	$4,485,000
Completed Homes/Permits & Fees (Paid) – Village 14	$513,105
Completed Homes/Permits & Fees (Paid) – Village 17	$623,273
TOTAL VALUE	**$5,621,378**

CRESTVUE PRODUCT LINE – VILLAGES 7, 9 AND 10 (27 LOTS)

The Crestvue product line is comprised of 138 total lots in Villages 7, 9 and 10. As of the effective date of valuation, 69 homes have closed with 69 remaining lots in this project. Lennar Homes of California currently holds title to 5 lots in Village 7, 6 lots in Village 9, and 16 lots in Village 10, for 27 Lots on an overall basis. Based on the conclusion of value noted in the prior section, the underlying land value is noted as follows.

LEGAL	APNs	PROJECT	# OF LOTS	LOT VALUE	CONCLUDED VALUE
Lots 12..16 Village South	201-1530-001..005	CRESTVUE	5	$200,000/Lot	$1,000,000
Lots 6,-8, 46-48 Village 9	201-1710-090..092, 201-1710-130..132	CRESTVUE	6	$200,000/Lot	$1,200,000
Lots 6..14, 17, 53..58 Village 10	201-1630-006..014, 017, 037..042	CRESTVUE	16	$200,000/Lot	$3,200,000
TOTALS			**27**		**$5,400,000**

The land component is identified at $5,400,000. In addition, Lennar Homes of California has pulled permits for 27 lots in this product line. These permits are identified as follows.

Village 7 – 5 Units

LOT #	APN	ADDRESS	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
12	201-1530-001	224 Sun Harbor Circle	Final	$28,318	3/1/2024	RES-2402835	$535,826	$535,826
13	201-1530-002	218 Sun Harbor Circle	Final	$22,340	3/1/2024	RES-2402837	$333,525	$333,525
14	201-1530-003	212 Sun Harbor Circle	Final	$25,644	3/1/2024	RES-2402842	$441,545	$441,545
15	201-1530-004	206 Sun Harbor Circle	Final	$27,457	3/1/2024	RES-2402847	$504,918	$504,918
16	201-1530-005	200 Sun Harbor Circle	Final	$29,741	3/1/2024	RES-2402852	$588,278	$588,278
Totals								$2,404,092

Village 9 – 6 Units

LOT #	APN	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
6	201-1710-090	Issued	$32,497	4/3/2026	RES-2601951	$608,706	$32,497
7	201-1710-091	Issued	$26,610	4/15/2026	RES-2602086	$456,564	$26,610
8	201-1710-092	Issued	$23,263	4/15/2026	RES-2602090	$344,970	$23,263
46	201-1710-130	Issued	$22,922	4/15/2026	RES-2602095	$522,035	$22,922
47	201-1710-131	Issued	$29,423	4/3/2026	RES-2601953	$554,069	$29,423
48	201-1710-132	Issued	$30,175	4/8/2026	RES-2601954	$522,035	$30,175
TOTALS							$164,890

Village 10 – 16 Units

LOT #	APN	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
6	201-1630-006	Issued	$30,832	10/17/2025	RES-2520700	$541,120	$30,832
7	201-1630-007	Issued	$30,175	2/11/2026	RES-2524945	$522,035	$30,175
8	201-1630-008	Issued	$36,296	2/11/2026	RES-2526735	$607,993	$36,296
9	201-1630-009	Issued	$29,423	4/3/2026	RES-2601952	$554,069	$29,423
10	201-1630-010	Issued	$28,611	4/15/2026	RES-2602092	$522,035	$28,611
11	201-1630-011	Issued	$34,788	2/11/2026	RES-2526739	$548,463	$34,788
12	201-1630-012	Issued	$26,522	2/11/2026	RES-2524947	$456,564	$26,522
13	201-1630-013	Issued	$30,792	2/11/2026	RES-2524950	$602,232	$30,792
14	201-1630-014	Issued	$29,205	10/17/2025	RES-2520704	$541,120	$29,205
17	201-1630-017	Final	$28,254	8/22/2025	RES-2516479	$502,981	$502,981
53	201-1630-037	Issued	$30,563	10/13/2025	RES-2520137	$588,332	$30,563
54	201-1630-038	Issued	$23,108	10/17/2025	RES-2520706	$336,841	$23,108
55	201-1630-039	Issued	$26,384	10/17/2025	RES-2520707	$447,594	$26,384
56	201-1630-040	Issued	$29,420	2/11/2026	RES-2524952	$553,983	$29,420
57	201-1630-041	Issued	$32,272	2/11/2026	RES-2526742	$515,135	$32,272
58	201-1630-042	Issued	$36,228	2/11/2026	RES-2526745	$602,232	$36,228
TOTALS							$957,600

The overall value for 27 Lots for Crestvue (Lennar Ownership) is calculated as follows.

ITEM	TOTALS
Land Component	$5,400,000
Completed Homes/Permits & Fees (Paid) – Village 7	$2,404,092
Completed Homes/Permits & Fees (Paid) – Village 9	$164,890
Completed Homes/Permits & Fees (Paid) – Village 10	$957,600
TOTAL VALUE	**$8,926,582**

BLEAU PRODUCT LINE – VILLAGES 12 AND 13 (26 LOTS)

The Bleau product line is comprised of 110 total lots in Villages 12 and 13. As of the effective date of valuation, 12 homes have closed with 98 remaining lots in this project. Lennar Homes of California currently holds title to 26 lots in Village 12. Based on the conclusion of value noted in the prior section, the underlying land value is noted as follows.

LEGAL	APNs	PROJECT	# OF LOTS	LOT VALUE	CONCLUDED VALUE
Lots 2..7, 12..14, 26..38, 47..50 Village 12	201-1700-002..007, 012..014, 026..038, 047..050	BLEAU	26	$205,000/Lot	$5,330,000
TOTALS			**26**		**$5,330,000**

The land component is identified at $5,330,000. In addition, Lennar Homes of California has pulled permits for 25 lots in this product line. These permits are identified as follows.

Village 12 – 25 Units

LOT #	APN	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
2	201-1700-002	Issued	$25,794	8/11/2025	RES-2514912	$396,392	$25,794
3	201-1700-003	Issued	$28,850	8/11/2025	RES-2514910	$511,913	$28,850
4	201-1700-004	Issued	$30,074	8/11/2025	RES-2514908	$556,737	$30,074
5	201-1700-005	Issued	$31,063	8/11/2025	RES-2514905	$595,070	$31,063
6	201-1700-006	Issued	$32,309	8/11/2025	RES-2514914	$640,126	$32,309
12	201-1700-012	Issued	$32,098	12/3/2025	RES-2521275	$655,107	$32,098
13	201-1700-013	Issued	$30,836	2/3/2026	RES-2525297	$608,833	$30,836
14	201-1700-014	Issued	$35,966	4/10/2026	RES-2601262	$655,107	$35,966
26	201-1700-026	Issued	$32,157	4/23/2026	RES-2601859	$655,107	$32,157
27	201-1700-027	Issued	$28,657	4/23/2026	RES-2601862	$523,553	$28,657
28	201-1700-028	Issued	$29,899	4/23/2026	RES-2601867	$570,880	$29,899
29	201-1700-029	Issued	$28,641	4/10/2026	RES-2601264	$523,523	$28,641
30	201-1700-030	Issued	$32,038	2/3/2026	RES-2525298	$650,208	$32,038
31	201-1700-031	Issued	$32,463	2/3/2026	RES-2525299	$608,833	$32,463
32	201-1700-032	Issued	$25,532	12/3/2025	RES-2521276	$405,730	$25,532
33	201-1700-033	Issued	$28,512	12/3/2025	RES-2521278	$516,485	$28,512
34	201-1700-034	Issued	$29,841	12/4/2025	RES-2521279	$570,880	$29,841
35	201-1700-035	Issued	$30,744	10/22/2025	RES-2521038	$601,174	$30,744
36	201-1700-036	Issued	$32,157	10/21/2025	RES-2521043	$655,107	$32,157
37	201-1700-037	Issued	$25,590	10/21/2025	RES-2521046	$405,730	$25,590
38	201-1700-038	Issued	$28,455	9/19/2025	RES-2517066	$511,913	$28,455
47	201-1700-047	Issued	$31,468	2/3/2026	RES-2525300	$570,880	$31,468
48	201-1700-048	Issued	$32,614	4/10/2026	RES-2601265	$516,485	$32,614
49	201-1700-049	Issued	$32,465	4/13/2026	RES-2601266	$523,523	$32,465
50	201-1700-050	Issued	$32,157	4/23/2026	RES-2601875	$655,107	$32,157
TOTALS							$760,380

The overall value for 26 Lots for Bleau (Lennar Ownership) is calculated as follows.

ITEM	TOTALS
Land Component	$5,330,000
Completed Homes/Permits & Fees (Paid) – Village 12	$760,380
TOTAL VALUE	**$6,090,380**

DRIFTON PRODUCT LINE – VILLAGES 18 AND 19 (32 LOTS)

The Bleau product line is comprised of 108 total lots in Villages 18 and 19. As of the effective date of valuation, 36 homes have closed with 72 remaining lots in this project. Lennar Homes of California currently holds title to 22 lots in Village 18, and 10 lots in Village 19, for 32 Lots on an overall basis. Based on the conclusion of value noted in the prior section, the underlying land value is noted as follows.

LEGAL	APNs	PROJECT	# OF LOTS	LOT VALUE	CONCLUDED VALUE
Lots 1..6, 25, 28, 31, 34, 36..43, 48, 49, 53, 55 of Village 18	201-1580-001..006, 025, 028, 031, 034, 036..043, 048, 049, 053, 055	DRIFTON	22	$210,000/Lot	$4,620,000
Lots 1..6, 46..49 Village 19	201-1580-063..068, 201-1580-108..111	DRIFTON	10	$210,000/Lot	$2,100,000
TOTALS			**32**		**$6,720,000**

The land component is identified at $6,720,000. In addition, Lennar Homes of California has pulled permits for 32 lots in this product line. These permits are identified as follows.

Village 18 – 22 Units

LOT #	APN	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
1	201-1580-001	Issued	$31,897	11/5/2025	RES-2520645	$579,282	$31,897
2	201-1580-002	Issued	$27,689	11/5/2025	RES-2520648	$420,114	$27,689
3	201-1580-003	Final	$26,766	11/13/2024	RES-2422269	$393,248	$393,248
4	201-1580-004	Final	$28,060	11/13/2024	RES-2422273	$445,456	$445,456
5	201-1580-005	Final	$29,045	11/13/2024	RES-2422276	$479,284	$479,284
6	201-1580-006	Final	$29,812	11/14/2024	RES-2422280	$508,085	$508,085
25	201-1580-025	Final	$33,098	2/4/2025	RES-2427262	$627,025	$627,025
28	201-1580-028	Final	$32,907	12/24/2024	RES-2426481	$627,025	$627,025
31	201-1580-031	Issued	$27,689	11/5/2025	RES-2520649	$420,114	$27,689
34	201-1580-034	Final	$31,439	2/4/2025	RES-2427264	$627,025	$627,025
36	201-1580-036	Final	$31,314	8/29/2025	RES-2516705	$560,680	$560,680
37	201-1580-037	Issued	$33,113	9/18/2025	RES-2517939	$625,772	$33,113
38	201-1580-038	Issued	$31,923	9/18/2025	RES-2517942	$585,799	$31,923
39	201-1580-039	Issued	$33,323	11/5/2025	RES-2520652	$633,224	$33,323
40	201-1580-040	Issued	$32,040	11/6/2025	RES-2520654	$585,799	$32,040
41	201-1580-041	Issued	$33,468	4/8/2026	RES-2601423	$640,386	$33,468
42	201-1580-042	Issued	$32,268	4/3/2026	RES-2601425	$599,580	$32,268
43	201-1580-043	Issued	$31,780	9/18/2025	RES-2517946	$579,282	$31,780
48	201-1580-048	Final	$32,041	8/22/2025	RES-2516487	$585,799	$585,799
49	201-1580-049	Final	$31,696	8/22/2025	RES-2516488	$633,224	$633,224
53	201-1580-053	Final	$29,659	5/15/2025	RES-2506889	$560,680	$560,680
55	201-1580-055	Final	$31,716	5/15/2025	RES-2506894	$633,224	$633,224
TOTALS							**$6,995,945**

Village 19 – 10 Units

LOT #	APN	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
1	201-1580-063	Issued	$30,201	4/3/2026	RES-2601420	$573,965	$30,201
2	201-1580-064	Issued	$32,268	4/3/2026	RES-2601958	$599,580	$32,268
3	201-1580-065	Issued	$31,931	4/3/2026	RES-2527355	$647,838	$31,931
4	201-1580-066	Issued	$26,243	4/8/2026	RES-2527356	$430,256	$26,243
5	201-1580-067	Issued	$30,201	4/15/2026	RES-2601834	$573,865	$30,201
6	201-1580-068	Issued	$24,066	4/15/2026	RES-2601837	$599,580	$24,066
46	201-1580-108	Issued	$24,680	4/15/2026	RES-2601838	$640,386	$24,680
47	201-1580-109	Issued	$30,201	4/15/2026	RES-2601842	$573,965	$30,201
48	201-1580-110	Issued	$31,383	4/8/2026	RES-2527357	$623,705	$31,383
49	201-1580-111	Issued	$26,243	4/3/2026	RES-2527358	$430,221	$26,243
TOTALS							$287,417

The overall value for 32 Lots for Drifton (Lennar Ownership) is calculated as follows.

ITEM	TOTALS
Land Component	$6,720,000
Completed Homes/Permits & Fees (Paid) – Village 18	$6,995,945
Completed Homes/Permits & Fees (Paid) – Village 19	$287,417
TOTAL VALUE	**$14,003,362**

WATER'S EDGE PRODUCT LINE – VILLAGE 14/20 (20 LOTS)

The Water's Edge product line (V14/20) is comprised of 139 total lots. As of the effective date of valuation, 66 homes have closed with 73 remaining lots in this project. Lennar Homes of California currently holds title to 20 lots. Based on the conclusion of value noted in the prior section, the underlying land value is noted as follows.

LEGAL	APNs	PROJECT	# OF LOTS	LOT VALUE	CONCLUDED VALUE
Lots 8, 9, 72, 73 Of Village 14A	201-1490-045, 046, 100, 101	V14/20	4	$165,000/Lot	$660,000
Lots 16..27, 56..59 Village 14B	201-1730-016..027, 056..059	V14/20	16	$165,000/Lot	$2,640,000
TOTALS			**20**		**$3,300,000**

The land component is identified at $3,300,000. In addition, Lennar Homes of California has pulled permits for 27 lots in this product line. These permits are identified as follows.

Village 14/20 – 20 Units

LOT #	APN	PERMIT CONTRIBUTION	PERMIT PAID	DATE ISSUED	PERMIT #	CITY VALUATION	REPORT VALUATION
8	201-1490-045	Issued	$24,168	1/23/2026	RES-2523974	$362,220	$24,168
9	201-1490-046	Issued	$21,996	1/23/2026	RES-2523976	$316,703	$21,996
72	201-1490-100	Issued	$21,996	1/23/2026	RES-2523977	$316,703	$21,996
73	201-1490-101	Issued	$20,454	1/23/2026	RES-2523983	$285,844	$20,454
16	201-1730-016	Issued	$22,202	4/13/2026	RES-2604585	$366,139	$22,202
17	201-1730-017	Issued	$21,416	4/10/2026	RES-2604591	$309,429	$21,416
18	201-1730-018	Issued	$20,502	4/10/2026	RES-2604593	$289,787	$20,502
19	201-1730-019	Issued	$24,168	4/3/2026	RES-2601825	$362,220	$24,168
20	201-1730-020	Issued	$21,994	4/8/2026	RES-2601826	$316,506	$21,994
21	201-1730-021	Issued	$18,074	4/3/2026	RES-2601827	$305,486	$18,074
22	201-1730-022	Issued	$20,502	2/26/2026	RES-2602068	$289,787	$20,502
23	201-1730-023	Issued	$21,418	2/26/2026	RES-2601715	$309,626	$21,418
24	201-1730-024	Issued	$21,996	1/23/2026	RES-2526760	$316,703	$21,996
25	201-1730-025	Issued	$24,110	1/23/2026	RES-2526763	$362,220	$24,110
26	201-1730-026	Issued	$25,737	1/23/2026	RES-2526765	$362,220	$25,737
27	201-1730-027	Issued	$20,454	1/23/2026	RES-2526767	$285,844	$20,454
55	201-1730-055	Issued	$21,416	5/5/2026	RES-2605764	$309,429	$0
56	201-1730-056	Issued	$22,043	4/10/2026	RES-2605494	$320,646	$22,043
57	201-1730-057	Issued	$20,503	4/3/2026	RES-2601830	$289,984	$20,503
58	201-1730-058	Issued	$24,218	2/26/2026	RES-2601716	$366,360	$24,218
59	201-1730-059	Issued	$19,509	2/26/2026	RES-2601717	$289,984	$19,509
TOTALS							$437,460

The overall value for 20 Lots for Water's Edge (Lennar Ownership) is calculated as follows.

ITEM	TOTALS
Land Component	$3,300,000
Completed Homes/Permits & Fees (Paid) – Village 14/20	$437,460
TOTAL VALUE	**$3,737,460**

CONCLUSION – LENNAR OWNERSHIP – 191 LOTS

Based on these calculations, the overall value for the Lennar ownership is as follows.

PRODUCT LINE / VILLAGE	# OF LOTS	LAND VALUE	PERMIT VALUE	TOTAL VALUE
Shor / Village 1 & 2	18	$3,330,000	$118,189	$3,448,189
Lakelet / Villages 4, 5, and 11	18	$3,420,000	$860,681	$4,280,681
Watersyde / Villages 3, 6 and 8	27	$5,265,000	$2,613,021	$7,878,021
Wavmor / Villages 14-17	23	$4,485,000	$1,136,378	$5,621,378
Crestvue / Villages 7, 9 and 10	27	$5,400,000	$3,526,582	$8,926,582
Bleau / Villages 12 and 13	26	$5,330,000	$760,380	$6,090,380
Drifton / Villages 18 and 19	32	$6,720,000	$7,283,362	$14,003,362
Water's Edge / Village 14/20	20	$3,300,000	$437,460	$3,737,460
TOTAL VALUE	**191**	**$37,250,000**	**$16,736,053**	**$53,986,053**

Overall, the ownership for Lennar Homes of California, LLC, comprises 191 lots. The benchmark conclusions for the finished lots in prior sections were predicated on 100 lots for each village. However, in that the acquisition of lots in these takedowns was from several individual villages, absorption would be escalated due to sourcing from multiple villages. No adjustment or discount is necessary or could be quantified when comparing the lot count. The overall values with permits are slightly lower than home pricing. In addition, a typical buyer of this component would pay the same values as noted for the permits to date as they are lower than home pricing. Absorption in this market is proven, and a typical buyer would replicate the same floor plans for development of vertical improvements.

HYPOTHETICAL MARKET VALUE
547 RESIDENTIAL LOTS – GREENBRIAR PHASE 2, LLC

The value will be estimated by employing the use of the Income Approach through discounted cash flow analysis. Essentially, the expected revenue, absorption period, expenses and discount rate associated with the development and sell-off of the land will be taken into consideration. A discounted cash flow analysis is a procedure in which a discount rate is applied to a projected revenue stream generated from the sale of individual components of a project. In this method of valuation, the quantity, variability, timing, and duration of the revenue streams are calculated and discounted to a present value at a specified yield rate.

The four main items of discounted cash flow analysis are summarized as follows.

- **Revenue** – The gross income is based on the individual component values.
- **Absorption Analysis** – The time frame required for sell-off. Of primary importance in this analysis is the allocation of the revenue over the absorption period – including the estimate of an appreciation factor (if any).
- **Expenses** – The expenses associated with the sell-off are calculated in this section – including infrastructure costs (if any), administration, marketing, and commission costs, as well as taxes and special assessments.
- **Discount Rate** – An appropriate discount rate is derived employing a variety of data.

Revenues

The revenues for this model are predicated on those identified in the prior section. These revenues are net of the lots identified in the Lennar takedowns. The total revenues are illustrated as follows.

PRODUCT TYPE	MINIMUM LOT SIZE (SF)	CONCLUDED LOT VALUE	NUMBER OF LOTS	TOTALS
Shor	2,788 SF	$185,000	108	$19,980,000
Lakelet	3,690 SF	$190,000	83	$15,770,000
Watersyde	4,000 SF	$195,000	50	$9,750,000
Wavmor	4,500 SF	$195,000	99	$19,305,000
Crestvue	4,675 SF	$200,000	42	$8,400,000
Bleau	5,000 SF	$205,000	72	$14,760,000
Drifton	5,500 SF	$210,000	40	$8,400,000
V 14/20	3,690 SF	$165,000	53	$8,745,000
TOTALS			**547**	**$105,110,000**
PER LOT				**$192,157**

Revenues for this model include appreciation at a factor of 2.0% per annum. This element commences in period 2. Based on the overall absorption projection for this project, as well as the overall size, the cash flow model is predicated on annual discounting. Total revenues are trued-up in the final period.

Absorption Analysis

Absorption rates for the residential lots were identified in the Market Analysis section of this report. This element considered the overall position of the projects relative to current and future competition. This element is noted as follows.

YEAR	2026	2027	2028	TOTALS
Subject Lots Absorbed Schedule of Takedowns	240	229	78	547

The absorption rate for the subject project is identified over a 3-year period.

Expenses

There are ongoing expenses associated with this analysis which are included in the cash flow model. They are summarized as follows.

The total entitlement costs for this project are identified at $4,571,939. Based on the schedule of costs provided by the developer, $4,411,477 have been incurred with remaining costs identified at **$160,462.**

BACKBONE COSTS

The developer of this project provided the overall costs for site development of this project. This is allocated among Backbone Costs, Amenities, and Intract Costs. Certain additional costs for this project include entitlement costs and costs for the Shore Vista overcrossing. These costs are as of June 15, 2026 and include the following:

ENTITLEMENT COSTS

The total entitlement costs for this project are identified at $4,604,155. Based on the schedule of costs provided by the developer, $4,456,986 have been incurred with remaining costs identified at **$147,169.**

BACKBONE COSTS

The total backbone costs for this project were identified at $92,678,083 including applicable contingencies, bonds, and soft costs. This cost reflects the costs to extend improvements to each individual village identified for this analysis, as well as drainage improvements and roadway costs for this project. These costs are allocated as follows.

ITEM	TOTAL COSTS	COSTS INCURRED	REMAINING COSTS	% INCURRED	REIMBURSED THROUGH CFD
GRADING AND EARTHWORK	$10,857,031	$10,652,224	$204,807	98.1%	$0
SEWER	$4,700,172	$4,700,103	$69	100.0%	$5,808,007
DRAINAGE	$12,179,804	$12,179,772	$32	100.0%	$2,851,872
WATER	$8,455,946	$8,446,029	$9,917	99.9%	$6,482,265
CONCRETE/ROADWAY	$10,316,988	$10,253,385	$63,603	99.4%	$6,472,483
LANDSCAPING	$4,508,248	$3,022,487	$1,485,761	67.0%	$1,000,000
WALLS AND FENCING	$3,196,286	$2,737,704	$458,582	85.7%	
DRY UTILITIES	$6,832,250	$6,829,553	$2,697	100.0%	$3,308,997
DEVELOPMENT (SOFT COSTS)	$3,870,508	$3,741,790	$128,718	96.7%	
DEVELOPMENT FEES	$2,054,663	$2,101,114	-$46,451	102.3%	
BUILDERS FEES	$16,614,317	$16,600,618	$13,699	99.9%	
PROJECT (SOFT COSTS)	$5,779,000	$5,025,671	$753,329	87.0%	$0
PERFORMANCE BONDS	$2,141,540	$2,116,525	$25,015	98.8%	$0
SUB-TOTAL	**$91,506,753**	**$88,406,975**	**$3,099,778**	**96.6%**	**$25,923,624**
Hard Cost Contingency	$1,171,300	$0	$1,171,300	0.0%	$0
TOTAL BACKBONE COSTS	**$92,678,053**	**$88,406,975**	**$4,271,078**	**95.4%**	**$25,923,624**

The total backbone costs for this project are identified at $92,678,053. These costs include remaining contingencies at $1,171,300. Development has commenced as of the effective date of valuation, as the developer has completed $88,406,975 in costs, or approximately 95.0% of the total hard costs (including contingencies). The remaining costs are identified at **$4,271,078.**

SHORE VISTA OVERCROSSING

The development of this project includes design and construction of the overcrossing at Shore Vista Way. Total costs are identified at $22,101,730. These costs are consistent with the engineers costs prepared by Wood Rodgers, dated November 7, 2023 as provided for review in preparation of this assignment.

It was identified that these improvements started in the Summer of 2025. With rising costs caused by inflation, these costs are likely a low indicator to the actual costs, especially based on the proposed completion date. As such, these costs are escalated at 8% due this element and total costs are projected at $23,869,868. This escalation is consistent with the rising costs. Original estimates in 2016 were noted at $11,805,277. The 2023 costs prepared by Wood Rodgers were identified at $22,006,078. The difference between the 2016 costs and the 2023 costs are noted at 86.4%, which equates to 8.1% per annum.

Recently, the developer's provided a revised estimate at $23,504,391 as of November 2025. At this time, the developer and the City reached a development agreement for construction of this facility, including bonding the total costs at $39.1 million. As part of the Third Amendment, the City of Sacramento will reimburse costs identified at $6,112,239. Based on the allocation of costs, net costs to the developer are identified at $17,392,152. Lastly, the developer has completed $1,751,981 in costs for this component, and remaining costs are identified at **$15,640,171.** Completion of these improvements are not tied to the individual lots. They reflect a total costs to Integral Development and given that these costs have a performance bond tied to their completion, they are excluded from this analysis.

AMENITIES

In addition, this project includes public amenities which are being constructed concurrent with backbone improvements. They include costs for the neighborhood and community parks. These costs are allocated as follows.

ITEM	TOTAL COSTS	COSTS INCURRED	REMAINING COSTS	% INCURRED
NEIGHBORHOOD PARK	$1,841,222	$1,763,653	$77,569	95.8%
COMMUNITY PARK	$1,438,973	$1,277,890	$161,083	88.8%
COMMUNITY PARK	$1,512,596	$1,335,227	$177,369	88.3%
SUB-TOTAL	**$4,792,791**	**$4,376,770**	**$416,021**	**91.3%**

The total remaining costs for project amenities are identified at **$416,021.**

INTRACT IMPROVEMENTS

Intract improvements reflect the overall costs to complete the interior subdivision improvements for each village. Budgets were provided for these costs, and the following table summarizes the total costs allocated to intract improvements. These budgets are as follows.

VILLAGE	# OF LOTS	MINIMUM LOT SIZE (SF)	TOTAL COSTS	TOTAL COSTS/LOT	COSTS INCURRED	% INCURRED	REMAINING COSTS
Village 1 (Shor)	104	41' x 68' (2,788 SF)	$6,327,022	$60,837	$6,257,133	98.9%	$69,889
Village 2 (Shor)	89	41' x 68' (2,788 SF)	$3,922,657	$44,075	$1,066,355	27.2%	$2,856,302
Village 3 (Watersyde)	11	50' x 80' (4,000 SF)	$37,413	$3,401	$36,419	97.3%	$994
Village 4 (Lakelet)	68	41' x 90' (3,690 SF)	$3,820,667	$56,186	$3,801,462	99.5%	$19,205
Village 5 (Lakelet)	61	41' x 90' (3,690 SF)	$3,717,240	$60,938	$3,742,324	100.7%	-$25,084
Village 6 (Watersyde)	54	50' x 80' (4,000 SF)	$3,360,587	$62,233	$3,357,274	99.9%	$3,313
Village 7 (Crestvue)	26	55' x 85' (4,675 SF)	$464,950	$17,883	-$93,168	-20.0%	$558,118
Village 8 (Watersyde)	88	50' x 80' (4,000 SF)	$3,664,559	$41,643	$3,656,266	99.8%	$8,293
Village 9 (Crestvue)	53	55' x 85' (4,675 SF)	$2,907,451	$54,858	$2,901,541	99.8%	$5,910
Village 10 (Crestvue)	59	55' x 85' (4,675 SF)	$3,183,474	$53,957	$3,175,935	99.8%	$7,539
Village 11 (Lakelet)	44	41' x 90' (3,690 SF)	$1,656,417	$37,646	$319,302	19.3%	$1,337,115
Village 12 (Bleau)	60	50' x 100' (5,000 SF)	$4,443,602	$74,060	$4,436,021	99.8%	$7,581
Village 13 (Bleau)	50	50' x 100' (5,000 SF)	$2,386,633	$47,733	$1,379,548	57.8%	$1,007,085
Village 14 (Wavmor)	54	45' x 100' (4,500 SF)	$3,386,335	$62,710	$3,254,125	96.1%	$132,210
Village 15 (Wavmor)	31	45' x 100' (4,500 SF)	$1,703,463	$54,950	$292,078	17.1%	$1,411,385
Village 16 (Wavmor)	34	45' x 100' (4,500 SF)	$1,600,501	$47,074	$277,874	17.4%	$1,322,627
Village 17 (Wavmor)	44	45' x 100' (4,500 SF)	$4,340,184	$98,641	$4,333,320	99.8%	$6,864
Village 18 (Drifton)	59	55' x 100' (5,500 SF)	$5,610,989	$95,102	$5,605,606	99.9%	$5,383
Village 19 (Drifton)	49	55' x 100' (5,500 SF)	$2,867,019	$58,511	$2,848,444	99.4%	$18,575
Village 14/20 (14/20)	139	41' x 90' (3,690 SF)	$9,181,570	$66,054	$9,131,822	0.0%	$49,748
Intract Contingency			$434,080			0.0%	$434,080
SUB-TOTAL	**1,177**		**$69,016,813**		**$59,779,681**	**86.6%**	**$9,237,132**

Overall, the total remaining site development costs for this project are identified as follows.

ITEM	TOTAL COSTS	COSTS INCURRED	REMAINING COSTS	% INCURRED
Entitlement Costs	$4,604,155	$4,456,986	$147,169	96.8%
Backbone Costs	$92,678,053	$88,406,975	$4,271,078	95.4%
Amenities	$4,792,791	$4,376,770	$416,021	91.3%
In-Tract Costs	$69,016,813	$59,779,681	$9,237,132	86.6%
TOTALS	**$171,091,812**	**$157,020,412**	**$14,071,400**	**91.8%**

The remaining site development costs for this project, as of the effective date of valuation equate to **$14,071,400.**

VARIABLE EXPENSES – These expenses are applied for property taxes, CFD Payments, administration and overhead, as well as Sales and Marketing Expenses. Ultimately, this project includes HOA dues, however, since this model is predicated on sales of lots, no expenses for HOA dues are in this modeling.

Ad Valorem Taxes – This appraisal is predicated on the assumption of a sale of the appraised property in bulk. The overall tax rate for the area is identified at 1.1687%. This expense is gradually reduced over the absorption period, as the land components are sold off. For purposes of calculating property taxes, the total costs area allocated based on the total number of units. Property taxes are increased at 2% per annum. Calculations of this element are identified as follows.

ITEM	TAXES
Overall Value	$73,000,000
Per Potential Lot	$133,455.21
Base Taxes (1.1687%)	$1,559.69
TAXES PER LOT	**$1,560**

Property taxes are allocated on an annual basis and increased at 2% per annum. It is noted that 50% of the annualized taxes are included in this cash flow as lots to reflect absorption of lots per period. It is noted that since this model utilizes finished lots as the revenues, HOA charges are not included. These costs were considered in the overall analysis of revenues.

Direct Levies/Special Assessments – In addition to the base property taxes, there are payments for direct levies and special assessments for this project. Direct levies for this project show annualized expense per project at $404.42 per annum. This expense is noted at 50% of the annualized expense to reflect absorption of lots per period. These costs are escalated at 2% per annum.

The proposed payments for the CFD's show annualized expense from $1,828.23 to $3,621.82 per annum. The weighted average equates to $2,781 per annum. Calculations are noted as follows.

PROJECT	SHOR	LAKELET	WATERSYDE	WAVMOR	CRESTVUE	BLEAU	DRIFTON	V14/20	
LOT SIZE	2,788 SF	3,690 SF	4,000 SF	4,500 SF	4,675 SF	5,000 SF	5,500 SF	3,690 SF	WEIGHTED
AVERAGE HOME SIZE	1,982 SF	2,233 SF	2,650 SF	2,484 SF	2,557 SF	2,923 SF	3,037 SF	1,640 SF	AVERAGE
Special District Per Annum	$2,309.91	$2,630.31	$2,995.09	$2,884.68	$3,268.95	$3,321.98	$3,621.82	$1,828.23	**$2,781**
# of Lots	108	83	50	99	42	72	40	53	

The overall expense for special assessments is based on the weighted average relative to the number of unsold units. These costs are escalated at 2% per annum.

It is noted that this model is based on annual discounting. Allowances for Taxes, Direct Levies, and Special assessments are based on inventory levels at the end of each period.

General and Administrative Costs – The general and administrative expense covers the various administrative costs associated with managing the overall development. A review of budget from other similar sized residential communities shows general and administrative costs between 1% and 3%. An estimate of 1% of sales proceeds is applied based on the nature of this project. This would include management, legal and accounting fees, and other professional services common to a development project. This expense is estimated at 1% of the total gross sales proceeds and is applied evenly over the sell-off period. Calculations are illustrated as follows.

ITEM	TOTAL PROJECT
Total Proceeds (W/Appreciation)	$106,595,609
Administration and Overhead (1%)	$1,065,956
# of Periods	3
Costs Per Period	**$355,319**

Marketing and Sales Costs – The costs associated with marketing, commissions and closing costs relative to the disposition of the subject's components are estimated at 2% of gross sales proceeds.

Discount Rate/Development Profit

The final element in the discounted cash flow is the discount rate that is applied to the individual cash flows. The discount rate is a rate of return commensurate with perceived risk to convert future payments or receipts to present value. This rate reflects the compensation offered to an investor for assuming the inherent risk associated with the property. Naturally, the discount rate varies with the size and complexity of the project and can be affected by numerous other factors.

The assumed buyer for the whole property is a developer. The motivation of this type of buyer is profit. The DCF must account for anticipated profit, otherwise; there would be no motivation for purchase of the entire property.

The project yield rate is the return in the total un-leveraged investment in a development, including both equity and debt. The leveraged yield rate is the rate of return to the "base" equity position when a portion of the development is financed. The "base" equity position represents the total equity contribution. The developer/builder may have funded all of the equity contribution or a consortium of investors/builders in a joint venture may fund it. Most surveys indicate that the threshold yield requirements are about 20% to 30% for production home type projects. This rate often includes costs from site development through production home development.

According to the PwC Real Estate Investor Survey (2nd quarter 2025), free-and-clear discount rates including developer's profit ran from 12.00% to 30.00% and average 17.67% this quarter. Historic figures dating back to 2013 are noted on the following table.

	DISCOUNT RATE	
Quarter	Range	Average
2Q13	10.00% – 25.00%	18.90%
4Q13	10.00% – 25.00%	18.31%
2Q14	10.00% – 25.00%	18.15%
4Q14	10.00% – 25.00%	16.75%
2Q15	10.00% – 20.00%	15.90%
4Q15	10.00% – 20.00%	15.50%
2Q16	10.00% – 20.00%	15.50%
4Q16	10.00% – 20.00%	15.50%
2Q17	10.00% – 20.00%	16.00%
4Q17	10.00% – 20.00%	15.40%
2Q18	10.00% – 20.00%	15.40%
4Q18	10.00% – 20.00%	15.80%
2Q19	10.00% – 20.00%	15.50%
4Q19	10.00% – 20.00%	15.90%
2Q20	10.00% – 25.00%	15.20%
4Q20	10.00% – 25.00%	15.60%
2Q21	10.00% – 25.00%	16.70%
4Q21	10.00% – 30.00%	16.80%
2Q22	10.00% – 30.00%	17.20%
4Q22	12.00% – 30.00%	18.70%
2Q23	12.00% – 30.00%	19.20%
4Q23	12.00% – 30.00%	19.20%
2Q24	14.00% – 30.00%	19.13%
4Q24	12.00% – 30.00%	17.00%
2Q25	12.00% – 30.00%	17.67%

a. Rate on unleveraged, all-cash transactions; including developer's profit

For additional support, current rates were identified from RealtyRates for development models. These factors reflect applicable rates for California/Pacific Islands for Second Quarter 2026 and are noted on the following table.

RealtyRates.com DEVELOPER SURVEY - 2nd Quarter 2026* California/Pacific Islands - Subdivisions & PUDs						
	Actual Rates			Pro-Forma Rates		
	Min	Max	Avg	Min	Max	Avg
Site-Built Residential	18.03%	39.41%	26.65%	17.31%	37.83%	25.58%
-100 Units	18.03%	33.98%	25.48%	17.31%	32.62%	24.46%
100-500 Units	18.48%	37.37%	26.81%	17.74%	35.88%	25.74%
500+ Units	18.93%	39.07%	27.26%	18.18%	37.51%	26.17%
Mixed Use	19.38%	39.41%	27.05%	18.61%	37.83%	25.96%
Manufactured Housing	18.58%	43.04%	28.58%	17.84%	41.32%	27.44%
-100 Units	18.58%	37.43%	27.44%	17.84%	35.93%	26.35%
100-500 Units	19.05%	41.17%	28.90%	18.28%	39.52%	27.75%
500+ Units	19.51%	43.04%	29.40%	18.73%	41.32%	28.22%
Business Parks	18.52%	41.19%	27.72%	17.78%	39.54%	26.61%
-100 Acres	18.52%	35.82%	26.63%	17.78%	34.39%	25.56%
100-500 Acres	18.99%	39.40%	28.03%	18.23%	37.82%	26.91%
500+ Acres	19.45%	41.19%	28.50%	18.67%	39.54%	27.36%
Industrial Parks	18.63%	34.67%	24.82%	17.88%	33.28%	23.83%
-100 Acres	18.63%	30.15%	23.90%	17.88%	28.94%	22.94%
100-500 Acres	19.09%	33.16%	25.08%	18.33%	31.83%	24.08%
500+ Acres	19.56%	34.67%	25.49%	18.78%	33.28%	24.47%

*1st Quarter 2026 Data

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The information from RealtyRates is applicable for Ground-up construction through completed improvements. For site built residential, the IRR ranges from 18.03% to 39.241 based on actual rates noted throughout. **These rates are likely overstated as the subject revenues are based on finished lots. Furthermore, revenues were projected based on the hypothetical value of finished lots with 100 lots.**

Developers surveyed in this market climate noted that projects are being looked at based on IRR Requirements. A larger national developer noted minimum requirements of 20% IRR (unleveraged) for their development requirements (Vacant Land); representatives from a larger regional builder noted a minimum IRR requirement (unleveraged) of 10% to 20% for smaller vacant land properties; Regional Builder reported a minimum requirement (unleveraged) of 15% for vacant land; and another local builder reported a minimum requirement of 10% IRR for the project.

As reflected by the developer survey, IRR expectations are from 10% to 20%, for land development projects. The subject properties are valued under the **Hypothetical Condition** that the land components are vacant and available for development to their highest and best use. While the subject area seems optimal for development, there is still risk in the overall project based on changes in market conditions and shifts in the employment market. Also factored into the discount rate is the inclusion of appreciation, although slight relative to the overall property value. Remaining site development costs for this project include contingencies. As such, inflation risk is tempered due to these elements.

Based on these elements, coupled with the lack of competition from other projects, as well as the scheduled takedown of lots to Lennar Homes of California LLC, the IRR (profit and discount rate) identified for the subject property is concluded at 12%.

Conclusion

The overall value for 547 Lots (Greenbriar Phase 2, LLC Ownership) is identified at $73,000,000. It is noted that permits (Villages 18 and 19) totaling $197,979 have been paid and are under the Greenbriar Phase 2 ownership. These elements are a direct reimbursement from Lennar Homes of California, and no added value is identified for these element. A copy of this model is noted below.

ANNUAL DISCOUNTING ITEM		**YEAR 1**	**YEAR 2**	**YEAR 3**	**TOTALS**
Single Family Residential Lots					
Total Lots		547	307	78	
Lots Sold		240	229	78	547
Lots Unsold		307	78	0	
Average Selling Price/Lot		**$192,157**	**$192,157**	**$192,157**	
Total Revenues		$46,117,680	$44,003,953	$14,988,367	$105,110,000
Market Appreciation (Annual)	2%	$0	$880,079	$605,530	$1,485,609
TOTAL REVENUES		**$46,117,680**	**$44,884,032**	**$15,593,897**	**$106,595,609**
FIXED EXPENSES					
SVO Overcrossing (SVO)		$0	$0	$0	$0
Site Development Costs	$25,724	($6,173,760)	($5,890,796)	($2,006,844)	($14,071,400)
TOTAL FIXED EXPENSES		**($6,173,760)**	**($5,890,796)**	**($2,006,844)**	**($14,071,400)**
VARIABLE EXPENSES					
Ad Valorem Taxes	$1,560.00	($239,460)	($62,057)	$0	($301,517)
Direct Levies	$404.42	($62,078)	($16,088)	$0	($78,166)
Special Taxes	$2,781	($426,884)	($110,628)	$0	($537,512)
Administration and Overhead	1%	($355,319)	($355,319)	($355,319)	($1,065,956)
Sales and Marketing	2%	($922,354)	($897,681)	($311,878)	($2,131,912)
TOTAL VARIABLE EXPENSES		**($2,006,094)**	**($1,441,772)**	**($667,197)**	**($4,115,063)**
TOTAL FIXED AND VARIABLE EXPENSES		**($8,179,854)**	**($7,332,568)**	**($2,674,041)**	**($18,186,463)**
NET PROCEEDS		**$37,937,826**	**$37,551,464**	**$12,919,856**	**$88,409,146**
Blended Profit/Discount Rate	**12%**	**0.89286**	**0.79719**	**0.71178**	
Net Cash Flow		**$33,873,059**	**$29,935,797**	**$9,196,099**	

NET PRESENT VALUE	**$73,004,954**
ROUNDED	**$73,000,000**

OVERALL VALUE
439 CLOSED UNITS

As noted, this project includes 439 units which have closed escrow to individual homeowners. Tables were provided in prior section, and the total proceeds are identified at $283,415,500. The table below provides a summary of the entire project.

VILLAGE REFERENCE	PRODUCT	TOTAL UNITS	UNITS CLOSED	AGGREGATE VALUE	REMAINING LOTS
Village 1	SHOR	104	53	$29,649,500	51
Village 2	SHOR	89	14	$8,114,000	75
Village 3	WATERSYDE	11	9	$6,678,000	2
Village 4	LAKELET	68	9	$5,369,500	59
Village 5	LAKELET	61	60	$37,230,000	1
Village 6	WATERSYDE	54	54	$37,691,000	0
Village 7	CRESTVUE	26	21	$15,129,500	5
Village 8	WATERSYDE	88	13	$9,083,000	75
Village 9	CRESTVUE	53	5	$3,429,500	48
Village 10	CRESTVUE	59	43	$28,319,000	16
Village 11	LAKELET	44	3	$1,975,000	41
Village 12	BLEAU	60	12	$9,340,000	48
Village 13	BLEAU	50	0	$0	50
Village 14	WAVMOR	54	0	$0	54
Village 15	WAVMOR	31	2	$1,320,500	29
Village 16	WAVMOR	34	0	$0	34
Village 17	WAVMOR	44	39	$25,490,500	5
Village 18	DRIFTON	59	36	$28,796,000	23
Village 19	DRIFTON	49	0	$0	49
Village 14/20	WATER'S EDGE	139	66	$35,800,500	73
TOTALS		**1,177**	**439**	**$283,415,500**	**738**

For this analysis, the recent transaction prices are recognized in the overall value for the homes. Typically, this is based on the assessed value for the homes through the Sacramento County Assessor's Office. However, since this information is trailing (data shown relative to the close date), as well as the fact that assessed values for the homes are based on the most recent transaction price, the closed price as reported from public records is sufficient.

RECONCILIATION
HYPOTHETICAL MARKET VALUE

With only one approach to value completed for this analysis, there is no reconciliation. Based on the analysis described in the attached report, in connection with the Assumptions and Limiting Conditions, and the Hypothetical Conditions, as of June 29, 2026, the effective date of valuation, my opinion of value is as follows.

ENTITY	AGGREGATE MARKET VALUE
Hypothetical Market Value Individual Homes Closed 439 Units	**$283,415,500**
Hypothetical Market Value Greenbriar Phase 2, LLC 547 Lots **(A)**	**$73,000,000**
Hypothetical Market Value Lennar Homes of California, LLC 191 Lots/Homes **(B)**	**$53,986,053**
Aggregate, or Cumulative, Value of Appraised Properties	**$410,401,553**

(A) This component is comprised of finished lots, as well as lots with final map approval.

(B) This component is comprised of finished lots, as well as the allocated value of permits and fees paid as of the effective date of valuation ($16,736,053).

The value noted above is presented in conjunction with the **Hypothetical Condition** that as of the effective date of valuation, the Bonds had just been sold, and the properties were encumbered by CFD Bonds supported by Special Taxes as described herein. The estimate of market value, by ownership, accounts for the impact of the proposed lien of the special taxes securing the bonds.

Opinion of Probable Exposure Time

A most likely purchaser of the property would be an investor seeking adequate return on their investment. Based on the location of the subject property, in conjunction with the potential upside in values for this property, a typical exposure period of 9 months is more than adequate to facilitate a sale based on the opinions of value expressed above.

ADDENDA

Assumptions and Limiting Conditions

Certification of the Appraiser

Glossary

Qualifications of the Appraiser

Preliminary Title Report

Summary of Infrastructure Costs

Market Absorption Study

ASSUMPTIONS AND LIMITING CONDITIONS

The Certification of the appraiser(s) appearing in this report is subject to the following assumptions and limiting conditions.

1. The appraiser(s) assumes no responsibility for the legal description provided for matters pertaining to the legal or title considerations. Title is assumed to be good and marketable, and the property is appraised free and clear of any encumbrances, unless otherwise stated. It is assumed that the property is under responsible ownership and management.

2. Information, estimates, and opinions furnished to the appraiser(s) and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, the appraiser(s) give no warranty of the accuracy of such items furnished by others.

3. The appraiser(s) is not required to give testimony or appear in court in connection with this appraisal unless prior arrangements have been made.

4. The sketches, maps, plats, and exhibits in this report are included to assist the reader in visualizing the property. The appraiser(s) has made no survey of the property and assumes no responsibility in connection with such matters.

5. The appraiser(s) assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser(s) assumes no responsibility for such conditions or for engineering which might be required to discover such factors.

6. The appraiser(s) assumes the property in full compliance with all applicable federal, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the appraisal. The appraiser(s) assumes the property contains no hazardous materials or substances or for engineering which might be required to discover such factors.

7. The appraiser(s) assumes all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value opinions contained in the report is based.

8. The appraiser(s) assumes that the property complies with applicable zoning requirements, use regulations and other restrictions, unless a lack of conformity has been stated, defined, and considered in the appraisal report.

9. Any allocation of the total value opinion stated in this report between the site and improvements applies only under the stated program of use. The separate values allocated to the site and improvements may not be used in connection with any other appraisal and are invalid if so used. Any value opinions provided in the appraisal report apply to the entire property and any proration or division of the total into fractional interests will invalidate the value opinion unless such proration or division of interests has been stated in the report.

10. Disclosure of the contents of the appraisal report is governed by the Code of Professional Ethics of the Appraisal Institute and is subject to peer review.

ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

11. The appraiser(s) assumes that the site and improvements are contained within the boundaries or property lines of the property described and that there are no encroachments unless noted in this report.

12. If only preliminary plans and specifications were available for use in the preparation of this assignment, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and the appraiser(s) reserves the right to amend this appraisal if substantial deviations exist.

13. The dates of value to which the opinions expressed in this report apply are set forth in this report. The appraiser(s) assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.

14. This appraisal was prepared for the sole and exclusive use of the client for the intended use outlined in this report. Any party who is not the client or intended user identified in the appraisal or the engagement letter is not entitled to rely upon the contents of this appraisal without the express written consent of Smith & Associates, Inc. The appraiser assumes no obligation, liability, or accountability to any third party.

15. The Americans with Disabilities Act (ADA became effective January 26, 1992. The appraiser(s) have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative impact upon the value of the property. Since the appraiser(s) have no direct evidence relating to this issue, possible non-compliance was not considered in estimating the value of the property.

16. No part of the appraisal report (nor any copy of it) shall be used for any purpose by any party except the client without the previous written consent of the appraiser(s). No portion of the appraisal report may be reproduced. The report shall not be used for advertising, public relations, news, or other media without the consent of the appraiser(s).

17. Acceptance and/or use of this appraisal report by the client or any third party constitutes acceptance of the previously stated assumptions and limiting conditions.

18. Any estimate of the Insurable Replacement Costs, if included within the scope of work and presented herein, is based on figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from estimates noted in this report and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. It is highly recommended that the client obtains estimates from professionals experienced in providing insurance coverage. The appraiser(s) make no warranties regarding the accuracy of estimates for Insurable Replacement Costs noted in this report.

CERTIFICATION

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
9. I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the person signing this certification.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. As of the date of this report, I John E. Carrothers, MAI have completed the continuing education program for Designated Members of the Appraisal Institute.
13. The reported analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

John E. Carrothers, MAI
Certified General Real Estate Appraiser
CA License AG014187, Exp. 04/11/2027

GLOSSARY

Definitions are taken from the Dictionary of Real Estate Appraisal, 5th Edition, the Uniform Standards of Professional Appraisal Practice (USPAP) and Building Owners and Managers Association International (BOMA)

ABSOLUTE NET LEASE
A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. **(Dictionary)**

AGGREGATE OF RETAIL VALUES (ARV)
The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all units as though sold together in a single transaction; it is simply the total of multiple market value conclusions. **(Dictionary)**

AS-IS MARKET VALUE
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. **(Dictionary)**

ASSUMPTION
That which is taken to be true. **(USPAP)**

BUILDING RENTABLE AREA
The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of the floor the major vertical penetrations on the same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. **(BOMA)**

CASH EQUIVALENCY
An analytical process in which the sale price of a transaction with nonmarket financing or financing with unusual conditions or incentives is converted into a price expressed in terms of cash or its equivalent. **(Dictionary)**

CLIENT
The party or parties who engage, by employment or contract, an appraiser in a specific assignment. The client may be an individual, group, or entity, and may engage and communicate with the appraiser directly or through an agent. **(USPAP)**

CONDOMINIUM
A multiunit structure, or a unit within such a structure, with a condominium form of ownership. **(Dictionary)**

COVERAGE
The proportion of the net or gross land area of a site that is occupied by a building or buildings. **(Dictionary)**

DEED RESTRICTION
A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. **(Dictionary)**

DEPRECIATION
A loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. **(Dictionary)**

DISPOSITION VALUE
The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market;
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgeably;
- The seller is under compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their own best interests;
- An adequate marketing effort will be made during the exposure time specified by the client;
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. **(Dictionary)**

EASEMENT
The right to use another's land for a stated purpose. **(Dictionary)**

EFFECTIVE AGE
The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. **(Dictionary)**

EFFECTIVE DATE
1) The date on which the appraisal or review opinion applies. (SVP) 2) In a lease document, the date upon which the lease goes into effect. **(Dictionary)**

EFFECTIVE RENT
Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. **(Dictionary)**

EXCESS LAND
Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. **(Dictionary)**

EXPOSURE TIME
Estimated length of time that the property interest being appraised would have been on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market. **(USPAP)**

EXTRAORDINARY ASSUMPTION
An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends, or about the integrity of data used in an analysis. **(USPAP)**

EXTERNAL OBSOLESCENCE
A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be temporary or permanent. **(Dictionary)**

FEE SIMPLE ESTATE
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. **(Dictionary)**

FLOOR AREA RATIO (FAR)
The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. **(Dictionary)**

FULL SERVICE GROSS LEASE
A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a full service lease. **(Dictionary)**

FUNCTIONAL OBSOLESCENCE
The impairment of functional capacity of improvements according to market tastes and standards. **(Dictionary)**

GOING CONCERN VALUE
An outdated label for the market value of all of the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern or market value of the total assets of the business. **(Dictionary)**

GROSS BUILDING AREA
The total constructed area of a building. It is generally not used for leasing purposes. **(BOMA)**

GROUND LEASE
A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. **(Dictionary)**

HIGHEST & BEST USE
1) The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. **(Dictionary)**

HYPOTHETICAL CONDITION
A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of the analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions or trends; or about the integrity of data used in an analysis. **(USPAP)**

INTENDED USE
The use or uses of an appraiser's reported appraisal or appraisal review assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment. **(USPAP)**

INTENDED USER
The client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser on the basis of communication with the client at the time of the assignment. **(USPAP)**

INDUSTRIAL GROSS LEASE
A type of modified gross lease of an industrial property in which the landlord and tenant share expenses. The landlord receives stipulated rent and is obligated to pay certain operating expenses, often structural maintenance, insurance and real property taxes as specified in the lease. There are significant regional and local differences in the use of this term. **(Dictionary)**

INSURABLE VALUE
A type of value used for insurance purposes. **(Dictionary)**

LEASED FEE INTEREST
The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. **(Dictionary)**

LEASEHOLD INTEREST
The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. **(Dictionary)**

LESSEE (TENANT)
One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. **(Dictionary)**

LESSOR (LANDLORD)
One who conveys the right of occupancy and use to others under a lease agreement. **(Dictionary)**

LIMITING CONDITIONS
A law, regulation, guideline, or other condition that can affect the scope of work of a valuation or review assignment. **(Dictionary)**

LIQUIDATION VALUE
The most probable price that a specified interest in real property should bring under the following conditions:

- Consummation of a sale within a short period;
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgably;
- The seller is under extreme compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their own best interests;
- A normal marketing effort is not possible due to the brief exposure time;
- Payment will be made in cash in U.S. dollars (or in local currency) or in terms of financial arrangements comparable thereto;
- The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. **(Dictionary)**

MARKET ANALYSIS
The study of the supply and demand in a specific area for a specific type of property. **(Dictionary)**

MARKET RENT
The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of a specified lease agreement including rental adjustment and revaluation, permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options and tenant improvements (TIs). **(Dictionary)**

MARKET VALUE
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

a. Buyer and seller are typically motivated;
b. Both parties are well informed or well advised, and acting in what they consider their own best interests;
c. A reasonable time if allowed for exposure in the open market;
d. Payment is made in terms of cash in U.S. dollars or in financial arrangements comparable thereto;
e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. **(Office of the Comptroller of the Currency)**

MARKET VALUE "AS IF COMPLETE"
A hypothetical scenario representing the market value of the property with all proposed construction, conversion or rehabilitation completed under specified hypothetical conditions as of the date of the appraisal.

MARKET VALUE "AS IF STABILIZED"
A hypothetical scenario representing the market value of the property at a current point in time when all improvements have been physically constructed, and the property has been leased to its optimum level of long term occupancy under specified hypothetical conditions as of the date of the appraisal.

MARKETING TIME
An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.) **(Dictionary)**

MODIFIED GROSS LEASE
A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease. **(Dictionary)**

PARTIAL INTEREST
Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common, easement, or life interest. **(Dictionary)**

PHYSICAL DETERIORATION
The wear and tear that begins when a building is completed and placed into service. **(Dictionary)**

PROSPECTIVE OPINION OF VALUE
A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy. **(Dictionary)**

REMAINING ECONOMIC LIFE (REL)
The estimated period over which existing improvements are expected to contribute economically to a property; an estimate of the number of years remaining in the economic life of a structure or structural components as of the effective date of the appraisal; used in the economic age-life method of estimating depreciation. **(Dictionary)**

REPLACEMENT COSTS
The estimated cost to construct, at current prices as of a specific date, a substitute for the building or other improvements, using modern materials and current standards, design, and layout. **(Dictionary)**

REPRODUCTION COSTS
The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, super-adequacies, and obsolescence of the subject building. **(Dictionary)**

RETROSPECTIVE VALUE OPINION
A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historic date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." **(Dictionary)**

SANDWICH LEASEHOLD ESTATE
The interest held by the sandwich leaseholder when the property is subleased to another party; a type of leasehold estate. **(Dictionary)**

SCOPE OF WORK
The type and extent of research and analyses in an appraisal or appraisal review assignment. **(USPAP)**

SURPLUS LAND
Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. **(Dictionary)**

TRIPLE NET (NET NET NET) LEASE
An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called NNN lease, triple net lease, or fully net lease. **(Dictionary)**

USABLE AREA
The area that is actually used by the tenants, measured from the inside of the exterior walls to the inside of the walls separating the space from hallways and common areas. **(Dictionary)**

John E. Carrothers, MAI

Certified General Real Estate Appraiser
California BREA Appraiser License No. AG014187

SUMMARY

Over thirty years of appraisal experience in Sacramento, Placer, Solano, Sutter, Yolo, Stanislaus, Contra Costa and Alameda Counties. Extensive experience focusing on the analysis of residential subdivisions over the past twenty years.

Property types valued and analyzed include the following:

- Single and Multi-Family Residential
- Vacant Land – Improved and Unimproved
- Commercial – Retail and Industrial
- Subdivision – Feasibility and Valuation

WORK HISTORY

1998 – Present	Managing Partner	Smith & Associates, Inc.
1991 – 1998	Staff Appraiser	Smith Denton Associates, Inc.
1990 – 1991	Staff Appraiser	Professional Appraisal Services, Inc.

EDUCATION

University of California, Davis, CA
Bachelor of Science

Appraisal Institute Courses
Real Estate Appraisal Principles • Valuation Procedures • Capitalization Theory and Techniques, A • Capitalization Theory and Techniques, B • Farm Valuation Seminar • Standards of Professional Practice, A and B • Real Estate Principles • Subdivision Analysis • Assessment Bond Mello Roos Seminar • Report Writing • Advanced Sale Comparison and Cost Approach • National USPAP Equivalent Course

PROFESSIONAL AFFILIATIONS

- Appraisal Institute, MAI

Business, Consumer Services & Housing Agency

BUREAU OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

John E. Carrothers

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

"Certified General Real Estate Appraiser"

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AG 014187

Effective Date: April 12, 2025
Date Expires: April 11, 2027

Angela Jemmott, Bureau Chief, BREA

3081078

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "CHAIN LINK"

Update #27

First American Title™

First American Title Company

4140 Temescal Canyon Rd, Ste 301
Corona, CA 92883

Customer Reference:	APNs 201-0300-189 and 190
Order Number:	624883ala (tc)
Title Officer:	Terrell Crutchfield
Phone:	(951)256-5879
Fax No.:	(866)558-2872
E-Mail:	tcrutchfield@firstam.com
Escrow Officer:	Jules Fulop
Phone:	(925)201-6603
Fax No.:	(866)648-7806
E-Mail:	jfulop@firstam.com
Buyer:	
Owner:	Greenbriar Phase 2, LLC
Property:	APNs 201-0300-189-0000 and, 201-0300-190-0000 Sacramento, CA

PRELIMINARY REPORT

In response to the above referenced application for a policy of title insurance, this company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Exhibit A attached. *The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties.* Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit A. Copies of the policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

Please be advised that any provision contained in this document, or in a document that is attached, linked or referenced in this document, that under applicable law illegally discriminates against a class of individuals based upon personal characteristics such as race, color, religion, sex, sexual orientation, gender identity, familial status, disability, national origin, or any other legally protected class, is illegal and unenforceable by law.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of March 19, 2026 at 7:30 A.M.

The form of Policy of title insurance contemplated by this report is:

To Be Determined

A specific request should be made if another form or additional coverage is desired.

Title to said estate or interest at the date hereof is vested in:

GREENBRIAR PHASE 2, LLC, A DELAWARE LIMITED LIABILITY COMPANY

The estate or interest in the land hereinafter described or referred to covered by this Report is:

Fee

The Land referred to herein is described as follows:

(See attached Legal Description)

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

1. Taxes and assessments. Report to follow. Please verify before closing.

2. General and special taxes and assessments for the fiscal year 2026-2027, a lien not yet due or payable.

3. Assessment liens, if applicable, collected with the general and special taxes, including but not limited to those disclosed by the reflection of the following on the tax roll:

   Community Facilities District NORTH NATOMAS TMA CFD #9901.

   (Affects Lots 5 and 6 of Parcel B, D, Lots 11, 41 and 42 of Parcel F, Parcel I, Parcel J and Portion of Parcel Q)

   1915 Bond for SAFCA CONSOLIDATED CAP ASMT #2.

   1915 Bond for SAFCA NATOMAS BASIN LOCAL ASSESSMENT DISTRICT.

4. The lien of special tax assessed pursuant to Chapter 2.5 commencing with Section 53311 of the California Government Code for Community Facilities District No. 2018-05, as disclosed by Notice of Special Tax Lien recorded December 13, 2018 as Book 20181213, Page 0487 of Official Records; a lien not yet delinquent.

5. The lien of special tax assessed pursuant to Chapter 2.5 commencing with Section 53311 of the California Government Code for Community Facilities District No. 2018-03 (Improvements) Improvement Area No 1, as disclosed by Notice of Special Tax Lien recorded December 13, 2018 as BOOK 20181213, PAGE 0488 of Official Records; a lien not yet delinquent.

   Document(s) declaring modifications thereof recorded December 9, 2020 as Instrument No. 202012091286 of Official Records.

6. The lien of special tax assessed pursuant to Chapter 2.5 commencing with Section 53311 of the California Government Code for Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2, as disclosed by Notice of Special Tax Lien recorded December 13, 2018 as Book 20181213, Page 0489 of Official Records.

   Document(s) declaring modifications thereof recorded December 17, 2021 as Instrument No. 202112170727 of Official Records.

   Document(s) declaring modifications thereof recorded March 14, 2024 as Instrument No. 202403140563 of Official Records.

   Document(s) declaring modifications thereof recorded March 14, 2024 as Instrument No. 202403140564 of Official Records.

   (Affects Parcels A, B, D, F and I through U)

7. Taxes and assessments for the RECLAMATION DIST. #1000 M & O District, which are collected with the county taxes.

8. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.

9. Any unpaid amounts for delinquent utilities owed to, or resultant liens in favor of, the County of Sacramento and/or any incorporated Cities within the County of Sacramento.

   Contact the City of Elk Grove (via epublic services) at (916) 635-2500, the City of Folsom at (916) 355-7295, the City of Galt at (209) 366-7260, or the City of Sacramento at (916) 808-5454 for information on amounts due to those cities for properties within those locations. Contact the County of Sacramento at (916) 875-5555 for information on amounts due to any other incorporated cities, and also for information on amounts due to the County.

10. An easement for public highway or road and incidental purposes, recorded in Book 264, Page 391 of Official Records.
    In Favor of: County of Sacramento
    Affects: As described therein

11. An easement for irrigation and/or drainage and incidental purposes, recorded as Book 5301, Page 467 of Official Records.
    In Favor of: Reclamation District No. 1000
    Affects: Parcel D of Parcel A

The location of the easement cannot be determined from record information.

A portion of the above easement was Quitclaimed by document recorded September 29, 1992, Book 920929, Page 1617, Official Records.

12. Abutter's rights of ingress and egress to or from street, highway, or freeway have been relinquished in the document recorded August 6, 1965 as Book 5301, Page 601 of Official Records.

Waiver of damages as contained in the above document.

Affects: Parcel D of Parcel A

13. Abutter's rights of ingress and egress to or from street, highway, or freeway have been relinquished in the document recorded September 27, 1968 as Book 680927, Page 495 of Official Records.

Waiver of damages as contained in the above document.

Affects: Parcels D and E of Parcel A

14. An easement for public utility facilities and incidental purposes, recorded September 14, 1972 as Book 720914, Page 524 of Official Records.
In Favor of: The State of California
Affects: Parcel E of Parcel A and portion of Parcel L

A Quitclaim to Reclamation District No. 1000 recorded October 27, 1983 in Book 831027, Page 879, Official Records.

15. Abutter's rights of ingress and egress to or from street, highway, or freeway have been relinquished in the document recorded September 14, 1972 as Book 720914, Page 524 of Official Records.

Affects: Parcels D and E of Parcel A

16. An easement for drainage and irrigation and incidental purposes, recorded as Book 880201, Page 1129 of Official Records.
In Favor of: Reclamation District No. 1000
Affects: Parcels D and E of Parcel A

17. Abutter's rights of ingress and egress to or from street, highway, or freeway have been relinquished in the document recorded June 16, 1994 as Book 940616, Page 402 of Official Records.

Affects: Parcels D and E of Parcel A

18. Abutter's rights of ingress and egress to or from street, highway, or freeway have been relinquished in the document recorded June 16, 1994 as Book 940616, Page 403 of Official Records.

Affects: Parcels D and E of Parcel A

19. The terms and provisions contained in the document entitled "Development Agreement" recorded August 25, 2017 as Book 20170825, Page 0771 of Official Records.

Document(s) declaring modifications thereof recorded January 11, 2018 as Book 20180111, Page 0629 of Official Records.

Document(s) declaring modifications thereof recorded May 22, 2018 as Book 20180522, Page 0534 of Official Records.

The terms and provisions contained in the document entitled "ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AGREEMENT" recorded December 11, 2020 as INSTRUMENT NO. 202012110932 of Official Records.

The terms and provisions contained in the document entitled Assignment and Assumption Agreement recorded August 31, 2021 as Instrument No. 202108311310 of Official Records.

The terms and provisions contained in the document entitled Assignment and Assumption Agreement recorded March 13, 2024 as Instrument No. 202403130582 of Official Records.

The terms and provisions contained in the document entitled Assignment and Assumption Development Agreement recorded May 31, 2024 as Instrument No. 202405310852 of Official Records.

Document(s) declaring modifications thereof recorded November 12, 2024 as Instrument No. 202411120678 of Official Records.

20. An easement for facility and incidental purposes, recorded August 16, 2019 as Book 20190816, Page 1387 of Official Records.
In Favor of: Reclamation District No. 1000, a public entity of the State of California created under Cal. Stats. 1911, Chapter 412, its successors and assigns
Affects: Parcels D and E of Parcel A

Terms and provisions contained in the above document.

21. The Terms, Provisions and Easement(s) contained in the document entitled "Grant of Well, Water Conveyance Facilities and Access Easements" recorded October 3, 2019 as Book 20191003, Page 626 of Official Records.

Affects: Parcel K and Parcel E of Parcel A

22. An easement for overhead facilities and incidental purposes, recorded November 5, 2019 as Book 20191105, Page 1269 of Official Records.
In Favor of: Sacramento Municipal Utility District
Affects: Parcels D, K and E of Parcel A

23. An easement shown or dedicated on the map filed or recorded December 11, 2019 as Book 238, Page 9 of of maps
For: Sanitary sewer and incidental purposes.

Affects: Parcels 2 and H of Parcel A and Lot D of Parcel B

24. An easement shown or dedicated on the map filed or recorded December 11, 2019 as Book 238, Page 9 of of maps
For: Water line and incidental purposes.

Affects: Parcel D of Parcel A

25. The terms and provisions contained in the document entitled "Agreement to Construct and Maintain Private Recreational Facilities" recorded December 11, 2019 as Book 20191211, Page 0794 of Official Records.

26. An easement for Avigation and Noise and incidental purposes, recorded January 28, 2020 as Book 20200128, Page 1634 of Official Records.
In Favor of: County of Sacramento, a Political Subdivision of the State of California
Affects: as described therein

The location of the easement cannot be determined from record information.

26a. The terms and provisions contained in the document entitled "Amended and Restated Memorandum of Agreement" recorded June 12, 2020 as Instrument No. 202006121291 of Official Records.

The terms and provisions contained in the document entitled Assignment and Assumption of School Agreement recorded August 31, 2021 as Instrument No. 202108311311 of Official Records.

The terms and provisions contained in the document entitled Assignment and Assumption of School Agreement recorded March 13, 2024 as Instrument No. 202403130583 of Official Records.

The terms and provisions contained in the document entitled Assignment and Assumption of School Agreement recorded May 31, 2024 as Instrument No. 202405310853 of Official Records.

27. Intentionally Deleted

28. The terms and provisions contained in the document entitled "Agreement for Construction of Drainage Improvements" recorded August 6, 2020 as Instrument No. 202008061789 of Official Records.

29. The terms and provisions contained in the document entitled Hold Harmless Agreement recorded August 20, 2020 as Instrument No. 202008201488 of Official Records.

(Affects Parcel K and O)

30. The terms and provisions contained in the document entitled Lake Maintenance Agreement recorded October 8, 2020 as Instrument No. 202010082066 of Official Records.

(Affects Parcel K and O)

31. Covenants, conditions, restrictions and easements in the document recorded December 7, 2020 as Instrument No. 202012071152 of Official Records, which provide that a violation thereof shall not defeat or render invalid the lien of any first mortgage or deed of trust made in good faith and for value, but deleting any covenant, condition, or restriction, if any, indicating a preference, limitation, or discrimination based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, handicap, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, to the extent that such covenants, conditions or restrictions violate applicable state or federal laws. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

A declaration of annexation recorded August 1, 2024 as Instrument No. 202408011175 of Official Records but deleting any covenant, condition, or restriction, if any, indicating a preference, limitation, or discrimination based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, handicap, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, to the extent that such covenants, conditions or restrictions violate applicable state or federal laws. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

(Affects Parcels 16-18, D and E of Parcel A and Parcels B, D, F, L, P, R and S)

A declaration of annexation recorded October 11, 2024 as Instrument No. 202410110437 of Official Records.

(Affects Parcels 3, 5, 6, 8-14, 16-18, 20 and 21 of Parcel A)

32. An easement for UTILITY, INGRESS AND EGRESS and incidental purposes, recorded March 15, 2021 as INSTRUMENT NO. 202103150837 of Official Records.
In Favor of: SACRAMENTO MUNICIPAL UTILITY DISTRICT, A MUNICIPAL UTILITY DISTRICT
Affects: AS DESCRIBED THEREIN

The location of the easement cannot be determined from record information.

33. An easement shown or dedicated on the Greenbriar Phase 2 Map as referred to in the legal description

For: Public utility and incidental purposes.

34. An easement shown or dedicated on the Greenbriar Phase 2 Map as referred to in the legal description

For: Road Irrevocable Offer of Dedication and incidental purposes.

Affects: Parcels 14, 16 through 21, E, F and H of Parcel A

The above offer of dedication is hereby rejected per City Surveyor's Statement.

35. An easement shown or dedicated on the Greenbriar Phase 2 Map as referred to in the legal description

For: Regional Transit Irrevocable Offer of Dedication and incidental purposes.

Affects: Parcels 14, 20, 21, E, F and H oF Parcel A

The above offer of dedication is hereby rejected per City Surveyor's Statement.

36. An easement shown or dedicated on the Greenbriar Phase 2 Map as referred to in the legal description

For: Drainage and incidental purposes.

Affects: Parcels 3, 8, 9, 11, 13, 14, 16, 18, 19 and D of Parcel A

37. An easement shown or dedicated on the Greenbriar Phase 2 Map as referred to in the legal description

For: Sanitary sewer and incidental purposes.

Affects: Parcels , 14, 16, 18 and 21 of Parcel A

38. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2 map referred to in the legal description: -PARCELS A, B AND C ARE TO BE GRANTED IOD IN FEE TITLE TO THE CITY OF SACRAMENTO FOR PARK PURPOSES.

-PARCELS D AND E ARE TO BE GRANTED IOD IN FEE TITLE TO THE CITY OF SACRAMENTO FOR OPEN SPACE PURPOSES.

-PARCELS F, G AND H ARE TO BE GRANTED IOD IN FEE TITLE TO THE CITY OF SACRAMENTO AS DETENTION AND WATER QUALITY BASINS/LAKES.

-PARCEL I IS RESERVED AND IS TO BE GRANTED BY SEPARATE DOCUMENT TO THE LOCAL SCHOOL DISTRICT AS A COMMUNITY SCHOOL.

-THIS MASTER PARCEL MAP DOES NOT AUTHORIZE CONSTRUCTION OF ANY IMPROVEMENT ON THE LAND SUBJECT TO THE MAP; PRIOR TO ANY IMPROVEMENT OR CONSTRUCTION, ALL REQUIRED LAND USE ENTITLEMENTS, INCLUDING BUT NOT LIMITED TO A CONDITIONAL USE PERMIT, MUST BE APPLIED FOR AND APPROVED, AND ALL APPLICABLE CONDITIONS OF APPROVAL MUST BE SATISFIED.

39. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2 Village South map referred to in the legal description:

Easement for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water, and gas pipes, and for the underground wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on,

over, under and across Lots A and B and those strips of land twelve and one half (12.50) feet in width and contiguous to the avenues, ways, drives, circles, and court shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the avenues, ways, drives, circles, and court shown hereon.

All lots being created by this map include fee title to the centerline of the avenues, ways, drives, circles, and court shown hereon, except where the public road easement line is also the common line of the subdivision boundary, then the fee title is to the subdivision boundary.

Lots C and D to be granted IOD in fee to the City of Sacramento for regional transit purposes.

Lot E is a commercial parcel to be privately owned and maintained.

Lot F shall be privately and maintained for park and ride purposes.

40. An easement shown or dedicated on the Greenbriar Phase 2 Village South Map as referred to in the legal description

    For: landscape and incidental purposes.

41. An easement shown or dedicated on the Greenbriar Phase 2 Village South Map as referred to in the legal description

    For: public regional transit and incidental purposes.

42. An easement shown or dedicated on the Greenbriar Phase 2 Village South Map as referred to in the legal description

    For: public sewer pipes and incidental purposes.

43. An easement shown or dedicated on the map filed or recorded December 20, 2021 as Book 246, Page 7 of Parcel Maps
    For: Public utility and incidental purposes.

    (Affects Lots 6 and 36 of Parcel Q)

44. An offer of dedication for public and incidental purposes, recorded December 20, 2021 as Instrument No. 202112200362 of Official Records.
    To: City of Sacramento

    The above dedication subject to the written acceptance by the City of Sacramento.

    The location of the easement cannot be determined from record information.

45. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded August 12, 2022 as Instrument No. 202208120489 of Official Records.

Affects: Parcel B

46. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded September 27, 2022 as Instrument No. 202209270836 of Official Records.

Affects: Parcel D

47. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded September 27, 2022 as Instrument No. 202209270839 of Official Records.

Affects: Parcel F

48. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2 Village 1A Map referred to in the legal description:

Easement for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water, and gas pipes, and for the underground wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the circles, street and drives shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the circles, street and drives shown hereon.

49. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2 Village 18 Map referred to in the legal description:

Easement for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water, and gas pipes, and for the underground wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the circles, street and drives shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the circles, street and drives shown hereon.

50. An easement for electrical and communication facilities and incidental purposes, recorded August 3, 2023 as Instrument No. 202308030562 of Official Records.
In Favor of: Sacramento Municipal Utility District
Affects: Portion of Parcel B and other property

The location of the easement cannot be determined from record information.

51. An easement for Sewer and incidental purposes, recorded December 26, 2023 as Book 20231226 Page 0311 of Official Records.
In Favor of: Sacramento Area Sewer District, a county sanitation district
Affects: Parcel 2 of Parcel A

52. The terms and provisions contained in the document entitled "Subdivision Improvement Agreement" recorded December 26, 2023 as Book 20231226 Page 0371 of Official Records.

Affects: Parcel I and Q

53. The terms and provisions contained in the document entitled "Subdivision Improvement Agreement" recorded December 26, 2023 as Book 20231226 Page 0372 of Official Records.

Affects: Parcel J and Q

54. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2 Village 10 Map referred to in the legal description:

Easement for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water, and gas pipes, and for the underground wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the circles, street and drives shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the circles, street and drives shown hereon.

55. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2 Village 6 Map referred to in the legal description:

Easement for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water, and gas pipes, and for the underground wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the circles, street and drives shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to ways and avenues shown hereon, not to include those strips of land lying contiguous to Lot A.

56. An easement shown or dedicated on the Greenbriar Phase 2 Village 6 Map as referred to in the legal description

For: landscape and incidental purposes.

(Affects Lot A of Parcel J)

57. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded December 21, 2023 as Instrument No. 20231221, Page 0687 of Official Records.

(Affects Parcel K and O)

58. An easement for public utilities and incidental purposes, recorded May 23, 2024 as Instrument No. 202405230223 of Official Records.
In Favor of: Sacramento Municipal Utility District
Affects: as described therein

The location of the easement cannot be determined from record information.

(Affects Parcels E and F of Parcel B)

59. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 1 Village 14A Map referred to in the legal description:

Easement for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water, and gas pipes, and for the underground wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the circles, street and drives shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the circles, street and drives shown hereon.

Lot X is a future development lot.

60. The terms and provisions contained in the document entitled "Home(Ful) Foundation Notice of Charitable Housing Agreement and (Endowment Contribution Requested on Transfer) Northlake, DRE Phase 9" recorded August 1, 2024 as Instrument No. 202408011185 of Official Records.

Note: A written consent or waiver may be necessary from the public agency for any sale or refinance.

(Affects Lots 5 and 6 of Parcel B)

61. The terms and provisions contained in the document entitled "Declaration of Solar Energy Covenants, Conditions and Restrictions for Northlake" recorded August 1, 2024 as Instrument No. 202408011186 of Official Records.

(Affects Lots 5 and 6 of Parcel B)

62. The terms and provisions contained in the document entitled "Notice of Procedures for Construction Claims Pursuant to California Civil Code Section 912(f) ("Builder's Election)" recorded August 1, 2024 as Instrument No. 202408011187 of Official Records.

(Affects Lots 5 and 6 of Parcel B)

63. The terms, provisions and easement(s) contained in the document entitled "Grant of Easements for Solar Energy Equipment" recorded August 1, 2024 as Instrument No. 202408011188 of Official Records.

The location of the easement cannot be determined from record information.

(Affects Lots 5 and 6 of Parcel B)

64. The terms and provisions contained in the document entitled "Home(Ful) Foundation Notice of Charitable Housing Agreement and (Endowment Contribution Requested on Transfer) Northlake, Phase 10" recorded September 12, 2024 as Instrument No. 202409120748 of Official Records.

Note: A written consent or waiver may be necessary from the public agency for any sale or refinance.

(Affects Parcel D, Lots 11, 41 and 42 of Parcel F, Parcel I and Parcel J)

65. The terms and provisions contained in the document entitled "Notice of Procedures for Construction Claims Pursuant to California Civil Code Section 912(f) ("Builder's Election")" recorded September 12, 2024 as Instrument No. 202409120749 of Official Records.

(Affects Parcel D, Parcel F, Parcel I and Parcel J)

66. The terms and provisions contained in the document entitled "Declaration of Solar Energy Covenants, Conditions and Restrictions for Northlake" recorded September 12, 2024 as Instrument No. 202409120750 of Official Records.

(Affects Parcel D, Parcel I and Parcel J)

The terms and provisions contained in the document entitled Amendment of Solar Energy Declaration and Deletion of Covered Lots for Northlake recorded July 10, 2025 as Instrument No. 202507100793 of Official Records.

(Affects Lots 56 and 6 of Parcel B; Parcels F I and J)

The terms and provisions contained in the document entitled "Amendment of Solar Energy Declaration and Deletion of Covered Lots for Northlake" recorded July 10, 2025 as Instrument No. 202507100794 of Official Records.

(Affects Parcel D, Parcel I, Lots 11, 41 and 42 of Parcel F)

67. The terms, provisions and easement(s) contained in the document entitled "Grant of Easements for Solar Energy Equipment" recorded September 12, 2024 as Instrument No. 202409120751 of Official Records.

The location of the easement cannot be determined from record information.

(Affects Parcel D, Lots 11, 41 and 42 of Parcel F, Parcel I and Parcel J)

68. The terms and provisions contained in the document entitled Home(Ful) Foundation Notice of Charitable Housing Agreement and (Endowment Contribution Requested on Transfer) Waters Edge, Phase 1 recorded September 30, 2024 as Instrument No. 202409300129 of Official Records.

Note: A written consent or waiver may be necessary from the public agency for any sale or refinance.

(Affects Parcel K)

69. Covenants, conditions, restrictions and easements in the document recorded September 30, 2024 as Instrument No. 202409300130 of Official Records, which provide that a violation thereof shall not defeat or render invalid the lien of any first mortgage or deed of trust made in good faith and for value, but deleting any covenant, condition, or restriction, if any, indicating a preference, limitation, or discrimination based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, handicap, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, to the extent that such covenants, conditions or restrictions violate applicable state or federal laws. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

A declaration of annexation recorded December 30, 2025 as Instrument No. 202512301006 of Official Records.

(Affects Parcel O)

A declaration of annexation recorded December 30, 2025 as Instrument No. 202512301007 of Official Records.

(Affects Parcels K and Lots 42 through 45 of Parcel O)

70. The terms and provisions contained in the document entitled Notice of Procedures for Construction Claims Pursuant to California Civil Code Section 912(f) ("Builder's Election") recorded September 30, 2024 as Instrument No. 202409300131 of Official Records.

(Affects Parcel K)

71. The terms and provisions contained in the document entitled Declaration of Solar Energy Covenants, Conditions and Restrictions for Waters Edge recorded September 30, 2024 as Instrument No. 202409300132 of Official Records.

The location of the easement cannot be determined from record information.

(Affects Parcel K)

Document(s) declaring modifications thereof recorded June 26, 2025 as Instrument No. 202506260382 of Official Records.

72. The terms, provisions and easement(s) contained in the document entitled "Grant of Easements for Solar Energy Equipment" recorded September 30, 2024 as Instrument No. 202409300132 of Official Records.

(Affects Parcel K)

73. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded November 27, 2024 as Instrument No. 202411271281 of Official Records.

(Affects Parcel L)

74. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded November 27, 2024 as Instrument No. 202411271285 of Official Records.

(Affects Parcel M)

75. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2 Village 4 Map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, and for overhead and underground wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the drive and circles shown hereon and designated "12.5' Public Utility Easement" (12.5' PUE).

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the drive and circles shown hereon.

Lot A shall be owned and maintained by the homeowners association for park purposes.

76. An easement shown or dedicated on the Greenbriar Phase 2 Village 4 Map as referred to in the legal description

For: Pedestrian and incidental purposes.

(Affects Lot 22 and 23 of Parcel L)

77. An easement shown or dedicated on the Greenbriar Phase 2 Village 4 Map as referred to in the legal description

For: Irrevocable Offer of Dedication for Park Easement and incidental purposes.

(Affects Lot A of Parcel L)

Above irrevocable offer of dedication has been rejected by the City Council of the City of Sacramento as of the date of recording date of this final map but may be accepted by the city at any time.

78. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2 Village 8 Map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, and for underground and overhead wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the street, way, and avenues shown hereon and designated "12.5' Public Utility Easement" (12.5' PUE).

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the street, way, and avenues shown hereon, not to include those strips of land lying contiguous to Lot A.

Lot A shall be owned and maintained by the homeowners association for landscaping and pedestrian purposes.

79. An easement shown or dedicated on the Greenbriar Phase 2 Village 8 Map as referred to in the legal description

For: Drainage and incidental purposes.

(Affects Lot A of Parcel M)

80. An easement shown or dedicated on the Greenbriar Phase 2 Village 8 Map as referred to in the legal description

For: Irrevocable Offer of Dedication for Landscape Easement and incidental purposes.

(Affects Lot A of Parcel M)

Above irrevocable offer of dedication has been rejected by the City Council of the City of Sacramento as of the date of recording date of this final map but may be accepted at any time.

81. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2 Village 12 Map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, and for underground and overhead wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the ways, avenue and circle shown hereon and designated "12.5' Public Utility Easement" (12.5' PUE).

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the ways, avenue and circle shown hereon.

Lot A shall be owned and maintained by the homeowners association for landscaping, drainage, and pedestrian purposes.

Lot B to be granted IOD in Fee to the Sacramento Regional Transit for Light Rail purposes by separate document.

Lot B shall be owned and maintained by the homeowners association for landscaping, drainage purposes until Sacramento Regional Transit accepts proposed IOD at a future date.

82. An easement shown or dedicated on the Greenbriar Phase 2 Village 12 Map as referred to in the legal description

For: Public utility and incidental purposes.

(Affects Lots 1, 7, 13 through 31, 47 through 60 and Lot A of Parcel N)

83. An easement shown or dedicated on the Greenbriar Phase 2 Village 12 Map as referred to in the legal description

For: Drainage and incidental purposes.

(Affects Lot A of Parcel N)

84. An easement shown or dedicated on the Greenbriar Phase 2 Village 12 Map as referred to in the legal description

For: Irrevocable Offer of Dedication for Landscape Easement and incidental purposes.

(Affects Lots A and B of Parcel N)

Above irrevocable offer of dedication has been rejected by the City Council of the City of Sacramento as of the date of recording date of this final map but may be accepted by the city at any time.

85. The effect of a document entitled Notice of Stock Cancellation, recorded December 17, 2024 as Instrument No. 202412170648 of Official Records.

(Affects Parcels L, M and N)

86. The terms and provisions contained in the document entitled Hold Harmless Agreement recorded January 3, 2025 as Instrument No. 202501030668 of Official Records.

(Affects Lot A of Parcel M)

87. The effect of a document entitled "Notice of Stock Cancellation", recorded April 03, 2025 as Instrument No. 202504030423 of Official Records.

(Affects Parcels 2, 14, A through H and Portions of Parcels 3, 9, 10, 11, 12, 16, 18, 20 and 21 of Parcel A; Lots D, E and F of Parcel B; Parcel J, Lot 51 of Parcel R, Parcel T and Parcel U)

88. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded May 27, 2025 as Instrument No. 202505270947 of Official Records.

(Affects Lot X of Parcel K and O)

89. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded May 27, 2025 as Instrument No. 202505270948 of Official Records.

(Affects Parcel S)

90. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded May 27, 2025 as Instrument No. 202505270949 of Official Records.

(Affects Portion of Parcels 16 and 18 of Parcel A and P)

91. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded May 27, 2025 as Instrument No. 202505270950 of Official Records.

(Affects Portion of Parcel 3 of Parcel A)

92. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded May 27, 2025 as Instrument No. 202505270952 of Official Records.

(Affects Parcel Q)

93. The terms and provisions contained in the document entitled Solar Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Waters Edge recorded June 26, 2025 as Instrument No. 202506260383 of Official Records.

(Affects Parcel K)

94. The terms and provisions contained in the document entitled Solar Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Northlake II recorded July 10, 2025 as Instrument No. 202507100794 of Official Records.

(Affects Lots 1 through 37, 40, 41 and 45 through 54 of Parcel L, Lots 4 through 56, 76 through 82 of Parcel M, Lots 1, 7, 13 through 31, 47 through 60 of Parcel N)

95. The terms and provisions contained in the document entitled Notice of Procedures for Construction Claims Pursuant to California Civil Code Section 912(f) ("Builder's Election") recorded July 10, 2025 as Instrument No. 202507100795 of Official Records.

(Affects Lots 1 through 37, 40, 41 and 45 through 54 of Parcel L, Lots 4 through 56, 76 through 82 of Parcel M, Lots 1, 7, 13 through 31, 47 through 60 of Parcel N)

96. Terms, provisions and conditions contained in an instrument entitled "Charitable Housing Agreement Imposing Endowment Fee on conveyance and Lien" executed by and between Lennar Charitable Housing Foundation, a California Nonprofit Public Benefit Corporation and recorded July 10, 2025 as instrument no. 202507100796 of Official Records.

Said Agreement provides, among other things, that

1) A violation thereof shall not defeat the lien of any mortgage or Deed of Trust made in good faith and for value; and

2) As a condition to close of escrow, no transfer of title shall be made until provisions have been made for the payment of the endowment fee.
Demand for payment of the endowment fee must be obtained from:

Lennar Charitable Housing Foundation
Attn: Foundation Administrator
25 Enterprise, Ste. 300
Aliso Viejo, CA 92656
Telephone: (949) 349-8000

(Affects Lots 1 through 37, 40, 41 and 45 through 54 of Parcel L, Lots 4 through 56, 76 through 82 of Parcel M, Lots 1, 7, 13 through 31, 47 through 60 of Parcel N)

The effect of a document entitled "Notice of Parcel Release of Home(ful) Foundation Notice of Charitable Housing Agreement and (Endowment Contribution Requested on Transfer)", recorded January 12, 2026 as Instrument No. 202601120344 of Official Records.

Lot 8 of Parcel M

97. The terms and provisions contained in the document entitled Solar Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Northlake II recorded July 10, 2025 as Instrument No. 202507100927 of Official Records.

(Affects Parcel D, Parcel I, Lots 11, 41 and 42 of Parcel F)

98. An easement shown or dedicated on the Greenbriar Phase 1, Village 14B Map as referred to in the legal description

For: Public utility and incidental purposes.

(Affects Parcel O)

99. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 1, Village 14B map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, poles and for underground and overhead wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the ways shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the way, avenue and court shown hereon.

All lots being created by this map include fee title to the centerline of the Boulevard, Circle, Street, Way, Drives and Court shown hereon, except where the public road easement line is also the common line of the subdivision boundary, then the fee title is to the subdivision boundary.

Per Sacramento City Code section 17.852.010, this map is subject to the requirement of public improvements, reference RPC24-0009.

(Affects Parcel O)

100. An easement shown or dedicated on the Greenbriar Phase 2, Village 1B Map as referred to in the legal description

For: Public utility and incidental purposes.

(Affects Parcel P)

101. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2, Village 1B map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, poles and for underground and overhead wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the ways shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the ways shown hereon.

All lots being created by this map include fee title to the centerline of the Ways shown hereon, except where the public road easement line is also the common line of the subdivision boundary, then the fee title is to the subdivision boundary.

Per Sacramento City Code section 17.852.010, this map is subject to the requirement of public improvements, reference RPC 24-0012.

(Affects Parcel P)

102. An easement shown or dedicated on the Greenbriar Phase 2, Village 9 Map as referred to in the legal description

For: Public utility and incidental purposes.

(Affects Parcel Q)

103. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2, Village 9 map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, poles and for underground and overhead wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the ways shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the avenue, street, and way shown hereon.

All lots being created by this map include fee title to the centerline of the avenue, street, and way shown hereon, except where the public road easement line is also the common line of the subdivision boundary, then the fee title is to the subdivision boundary.

Per Sacramento City Code section 17.852.010, this map is subject to the requirement of public improvements, reference RPC 24-0015.

(Affects Parcel Q)

104. An easement shown or dedicated on the Greenbriar Phase 2, Village 14 Map as referred to in the legal description

For: Public utility and incidental purposes.

(Affects Parcel R)

105. An easement shown or dedicated on the Greenbriar Phase 2, Village 14 Map as referred to in the legal description

For: Drainage/Landscape easement irrevocable offer of dedication and incidental purposes.

(Affects Lot A of Parcel R)

Above irrevocable offer of dedication has been rejected by the City Council of the City of Sacramento as of the date of recording date of this final map but may be accepted at any time.

106. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2, Village 14 map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, poles and for underground and overhead wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the ways shown hereon and designated "12.5' public utility easement" (12.5' PUE)

Easement for constructing and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the ways shown hereon.

All lots being created by this map include fee title to the centerline of the ways shown hereon, except where the public road easement line is also the common line of the subdivision boundary, then the fee title is to the subdivision boundary.

Lot A shall be owned and maintained by the Homeowners association for landscaping and pedestrian purposes.

Per Sacramento City Code section 17.852.010, this map is subject to the requirement of public improvements, reference RPC24-0022.

(Affects Parcel R)

107. An easement shown or dedicated on the Greenbriar Phase 2, Village 19 Map as referred to in the legal description

For: Public utility and incidental purposes.

(Affects Lots 1-49 and Lot A of Parcel S)

108. An easement shown or dedicated on the Greenbriar Phase 2, Village 19 Map as referred to in the legal description

For: Landscape easement irrevocable offer of dedication and incidental purposes.

(Affects Lots A and B of Parcel S)

Above irrevocable offer of dedication has been rejected by the City Council of the City of Sacramento as of the date of recording date of this final map but may be accepted at any time.

109. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2, Village 19 map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, poles and for underground and overhead wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the ways shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the ways and avenue shown hereon.

All lots being created by this map include fee title to the centerline of the ways and avenue shown hereon, except where the public road easement line is also the common line of the subdivision boundary, then the fee title is to the subdivision boundary.

Lot A shall be owned and maintained by the Homeowners Association for landscaping and pedestrian purposes.

Lot B to be granted IOD in fee to the Sacramento Regional Transit for Light Rail purposes by separate document.

Lot B shall be owned and maintained by the Homeowners Association for landscaping and drainage purposes until the Sacramento Regional Transit accepts proposed IOD at a future date.

Per Sacramento City Code section 17.852.010, this map is subject to the requirement of public improvements, reference RPC24-0017.

(Affects Parcel S)

110. The terms and provisions contained in the document entitled "Subdivision Improvement Agreement" recorded August 28, 2025 as Instrument No. 202508280975 of Official Records.

(Affects Parcel U)

111. The terms and provisions contained in the document entitled "Subdivision Improvement Agreement" recorded August 28, 2025 as Instrument No. 202508280976 of Official Records.

(Affects Parcel T)

112. An easement shown or dedicated on the Greenbriar Phase 2, Village 2 Map as referred to in the legal description

For: Public utility and incidental purposes.

(Affects Parcel T)

113. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2, Village 2 map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, poles and for underground and overhead wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the ways shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the circle, drive, ways and court shown hereon.

All lots being created by this map include fee title to the centerline of the Ways and Court shown hereon, except where the public road easement line is also the common line of the subdivision boundary, then the fee title is to the subdivision boundary.

Per Sacramento City Code section 17.852.010, this map is subject to the requirement of public improvements, reference RPC24-0014.

(Affects Parcel T)

114. An easement shown or dedicated on the Greenbriar Phase 2, Village 11 Map as referred to in the legal description

For: Public utility and incidental purposes.

(Affects Parcel U)

115. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2, Village 11 map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, poles and for underground and overhead wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the ways shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the ways shown hereon.

All lots being created by this map include fee title to the centerline of the Ways shown hereon, except where the public road easement line is also the common line of the subdivision boundary, then the fee title is to the subdivision boundary.

Per Sacramento City Code section 17.852.010, this map is subject to the requirement of public improvements, reference RPC24-0016.

(Affects Parcel U)

116. The terms and provisions contained in the document entitled Improvement Agreement for Greenbriar Development Agreement recorded November 17, 2025 as Instrument No. 202511171174 of Official Records.

117. Terms, provisions and conditions contained in an instrument entitled "Charitable Housing Agreement Imposing Endowment Fee on conveyance and Lien" executed by and between Lennar Charitable Housing Foundation, a California Nonprofit Public Benefit Corporation and recorded December 30, 2025 as instrument no. Instrument No. 202512301003 of Official Records.

Said Agreement provides, among other things, that

1) A violation thereof shall not defeat the lien of any mortgage or Deed of Trust made in good faith and for value; and

2) As a condition to close of escrow, no transfer of title shall be made until provisions have been made for the payment of the endowment fee.
Demand for payment of the endowment fee must be obtained from:

Lennar Charitable Housing Foundation
Attn: Foundation Administrator
25 Enterprise, Ste. 300
Aliso Viejo, CA 92656
Telephone: (949) 349-8000

(Affects Parcel O)

118. The terms and provisions contained in the document entitled Notice of Procedures for Construction Claims Pursuant to California Civil Code Section 912(f) ("Builder's Election") recorded December 30, 2025 as Instrument No. 202512301004 of Official Records.

(Affects Parcel O)

119. The terms and provisions contained in the document entitled Solar Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Waters Edge recorded December 30, 2025 as Instrument No. 202512301005 of Official Records.

(Affects Parcel O)

120. Terms, provisions and conditions contained in an instrument entitled "Charitable Housing Agreement Imposing Endowment Fee on conveyance and Lien" executed by and between Lennar Charitable Housing Foundation, a California Nonprofit Public Benefit Corporation and recorded December 30, 2025 as instrument no. Instrument No. 202512301018 of Official Records.

Said Agreement provides, among other things, that

1) A violation thereof shall not defeat the lien of any mortgage or Deed of Trust made in good faith and for value; and

2) As a condition to close of escrow, no transfer of title shall be made until provisions have been made for the payment of the endowment fee.
Demand for payment of the endowment fee must be obtained from:

Lennar Charitable Housing Foundation
Attn: Foundation Administrator
25 Enterprise, Ste. 300
Aliso Viejo, CA 92656
Telephone: (949) 349-8000

(Affects Parcels P through S)

121. The terms and provisions contained in the document entitled Solar Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Northlake II recorded December 30, 2025 as Instrument No. 202512301019 of Official Records.

(Affects Parcels P through S)

122. The terms and provisions contained in the document entitled Notice of Procedures for Construction Claims Pursuant to California Civil Code Section 912(f) ("Builder's Election") recorded December 30, 2025 as Instrument No. 202512301020 of Official Records.

(Affects Parcel P through S and Lot C of Parcel F)

123. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded January 13, 2026 as Instrument No. 202601130539 of Official Records.

(Affects Parcel X)

124. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded January 13, 2026 as Instrument No. 202601130540 of Official Records.

(Affects Parcel W)

125. The terms and provisions contained in the document entitled Subdivision Improvement Agreement recorded January 13, 2026 as Instrument No. 202601130541 of Official Records.

(Affects Parcel V)

126. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2, Village 13 map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, poles and for underground and overhead wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the avenue and ways shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the avenue and ways shown hereon.

All lots being created by this map include fee title to the centerline of the Ways shown hereon, except where the public road easement line is also the common line of the subdivision boundary, then the fee title is to the subdivision boundary.

Lots A and B shall be owned and maintained by the homeowners association for landscaping purposes.

Lot C to be granted IOD in fee to the City of Sacramento Regional Transit for light rail purposes by separate document.

Lot C shall be owned and maintained by the homeowners association for landscaping and drainage purposes until Sacramento Regional Transit accepts proposed IOD at a future date.

Per Sacramento City Code section 17.852.010, this map is subject to the requirement of public improvements, reference RPC24-0016.

(Affects Parcel V)

127. An easement shown or dedicated on the Greenbriar Phase 2 Village 13 Map as referred to in the legal description
For: installation and maintenance of underground drainage pipelines together with any and all appurtenances and incidental purposes.

(Affects Lot B of Parcel V)

128. An easement shown or dedicated on the Greenbriar Phase 2 Village 13 Map as referred to in the legal description
For: landsape easement together with any and all appurtenances and incidental purposes.

(Affects Lots A, B and C of Parcel V)

129. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2 Village 15 map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, and for underground and overhead wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the ways shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the ways shown hereon.

All lots being created by this map include fee title to the centerline of the Ways shown hereon, except where the public road easement line is also the common line of the subdivision boundary, then the fee title is to the subdivision boundary.

Per Sacramento City Code section 17.852.010, this map is subject to the requirement of public improvements, reference RPC24-0016.

(Affects Parcel W)

130. The following matters shown or disclosed by the filed or recorded Greenbriar Phase 2 Village 16 map referred to in the legal description:

Easements for planting and maintaining trees, installation and maintenance of electroliers, traffic control devices, water and gas pipes, and for underground and overhead wires and conduits for electrical, telephone and television services, together with any and all appurtenances pertaining thereto on, over, under and across those strips of land twelve and one half (12.50) feet in width and contiguous to the ways shown hereon and designated "12.5' public utility easement" (12.5' PUE)

An easement for construction and maintaining centralized mail delivery boxes, pedestals and slabs, together with any and all appurtenances pertaining thereto, including pedestrian access for delivery and receipt of mail on, over, under and across those strips of land five (5.00) feet in width, lying contiguous to the ways shown hereon.

All lots being created by this map include fee title to the centerline of the Ways shown hereon, except where the public road easement line is also the common line of the subdivision boundary, then the fee title is to the subdivision boundary.

Per Sacramento City Code section 17.852.010, this map is subject to the requirement of public improvements, reference RPC24-0016.

(Affects Parcel X)

<u>The Following Matters Affect ALL PARCELS:</u>

131. Rights of the public in and to that portion of the Land lying within any Road, Street, Alley or Highway.

132. Water rights, claims or title to water, whether or not shown by the Public Records.

133. Rights of parties in possession.

Prior to the issuance of any policy of title insurance, the Company will require:

134. With respect to GREENBRIAR PHASE 2, LLC, a Delaware limited liability company:
a. A copy of its operating agreement and any amendments thereto;
b. If it is a California limited liability company, that a certified copy of its articles of organization (LLC-1) and any certificate of correction (LLC-11), certificate of amendment (LLC-2), or restatement of articles of organization (LLC-10) be recorded in the public records;
c. If it is a foreign limited liability company, that a certified copy of its application for registration (LLC-5) be recorded in the public records;
d. With respect to any deed, deed of trust, lease, subordination agreement or other document or instrument executed by such limited liability company and presented for recordation by the Company or upon which the Company is asked to rely, that such document or instrument be executed in accordance with one of the following, as appropriate:
(i) If the limited liability company properly operates through officers appointed or elected pursuant to the terms of a written operating agreement, such document must be executed by at least two duly elected or appointed officers, as follows: the chairman of the board, the president or any vice president, and any secretary, assistant secretary, the chief financial officer or any assistant treasurer;
(ii) If the limited liability company properly operates through a manager or managers identified in the articles of organization and/or duly elected pursuant to the terms of a written operating agreement, such document must be executed by at least two such managers or by one manager if the limited liability company properly operates with the existence of only one manager.
e. Other requirements which the Company may impose following its review of the material required herein and other information which the Company may require

INFORMATIONAL NOTES

Note: The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the certain dollar amount set forth in any applicable arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. If you desire to review the terms of the policy, including any arbitration clause that may be included, contact the office that issued this Commitment or Report to obtain a sample of the policy jacket for the policy that is to be issued in connection with your transaction.

The map attached, if any, may or may not be a survey of the land depicted hereon. First American expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.

LEGAL DESCRIPTION

Real property in the City of Sacramento, County of Sacramento, State of California, described as follows:

PARCEL A:

PARCELS 2, 3, 5, 6, 8 THROUGH 14, 16 THROUGH 18, 20 AND 21, INCLUSIVE AND A THROUGH H, INCLUSIVE, AS SHOWN ON THE MAP ENTITLED "MASTER PARCEL MAP OF GREENBRIAR PHASE 2 SUBDIVISION NO. P18-050" FILED FOR RECORD ON DECEMBER 20, 2021, IN BOOK 246 OF MAPS, AT PAGE 7, SACRAMENTO COUNTY RECORDS.

EXCEPTING FROM PARCELS 2, 3, 5, 6, 8, 9, 10, 11, 12, 13, 16, 17, 18, 19, 20 AND 21 THOSE PORTION LYING WITHIN THE FOLLOWING MAPS:
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE SOUTH, RECORDED AS BOOK 440 OF MAPS, AT PAGE 1;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 5, RECORDED AS BOOK 440 OF MAPS, AT PAGE 2;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 1A, RECORDED AS BOOK 442 OF MAPS, AT PAGE 15;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 17, RECORDED AS BOOK 442 OF MAPS, AT PAGE 16;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 18, RECORDED AS BOOK 443 OF MAPS, AT PAGE 1;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 10, RECORDED AS BOOK 454 OF MAPS, AT PAGE 3;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 6, RECORDED AS BOOK 454 OF MAPS, AT PAGE 4;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 4, RECORDED AS BOOK 462 OF MAPS, AT PAGE 5;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 8, RECORDED AS BOOK 462 OF MAPS, AT PAGE 4;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 12, RECORDED AS BOOK 462 OF MAPS, AT PAGE 3;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 1B, RECORDED AS BOOK 466 OF MAPS, AT PAGE 3;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 9, RECORDED AS BOOK 466 OF MAPS, AT PAGE 4;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 14, RECORDED AS BOOK 466 OF MAPS, AT PAGE 5;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 19, RECORDED AS BOOK 466 OF MAPS, AT PAGE 6;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 11, RECORDED AS BOOK 470 OF MAPS, AT PAGE 2;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 13, RECORDED AS BOOK 472 OF MAPS, AT PAGE 7;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 15, RECORDED AS BOOK 472 OF MAPS, AT PAGE 2;
FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 16, RECORDED AS BOOK 472 OF MAPS, AT PAGE 3;

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL

AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL B:

LOTS 5, 6, AND C THROUGH F, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE SOUTH", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON AUGUST 1, 2022, IN BOOK 440 OF MAPS, AT PAGE 1.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT

HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL C:

INTENTIONALLY DELETED

PARCEL D:

LOTS 35 THROUGH 40, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 1A", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON OCTOBER 14, 2022, IN BOOK 442 OF MAPS, AT PAGE 15.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL E:

INTENTIONALLY DELETED

PARCEL F:

LOTS 11, AND LETTERED LOT C, AS SHOWN IN THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 18", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE

COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON OCTOBER 14, 2022, IN BOOK 443, AT PAGE 1.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL G:

INTENTIONALLY DELETED

PARCEL H:

INTENTIONALLY DELETED

PARCEL I:

INTENTIONALLY DELETED

PARCEL J:

LOT 51, AS SHOWN IN THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 6", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON MARCH 15, 2024, IN BOOK 454, AT PAGE 4.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL K:

LOTS 74, 79 AND 80, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 1, VILLAGE 14A", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON MAY 6, 2024, IN BOOK 455 OF MAPS, AT PAGE 2.

EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTIONS OF PARCELS 1 AND 27. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND AS RESERVED IN THE GRANT DEED

RECORDED DECEMBER 16, 2010 IN BOOK 20101216 PAGE 0939 SACRAMENTO COUNTY RECORDS.

PARCEL L:

LOTS 1 THROUGH 15, 23 THROUGH 37, 40, 41, 45 THROUGH 54 AND LETTERED LOT A, AS SHOWN IN THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 4", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON DECEMBER 12, 2024, IN BOOK 462, AT PAGE 5.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL M:

LOTS 7 THROUGH 51, 80 THROUGH 82 AND LETTERED LOT A, AS SHOWN IN THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 8", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON DECEMBER 12, 2024, IN BOOK 462, AT PAGE 4.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID

LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL N:

LOTS 1, 7, 15 THROUGH 25, 51 THROUGH 60 AND LETTERED LOTS A AND B, AS SHOWN IN THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 12", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON DECEMBER 12, 2024, IN BOOK 462, AT PAGE 3.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL O:

LOTS 1 THROUGH 15, 28 THROUGH 55, AS SHOWN IN THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 1, VILLAGE 14B", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON JULY 24, 2025, IN BOOK 466 OF MAPS, AT PAGE 2.

EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTIONS OF PARCELS 1 AND 27. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL,GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND AS RESERVED IN THE GRANT DEED RECORDED DECEMBER 16, 2010 IN BOOK 20101216 PAGE 0939 SACRAMENTO COUNTY RECORDS.

PARCEL P:

LOTS 1 THROUGH 23, 37 THROUGH 40, AS SHOWN IN THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 1B", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON JULY 24, 2025, IN BOOK 466 OF MAPS, AT PAGE 3.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED,

AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL Q:

LOTS 1 THROUGH 5, 9 THROUGH 45, AS SHOWN IN THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 9", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON JULY 24, 2025, IN BOOK 466 OF MAPS, AT PAGE 4.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO,THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO

PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL R:

LOTS 1 THROUGH 11, 24 THROUGH 46, 53 AND 54 AND LETTERED LOT A, AS SHOWN IN THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 14", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON JULY 24, 2025, IN BOOK 466 OF MAPS, AT PAGE 5.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL S:

LOTS 7 THROUGH 45 AND LETTERED LOTS A AND B, AS SHOWN IN THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 19", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON JULY 24, 2025, IN BOOK 466 OF MAPS, AT PAGE 6.

EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL T:

LOTS 1 THROUGH 75, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 2", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON OCTOBER 10, 2025, IN BOOK 470 OF MAPS, AT PAGE 1.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL U:

LOTS 1 THROUGH 41, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 11", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON OCTOBER 10, 2025, IN BOOK 470 OF MAPS, AT PAGE 2.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL V:

LOTS 1 THROUGH 50, AND LETTERED LOTS A, B AND C, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 13", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON FEBRUARY 13, 2026, IN BOOK 472 OF MAPS, AT PAGE 7.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

FURTHER EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS, AND METALS, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND AND REAL PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING BUT NOT LIMITED TO THE RIGHTS TO EXPLORE FOR, DEVELOP, AND REMOVE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, INERT GASES, MINERALS AND METALS WITHOUT HOWEVER ANY RIGHT TO USE THE SURFACE OF SUCH LAND.

PARCEL W:

LOTS 1 THROUGH 29, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 15", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON FEBRUARY 13, 2026, IN BOOK 472 OF MAPS, AT PAGE 2.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301,

PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

FURTHER EXCEPTING THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN ALL OIL, GAS AND MINERAL AND OTHER HYDROCARBON SUBSTANCES BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM CROCKER NATIONAL BANK, A NATIONAL BANKING ASSOCIATION TO PHILIP B. WALLACE AND BARBARA L. WALLACE, HIS WIFE, RECORDED MARCH 31, 1980 IN BOOK 800331, PAGE 1114, OFFICIAL RECORDS, SACRAMENTO COUNTY, AS TO PORTION OF THE DESIGNATED REMAINDER. A QUITCLAIM DEED RELEASING ALL RIGHTS TO ENTRY OF THE SURFACE OF SAID LANDS, RECORDED DECEMBER 31, 1984, IN BOOK 841231, AT PAGE 2729, OFFICIAL RECORDS.

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PARCEL X:

LOTS 1 THROUGH 34, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "FINAL MAP OF GREENBRIAR PHASE 2, VILLAGE 16", FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA ON FEBRUARY 13, 2026, IN BOOK 472 OF MAPS, AT PAGE 3.

EXCEPTING THEREFROM ALL OIL, OIL RIGHTS, MINERALS, MINERAL LIGHTS, NATURAL GAS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN THAT MAY BE WITHIN OR UNDER THE PARCEL OF LAND HEREINABOVE DESCRIBED, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFORE AND REMOVING THE SAME FROM SAID LAND OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE HEREINABOVE DESCRIBED, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, WITHOUT, HOWEVER, THE RIGHT TO DRILL, MINE, EXPLORE AND OPERATE THROUGH THE SURFACE OR THE UPPER 100 FEET OF THE SUBSURFACE OF THE LAND HEREINABOVE DESCRIBED OR OTHERWISE SUCH MANNER AS TO ENDANGER THE SAFETY OF ANY HIGHWAY THAT MAY BE CONSTRUCTED ON SAID LANDS, AS EXCEPTED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST 6, 1965, IN BOOK 5301, PAGE 601, OFFICIAL RECORDS AND AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION OF THE STATE OF CALIFORNIA, RECORDED APRIL 11, 1967, IN BOOK 67-04-11, PAGE 373, OFFICIAL RECORDS, AS TO PORTIONS OF THE DESIGNATED REMAINDER.

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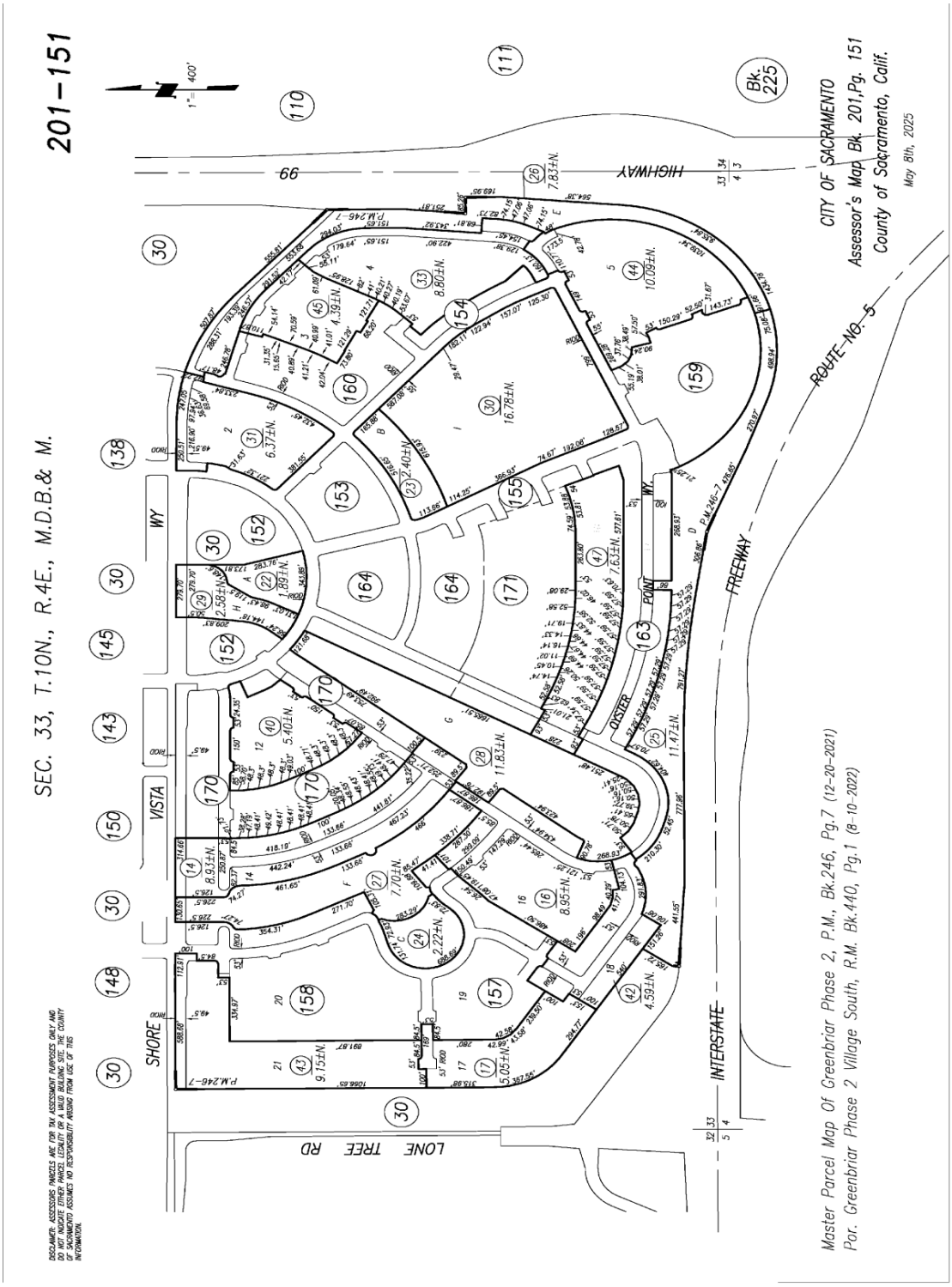
APN:


201-151
SEC. 33, T.10N., R.4E., M.D.B.& M.
CITY OF SACRAMENTO
Assessor's Map Bk. 201, Pg. 151
County of Sacramento, Calif.
May 8th, 2025
Master Parcel Map Of Greenbriar Phase 2, P.M., Bk.246, Pg.7 (12-20-2021)
Por. Greenbriar Phase 2 Village South, R.M. Bk.440, Pg.1 (8-10-2022)
DISCLAIMER: ASSESSORS PARCELS ARE FOR TAX ASSESSMENT PURPOSES ONLY AND DO NOT INDICATE EITHER PARCEL LEGALITY OR A VALID BUILDING SITE. THE COUNTY OF SACRAMENTO ASSUMES NO RESPONSIBILITY ARISING FROM USE OF THIS INFORMATION.
99 HIGHWAY
ROUTE NO. 5
FREEWAY
INTERSTATE
SHORE VISTA WY
OASIS POINT WY
LONE TREE RD
Bk. 225
1" = 400'

NOTICE

Section 12413.1 of the California Insurance Code, effective January 1, 1990, requires that any title insurance company, underwritten title company, or controlled escrow company handling funds in an escrow or sub-escrow capacity, wait a specified number of days after depositing funds, before recording any documents in connection with the transaction or disbursing funds. This statute allows for funds deposited by wire transfer to be disbursed the same day as deposit. In the case of cashier's checks or certified checks, funds may be disbursed the next day after deposit. In order to avoid unnecessary delays of three to seven days, or more, please use wire transfer, cashier's checks, or certified checks whenever possible.

EXHIBIT A
LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (BY POLICY TYPE)

CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE [(07-01-2021) v. 01.00]
EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy and We will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to:
   i. the occupancy, use, or enjoyment of the Land;
   ii. the character, dimensions, or location of any improvement on the Land;
   iii. the subdivision of land; or
   iv. environmental remediation or protection.
   b. any governmental forfeiture, police, or regulatory, or national security power.
   c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
   Exclusion 1 does not modify or limit the coverage provided under Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23, or 27.
2. Any power to take the Land by condemnation. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 17.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
   a. created, suffered, assumed, or agreed to by You;
   b. not Known to Us, not recorded in the Public Records at the Date of Policy, but Known to You and not disclosed in writing to Us by You prior to the date You became an Insured under this policy;
   c. resulting in no loss or damage to You;
   d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 5, 8.f., 25, 26, 27, 28, or 32); or
   e. resulting in loss or damage that would not have been sustained if You paid consideration sufficient to qualify You as a bona fide purchaser of the Title at the Date of Policy.
4. Lack of a right:
   a. to any land outside the area specifically described and referred to in Item 3 of Schedule A; and
   b. in any street, road, avenue, alley, lane, right-of-way, body of water, or waterway that abut the Land.
   Exclusion 4 does not modify or limit the coverage provided under Covered Risk 11 or 21.
5. The failure of Your existing structures, or any portion of Your existing structures, to have been constructed before, on, or after the Date of Policy in accordance with applicable building codes. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 14 or 15.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transfer of the Title to You is a:
   a. fraudulent conveyance or fraudulent transfer;
   b. voidable transfer under the Uniform Voidable Transactions Act; or
   c. preferential transfer:
      i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
      ii. for any other reason not stated in Covered Risk 30.
7. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
8. Negligence by a person or an entity exercising a right to extract or develop oil, gas, minerals, groundwater, or any other subsurface substance.
9. Any lien on Your Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 9 does not modify or limit the coverage provided under Covered Risk 8.a. or 27.
10. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:
For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.
The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1% of Policy Amount Shown in Schedule A or $2,500 (whichever is less)	$10,000
Covered Risk 18:	1% of Policy Amount Shown in Schedule A or $5,000 (whichever is less)	$25,000
Covered Risk 19:	1% of Policy Amount Shown on Schedule A or $5,000 (whichever is less)	$25,000
Covered Risk 21:	1% of Policy Amount Shown on Schedule A or $2,500 (whichever is less)	$5,000

ALTA OWNER'S POLICY [(07-01-2021) V. 01.00]
CLTA STANDARD COVERAGE OWNER'S POLICY [(02-04-22) V. 01.00]
EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to:
   i. the occupancy, use, or enjoyment of the Land;
   ii. the character, dimensions, or location of any improvement on the Land;
   iii. the subdivision of land; or
   iv. environmental remediation or protection.
   b. any governmental forfeiture, police, regulatory, or national security power.
   c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.

Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.

2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
   a. created, suffered, assumed, or agreed to by the Insured Claimant;
   b. not Known to the Company, not recorded in the Public Records at the Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   c. resulting in no loss or damage to the Insured Claimant;
   d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 9 or 10); or
   e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser had been given for the Title at the Date of Policy.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction vesting the Title as shown in Schedule A is a:
   a. fraudulent conveyance or fraudulent transfer;
   b. voidable transfer under the Uniform Voidable Transactions Act; or
   c. preferential transfer:
      i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
      ii. for any other reason not stated in Covered Risk 9.b.
5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 8.
6. Any lien on the Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Covered Risk 2.b.
7. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

NOTE: The 2021 ALTA Owner's Policy may be issued to afford either Standard Coverage or Extended Coverage. In addition to variable exceptions such as taxes, easements, CC&R's, etc., the Exceptions from Coverage in a Standard Coverage policy will also include the Western Regional Standard Coverage Exceptions listed below as numbers 1 through 7. The 2021 CLTA Standard Coverage Owner's Policy will include the Western Regional Standard Coverage Exceptions listed below as numbers 1 through 7.

EXCEPTIONS FROM COVERAGE

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This policy treats any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document are excepted from coverage.

This policy does not insure against loss or damage and the Company will not pay costs, attorneys' fees, or expenses resulting from the terms and conditions of any lease or easement identified in Schedule A, and the following matters:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the Public Records at Date of Policy.
7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil,

gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B.

2006 ALTA OWNER'S POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;

   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
   (a) a fraudulent conveyance or fraudulent transfer; or
   (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

NOTE: The 2006 ALTA Owner's Policy may be issued to afford either Standard Coverage or Extended Coverage. In addition to variable exceptions such as taxes, easements, CC&R's, etc., the Exceptions from Coverage in a Standard Coverage policy will also include the Western Regional Standard Coverage Exceptions listed below as numbers 1 through 7.

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records at Date of Policy but that could be (a) ascertained by an inspection of the Land, or (b) asserted by persons or parties in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records at Date of Policy.
4. Any encroachment, encumbrance, violation, variation, easement, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records at Date of Policy.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor, material or equipment unless such lien is shown by the Public Records at Date of Policy.
7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B.

The Greenbriar Project Owner, LLC Ph 2

Description	Production Unit		6/15/2026 Budget	Committed	% Committed	Spent	% Spent	Remaining Spend
Entitlement Phase 2	04292		4,604,155	2,663,018	58%	4,456,986	97%	147,169
Backbone:								
Grading/Earthwork	4010		10,857,031	10,365,956	95%	10,652,224	98%	204,807
Sewer	4245		4,700,172	4,700,070	100%	4,700,103	100%	69
Drainage	4248		12,179,804	12,179,802	100%	12,179,772	100%	31
Water	4250		8,455,946	8,389,746	99%	8,446,029	100%	9,916
Concrete/Roadwork	4256		10,316,988	10,316,990	100%	10,253,385	99%	63,603
Landscaping	4285		4,508,248	3,662,878	81%	3,022,487	67%	1,485,761
Walls and Fencing	4287		3,196,286	3,196,286	100%	2,737,704	86%	458,582
Dry Utilities	4289		6,832,250	5,637,244	83%	6,829,553	100%	2,697
Develop Soft Costs	4291		3,870,508	3,836,742	99%	3,741,790	97%	128,718
Develop Fees	4293		2,054,663	-	0%	2,101,114	102%	(46,451)
Builders Fees Due	4295		16,614,317	49,404	0%	16,600,618	100%	13,699
Project Soft Costs	12060		5,779,000	207,404	4%	5,025,671	87%	753,329
Bonds		2-20-2900	2,141,540	-	0%	2,116,525	99%	25,015
Project Level Contingency		5-20-9201, 9250, 9200	1,171,300	-	0%	-	0%	1,171,300
		Backbone Sub-Total	**92,678,053**	**62,542,521**	**67.48%**	**88,406,976**	**95.39%**	**4,271,077**
Meister Overcrossing:								
Overcrossing Construction	8034		22,101,730	2,108,708	9.54%	1,751,981	7.93%	20,349,749
Funds from City Contribution	07035	2-21-9405	(6,112,239)	-	0.00%	-	0.00%	(6,112,239)
		Meister Overcrossing:-Sub-Total	**15,989,491**	**2,108,708**	**13.19%**	**1,751,981**	**10.96%**	**14,237,510**
Amenities:								
Neighborhood Park	08035		1,841,222	1,614,312	87.68%	1,763,653	95.79%	77,569
Community Park	09035		1,438,973	1,171,313	81.40%	1,277,890	88.81%	161,083
Community Park	09055		1,512,596	1,256,125	83.04%	1,335,227	88.27%	177,369
		Amenities Sub-Total	**4,792,791**	**4,041,749**	**84.33%**	**4,376,770**	**91.32%**	**416,021**
Intracts:								
Village 1	13800		6,327,022	5,967,957	94.32%	6,257,133	98.90%	69,889
Village 2	13900		3,922,657	2,642,637	67.37%	1,066,355	27.18%	2,856,302
Village 3	14000		37,413	37,413	100.00%	36,419	97.34%	994
Village 4	14900		3,820,667	3,569,539	93.43%	3,801,462	99.50%	19,205
Village 5	15000		3,717,240	3,447,476	92.74%	3,742,324	100.67%	(25,084)
Village 6	15900		3,360,587	3,167,882	94.27%	3,357,274	99.90%	3,314
Village 7	16000		464,950	75,830	16.31%	(93,168)	-20.04%	558,118
Village 8	17000		3,664,559	3,407,244	92.98%	3,656,266	99.77%	8,293
Village 9	17100		2,907,451	2,707,275	93.12%	2,901,541	99.80%	5,910
Village 10	17200		3,183,474	2,942,770	92.44%	3,175,935	99.76%	7,539
Village 11	17500		1,656,417	226,673	13.68%	319,302	19.28%	1,337,115
Village 12	18000		4,443,602	4,250,394	95.65%	4,436,021	99.83%	7,581
Village 13	18100		2,386,633	1,802,425	75.52%	1,379,548	57.80%	1,007,085
Village 14	18500		3,386,335	3,188,440	94.16%	3,254,125	96.10%	132,211
Village 15	19000		1,703,463	1,168,659	68.60%	292,078	17.15%	1,411,385
Village 16	20000		1,600,501	141,674	8.85%	277,874	17.36%	1,322,626
Village 17	20100		4,340,184	4,095,563	94.36%	4,333,320	99.84%	6,864
Village 18	21000		5,610,989	5,359,243	95.51%	5,605,606	99.90%	5,383
Village 19	22000		2,867,019	2,660,594	92.80%	2,848,444	99.35%	18,575
Intract Contingency		4-01-9999	434,080	-	0.00%	-	0.00%	434,080
		Intract Sub-Total	**59,835,243**	**50,859,689**	**85.00%**	**50,647,858**	**84.65%**	**9,187,385**
Village 14 1A & 1B	22105-22110		9,181,570	8,727,011	95.05%	9,131,822	99.46%	49,748
Total Project - Construction			**182,477,147**	**128,279,678**	**70.30%**	**154,315,407**	**84.57%**	**28,161,741**
Total Including Construction & Entitlement			**187,081,302**	**130,942,696**	**69.99%**	**158,772,392**	**84.87%**	**28,308,910**

April 2026

Northlake

Prepared for the City of Sacramento

City of Sacramento (Natomas), California

THE Gregory Group

This analysis was prepared by The Gregory Group, a market research firm that specializes in providing information and consulting services to the building industry. The Gregory Group provides quarterly market analysis for the nation, the State of California and the MSAs of California; compiles a quarterly new-home database for MSA's within the State of California and performs consulting and feasibility analysis throughout the western United States.

The Gregory Group was commissioned by the City of Sacramento to perform a Market Absorption Study related to the Northlake planned community located north of Interstate 5, west of Highway 99 and south of Elkhorn Boulevard in the City of Sacramento (the Community of Natomas). The entire Northlake planned community is scheduled to include a total of 2,892 units on 616.7-acres (a density of 4.69 units per acre).

This absorption study (Greenbriar IA2/Second Series) is concerned with only Phase 2 of the project including 1,177 residential, for-sale units on 269 acres (4.38 units per acre). There are an additional 331 units that are in a multi-family, for-rent housing configuration that are not a part of this analysis. In addition to the for-sale residential housing, the project is planned to include 1.5 acres of commercial uses, lakes (21.0-acres), parks (6.4-acres), and open space (32.6-acres).

The project is planned to be developed given the following parameters:

- Shor: 193 units; 2,788 SF lots (41' x 68').
- Lakelet: 173 units; 3,690 SF lots (41' x 90').
- Watersyde: 153 units; 4,000 SF lots (50' x 80').
- Wavmor: 163 units; 4,500 SF lots (45' x 100').
- Crestvue: 138 units; 4,675 SF lots (55' x 85').
- Bleau: 110 units; 5,000 SF lots (50' x 100').
- Drifton: 108 units; 5,500 SF lots (55' x 100').
- Waters Edge (Village 14): 139 units; 3,690 SF lots (41' x 90').

The primary objective of this analysis is to provide conclusions related to the absorption per project per year.

Contact Information

Greg Paquin, President, conducted the analysis and developed conclusions. Follow-up questions can be directed to:

Greg Paquin at 916.983.3524 or gpaq@thegregorygroup.com

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Executive Summary

Executive Summary

Sacramento Region Market Summary

The Sacramento Region (El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba Counties) reported a total of 1,757 new-home sales in the Fourth Quarter of 2025, an increase of 7.8% from the Third Quarter of 2025 (1,630 sales) and an increase of 8.9% from a year earlier (with 1,614 sales). Despite higher mortgage rates over the past two-plus years, new-home buyers are becoming more engaged in the housing market due to a realization that mortgage rates will likely stay elevated, personal demographics (changing attitudes about staying in a current residence including aging out of current housing and aging into first-time housing and move-up housing) and acceptance of economic shifts (including economic uncertainty, a waning job market and political unevenness). The effect of mortgage rate lock (where low-interest rate homeowners are reluctant to sell their home with a current mortgage rate that is below 5%) has also incentivized potential home buyers to consider the new-home market where it is possible to get a lower and more competitive mortgage rate from builders. As a result, 2025 posted a total of 6,665 new-home sales, a decrease from 8,044 sales in 2024 (a decrease of 17.1%), a decrease from 7,019 sales in 2023 (a decrease of 5.0%) but an increase from 2022 with 5,538 sales when interest rates rose rapidly (an increase of 20.4%). The increase in new home pricing during the past several years eased in the fourth quarter with a decrease of 2.0% from a year earlier (from $719,065 in the Fourth Quarter of 2024 to $704,948 in the Fourth Quarter of 2025) and declined from the Third Quarter of 2025 to the Fourth Quarter of 2025 by 0.2% (from $706,487 to $704,948).

Despite increased new-home sales activity, incentives are available in projects throughout the Sacramento Region and while the incentive values have decreased from a high of $35,048 in the Third Quarter of 2025, they remain elevated. In fact, incentives increased from $8,098 in the Fourth Quarter of 2023 to $31,021 in the Fourth Quarter of 2025 (an increase of 283%). Mortgage rates remain high, and most large builders (public companies and large private builders) offer some form of an interest rate buydown (i.e., a 2-1 buydown for example). But there are buyers that can purchase a home even in a higher interest rate environment. For instance, high equity buyers (via a robust stock market and/or long-term home ownership) continue to pay cash or a make a large down-payment with estimates ranging from 30% to 50% of buyers for homes that are priced at $900,000 and greater. All-in-all, pandemic adjustments (working-from-home and hybrid-work), inflation and increasing interest rates have influenced the housing market significantly, but there is a resilient demand based on changing demographics (the aging of the millennials into first-time and move-up buyers, and the aging of the baby-boomers into empty-nester, move-down and retiree buyers), increasing households (despite a slowing of population growth), societal changes brought about by the pandemic and strong incomes with significant equity positions.

Sacramento Region	1st Qtr 2023	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr 2024	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr 2025	2nd Qtr	3rd Qtr	4th Qtr	Quarter % Change	Year Ago % Change
Average Price	$696,754	$710,853	$716,363	$711,883	$720,203	$724,717	$727,318	$719,065	$715,302	$715,618	$706,487	$704,948	**-0.2%**	**-2.0%**
Median Price	$640,990	$646,990	$657,990	$653,970	$663,990	$673,377	$676,814	$673,990	$668,993	$669,990	$658,830	$654,890	**-0.6%**	**-2.8%**
Average Home Size	2,386	2,419	2,435	2,405	2,419	2,393	2,388	2,365	2,350	2,364	2,350	2,350	**0.0%**	**-0.6%**
Average Pr/Sq Ft	$294.97	$296.73	$298.06	$300.32	$301.92	$306.89	$309.90	$309.78	$310.31	$308.05	$305.90	$305.00	**-0.3%**	**-1.5%**
Total Weekly Sales Rate	0.62	0.65	0.65	0.60	0.72	0.69	0.71	0.60	0.67	0.64	0.60	0.59	**-1.7%**	**-1.7%**
Quarter Sold	1,782	1,910	1,929	1,398	2,355	2,008	2,067	1,614	1,889	1,389	1,630	1,757	**7.8%**	**8.9%**
Quarter Weekly Sales Rate	0.60	0.67	0.67	0.49	0.78	0.67	0.70	0.53	0.60	0.44	0.51	0.53	**3.9%**	**0.0%**
Unsold Inventory	1,299	1,144	1,323	1,369	1,417	1,568	1,533	1,676	1,685	1,940	2,021	1,749	**-13.5%**	**4.4%**
Weeks of Inventory	9	8	9	10	8	10	10	11	10	12	14	12	**-14.3%**	**9.1%**

Unsold inventory has decreased with 1,749 units currently available as of the Fourth Quarter of 2025 compared to 2,021 units in the previous quarter (a decrease of 15.5%) and increased from 1,676 units a year earlier (an increase of 4.4%). Total inventory has decreased slightly from 14,174 units in Fourth Quarter of 2024 to 14,159 units currently (a 0.1% decrease) and remained largely unchanged from the Third Quarter of 2025. The overall pace of sales (the average sales rate of all currently selling projects since the beginning of sales) has decreased from an average of 0.66 sales per week per project in the Fourth Quarter of 2024 to the current average of 0.59 sales per week per project and the quarter pace of sales has remained unchanged at 0.53 sales per week per project in the Fourth Quarter of 2024 as compared to the current quarter.

The uncertainties associated with the housing market since the pandemic in 2020 (the recovery from the pandemic, inflation, increasing mortgage rates, higher home prices and a lack of available inventory) have given way to uncertainty related to a change in government administrations (a cause for consumer and business uncertainties especially related to the tariffs and more recently, the war in Iran). But the economy is resilient with seemingly stable (if not anemic), employment and consumer spending especially for those with higher incomes. In addition, the 2025 tax bill should have a positive effect on the economy throughout 2026 and into the future. There is a sense of (cautious) optimism that the economy will remain healthy, and housing will endure with future moderate new-home pricing and sales growth. However, it is worth noting that the higher price of housing coupled with higher interest rates (and the recent war in Iran) is putting a strain on household budgets (including rising interest rates and higher gas prices) and will likely limit future sales and pricing growth in the region. Prior to the war in Iran, there were no signs of a recession on the horizon, and there are still few predictions of economy wide hardship. But given all the uncertainty, the odds of stagflation and a potential recession or economic deceleration have increased over the last four to six week and is more possible than several months ago. Therefore, a cautionary eye is warranted on economic and political factors as we move further through 2026 and beyond.

Executive Summary

Subject Market Area Summary – New Housing

There are currently sixteen new-home projects actively selling in the Community of Natomas including eight that are from the Northlake planned community (the subject project). A wider geographical area is unwarranted due to the amount of current activity in the Northlake planned community and the additional eight projects from within the community of Natomas. Given the variety of product types at the subject project, all new-home communities within Natomas were considered. The competitive projects offer comparable living environments, despite some offering smaller lot sizes, with similar locations and surrounding uses, access and home size and configurations.

The sixteen competitive projects have an average net price of $639,175 ($265 per square foot) and there are 1,975 units planned for development of which 492 units have sold, resulting in 1,483 units of total inventory and 142 units of unsold inventory. The projects are selling at an overall (since opening for sales) average pace of 0.48 sales per week and a current average sales pace (recent six weeks) of 0.44 units per week. The surveyed projects are situated on average 4,093 square foot lots with a variety of lot sizes ranging from 1,449 to 5,500 square feet. Home sizes range from 1,409 to 3,460 square feet and net prices range from $439,900 to $818,629. There are substantial incentives being offered for the surveyed homes, especially for homes that have started construction or completed construction, with the average incentive being $29,388 representing 4.4% of the base price (region wide the average incentive is 4.4% of the base price).

For the eight projects currently selling in the Northlake planned community, the average net price is $660,223 ($263 per square foot) and there are 1,177 units planned of which 389 units have sold, resulting in 788 units of total inventory and 72 units of unsold inventory. The projects are selling at an overall (since opening for sales) average pace of 0.66 sales per week and a recent average sales pace of 0.62 units per week. The surveyed projects are situated on average 4,230 square foot lots. The Northlake planned community (as compared to all Natomas) offers larger homes situated on larger lots at higher prices and is selling at a faster pace. Northlake offers a competitive advantage compared to the other projects in Natomas including a location with easy ingress/egress, a planned community situated around a lake, continuity of sales, design and execution with one homebuilder executing all facets of development.

						INVENTORY SUMMARY					RECOMMENDED SALES SUMMARY		AVERAGE			MONTHLY OBLIGATION			
	COMMUNITY	BUILDER	COMMUNITY	PRODUCT TYPE	LOT SIZE (MIN)	UNITS PLANNED	UNITS OFFERED	UNITS SOLD	TOTAL RU	UNSOLD RU	OVERALL	QTR	HOME SIZE	NET PRICE	NET $/SF	MONTHLY HOA	BASE TAX	ADD TAX	MONTHLY PAYMENT
Primary Market Area	Bleau	Lennar Homes	Natomas	Detached/Traditional	5,000	110	12	2	108	10	0.10	0.34	2,923	$710,007	$246	$97	1.06%	0.46%	$4,402
	Crestvue	Lennar Homes	Natomas	Detached/Traditional	4,675	138	68	56	82	12	0.63	0.34	2,557	$655,479	$262	$97	1.06%	0.58%	$4,137
	Drifton	Lennar Homes	Natomas	Detached/Traditional	5,500	108	23	14	94	9	0.25	0.51	3,037	$761,129	$252	$97	1.06%	0.55%	$4,769
	Lakelet	Lennar Homes	Natomas	Detached/Small-Lot	3,690	173	51	45	128	6	0.49	0.85	2,233	$606,881	$272	$97	1.06%	0.52%	$3,807
	Shor	Lennar Homes	Natomas	Detached/Small-Lot	2,788	193	118	111	82	7	1.73	1.02	1,982	$589,419	$298	$97	1.06%	0.60%	$3,739
	Waters Edge	Lennar Homes	Natomas	Detached/Small-Lot	3,690	139	65	58	81	7	0.68	0.00	1,640	$540,077	$331	$84	1.06%	0.45%	$3,354
	Watersyde	Lennar Homes	Natomas	Detached/Traditional	4,000	153	81	70	83	11	0.75	0.68	2,646	$686,052	$260	$97	1.06%	0.52%	$4,291
	Wavmor	Lennar Homes	Natomas	Detached/Traditional	4,500	163	43	33	130	10	0.62	1.19	2,484	$638,790	$259	$97	1.06%	0.64%	$4,066
	The Bungalows	Risewell Homes	Natomas	Detached/Traditional	5,500	104	7	1	103	6	0.26	0.26	2,716	$700,672	$267	$89	1.06%	0.51%	$4,366
	The Chateaus	Risewell Homes	Natomas	Detached/Traditional	5,000	171	8	0	171	8	0.00	0.00	2,614	$637,750	$244	$89	1.06%	0.51%	$3,982
	The Cottages	Risewell Homes	Natomas	Detached/Small-Lot	3,200	68	9	2	66	7	0.08	0.00	2,077	$591,024	$285	$89	1.06%	0.51%	$3,697
	Asheville	Meritage Homes	Natomas	Detached/Small-Lot	3,600	114	36	23	91	13	0.66	0.34	2,202	$606,035	$276	$89	1.06%	0.51%	$3,789
	Bridgeport	Meritage Homes	Natomas	Detached/Traditional	4,500	138	27	13	125	14	0.37	0.34	2,536	$628,544	$248	$89	1.06%	0.51%	$3,926
	Durham	Meritage Homes	Natomas	Detached/Traditional	5,500	76	17	9	67	8	0.26	0.17	2,725	$709,524	$265	$89	1.06%	0.51%	$4,420
	Northpointe Reserve	Next Generation Capital	Natomas	Detached/Small-Lot	1,449	48	27	20	28	7	0.20	0.00	1,417	$474,900	$335	$135	1.06%	0.56%	$3,054
	Terrace Park	Tri Pointe Homes	Natomas	Detached/Small-Lot	2,888	79	42	35	44	7	0.52	1.02	1,914	$521,881	$273	$0	1.06%	0.60%	$3,225
				NEW-HOME TOTALS/AVERAGES:	**4,093**	**1,975**	**634**	**492**	**1,483**	**142**	**0.48**	**0.44**	**2,416**	**$639,175**	**$265**	**$90**	**1.06%**	**0.53%**	**$4,004**
				NEW-HOME TOTALS/AVERAGES (Northlake):	**4,230**	**1,177**	**461**	**389**	**788**	**72**	**0.66**	**0.62**	**2,511**	**$660,223**	**$263**	**$95**	**1.06%**	**0.54%**	**$4,142**

Executive Summary

Subject Market Area Summary -- Map

There are several interesting dynamics that are prevalent in today's new-home market including:

- **Incentives:** As mentioned above the average incentive for the currently selling projects is $29,388 (ranging from $20,000 to $47,150) with the incentive to be used toward closing costs if the buyer uses the in-house lender and upgrades and options. Standing inventory homes offer buyers a significant opportunity to purchase a new-home at a reduced value; however, as the housing market has strengthened, there are fewer available units of standing inventory homes. In addition, many builders are offering an interest rate buydown for two or three years (or longer) to help buyers with the initial payment period.

- **Premiums:** The surveyed projects are offering premiums for unique or special locations within the community. Current premiums range from lots with unique locations within the community (corner, cul-de-sac, etc.) of up to $7,500, lots that are located on a greenbelt/open space corridor or adjacent or across from a park can achieve location premiums of between $5,000 and $55,000) and a value of up to approximately $3.50 per extra square foot of useable (larger) lot size.

- **Options and Upgrades:** All the surveyed projects are achieving some increased value associated with the offering of options and upgrades to the base model of the home. The increased value ranges from approximately four- to eight-percent (although some homebuyers are spending greater than eight-percent—up to 15% to 20% of the home price in options and upgrades--and some are spending less). Buyers are most interested in upgrades and options for cabinetry, countertops and flooring, converting flex space, converting half-baths to full-baths, and adding closet space.

Finally, a note about interest rates. The Federal Reserve began increasing interest rates in the Spring of 2022 in response to increasing inflation due in large part to the response from COVID. Increasing interest rates translate to higher housing costs in the form of an increased mortgage rate. In fact, based on an analysis by The Gregory Group the principal monthly payment for the average priced home in the Sacramento Region, which includes a 30-year loan with a 20% down payment and does not include taxes (property taxes or special taxes), insurance or HOA fees, increased from a low of $1,814 in the Third Quarter of 2020 to $3,465 in the Fourth Quarter of 2025. This is an increase of 91% in just over a five-year period and a time in which the median income rose from $78,592 in 2020 to an anticipated $97,256 in 2025—an increase of just 24%. Income has not kept pace with the increase in home pricing nor the increase in mortgage rates (in December of 2020 the mortgage rate was 2.68% before increasing to 6.19% in December of 2025). More recently, mortgage rates had retreated to six-percent (and occasionally, slightly lower), but the uncertainty associated with the war in Iran has resulted in mortgage rates increasing to nearly 6.5%. The impact of 6.5% interest rates may force buyers to the sidelines. A quick resolution to the war in Iran could result in a resumption of new-home sales activity due to lower mortgage rates and demographic factors, as mentioned previously. As higher home prices, higher interest rates and moderate-income increases have played themselves out over the five-year period, the response by buyers and home builders has been multi-fold:

1. Equity rich homeowners and higher net worth individuals (many with higher paying professional jobs) have purchased new housing with all cash or very large down payments (generally between 50% and 75%). These buyers have largely been unaffected by the increase in mortgage rates and are finding the Sacramento Region as a more "affordable" housing market than many of the areas to the west in the greater San Francisco Bay Area.

2. Traditional homebuyers with a sufficient down payment, good credit and well-paying jobs are often less able to afford a million-dollar home and are forced to look at less "expensive" housing at $800,000 for example. These buyers are often helped by the home builder's ability to provide interest rate buydowns in the early years of the loan.

3. Finally, more affordable buyers that would normally be able to afford a $600,000 home are now forced to consider a less expensive home. These buyers have moderate incomes, average credit and lack substantial cash for a down payment. Their ability to purchase a new-home hinges on the monthly payment and any help that the home builder can provide.

Subject Market Area Summary – Natomas Capture

A historical analysis of new home sales throughout the Sacramento Region from 2000 through 2025 reveals that the Community of Natomas accounts for an average of 23.0% capture of all Sacramento County and a 12.1% capture of the Sacramento Region sales. Recent years have been below the long-term average with Natomas new-home sales reaching only 6.5% and 9.9% of Sacramento County sales in 2024 and 2025 respectively, and only 3.6% and 5.2% of Sacramento Region sales in 2024 and 2025, respectively. The higher long-term average capture rate for the county and the region suggests that there is an added potential for increased sales within Natomas in the coming years.

Year	Community of Natomas Sales	Sacramento County Sales	Community of Natomas % of Sales	Sacramento County Sales	Sacramento Region Sales	Sacramento County % of Region Sales	Community of Natomas % of Region Sales
2000	1,942	6,938	28.0%	6,938	12,216	56.8%	15.9%
2001	1,862	6,121	30.4%	6,121	10,936	56.0%	17.0%
2002	2,151	9,444	22.8%	9,444	16,062	58.8%	13.4%
2003	2,995	9,632	31.1%	9,632	15,858	60.7%	18.9%
2004	2,538	9,385	27.0%	9,385	17,155	54.7%	14.8%
2005	1,839	7,718	23.8%	7,718	14,094	54.8%	13.0%
2006	1,065	4,731	22.5%	4,731	9,607	49.2%	11.1%
2007	978	3,433	28.5%	3,433	7,416	46.3%	13.2%
2008	676	2,538	26.6%	2,538	4,695	54.1%	14.4%
2009	230	1,196	19.2%	1,196	2,841	42.1%	8.1%
2010	37	739	5.0%	739	1,776	41.6%	2.1%
2011	1	786	0.1%	786	1,668	47.1%	0.1%
2012	0	1,259	0.0%	1,259	2,782	45.3%	0.0%
2013	0	1,138	0.0%	1,138	2,458	46.3%	0.0%
2014	0	1,258	0.0%	1,258	2,739	45.9%	0.0%
2015	121	1,793	6.7%	1,793	3,986	45.0%	3.0%
2016	509	2,327	21.9%	2,327	5,087	45.7%	10.0%
2017	1,018	2,540	40.1%	2,540	5,663	44.9%	18.0%
2018	844	2,674	31.6%	2,674	5,234	51.1%	16.1%
2019	916	3,220	28.4%	3,220	5,996	53.7%	15.3%
2020	835	3,885	21.5%	3,885	7,790	49.9%	10.7%
2021	894	3,859	23.2%	3,859	8,099	47.6%	11.0%
2022	479	2,557	18.7%	2,557	5,538	46.2%	8.6%
2023	541	3,351	16.1%	3,351	7,019	47.7%	7.7%
2024	290	4,441	6.5%	4,441	8,044	55.2%	3.6%
2025	348	3,531	9.9%	3,531	6,665	53.0%	5.2%
Average (2000 - 2025):	**889**	**3,865**	**23.0%**	**3,865**	**7,362**	**52.5%**	**12.1%**

In addition to a survey of new home projects, an analysis of existing home sales within the past 60 days in the Community of Natomas was also conducted. The existing home survey included recent sales within the entire North Natomas community and for existing homes that have sold within the Northlake planned community. The existing home sale information revealed the following sales and pricing:

- Community of Natomas (All Sales): The average existing home sale price for homes within the Community of Natomas is $553,118 for a home that is an average of 1,970 square feet ($281 per square foot). The sixty-six homes were built, on average, in 2010 and have been on the market for an average of 65 days. The homes are situated on average 4,263 square foot lots.

- Northlake Planned Community (All Sales): The average home price for existing homes sold within the Northlake planned community during the last 180 days is $722,550 for a home that is an average of 2,697 square feet ($268 per square foot). The ten homes were built, on average, in 2022 and have been on the market for an average of 70 days (DOM: Days on Market). The homes are situated on average 5,012 square foot lots.

						INVENTORY SUMMARY							AVERAGE			MONTHLY OBLIGATION			
	PARAMETERS	DATE RANGE	DOM	YEAR BUILT	LOT SIZE	UNITS PLANNED	UNITS OFFERED	UNITS SOLD	TOTAL RU	UNSOLD RU	SALES SUMMARY OVERALL	--	HOME SIZE	NET PRICE	NET $/SF	MONTHLY HOA	BASE TAX	ADD TAX	MONTHLY PAYMENT
RLS	Natomas Market Area	12/29/2025 - 02/24/2026	65	2010	4,263	--	--	66	--	--	8.11	--	1,970	$553,118	$281	$0	1.06%	0.00%	$3,142
	Northlake Market Area	08/25/2025 - 02/24/2026	70	2022	5,012	--	--	10	--	--	0.38	--	2,697	$722,550	$268	$0	1.06%	0.00%	$4,104

New-home communities across the Sacramento Region continue to attract a diverse and growing pool of buyers—from locals to those relocating from other parts of California and beyond. The sustained desirability of the region, combined with the higher price of resales, has made new construction an increasingly appealing option for many prospective homeowners. The Sacramento Region draws significant buyer interest from both within the local market and from high-cost areas, particularly the San Francisco Bay Area. Additional demand comes from across California and out-of-state buyers seeking affordability, quality of life, and access to a broad range of amenities. Key factors driving interest in the region's new-home market include:

- Communities throughout the region—from urban cores like the City of Sacramento to suburban markets such as Folsom, Roseville, Elk Grove and Natomas—offer a wide array of new-home products across varying price points, meeting the needs of first-time buyers, move-up families, and downsizing households.
- Ongoing shortages and higher prices in the resale market have further shifted buyer focus to new construction, where availability, customization, and modern features are key differentiators.
- Suburban communities offer convenient access to major employment centers, regional transportation corridors, and recreational destinations such as San Francisco, Lake Tahoe, and the Sierra Nevada foothills.
- The region is known for its cultural, entertainment, and recreational opportunities, appealing to a broad demographic spectrum. Communities accommodate a variety of housing types—ranging from compact infill products to large-lot suburban homes—creating a flexible environment for diverse buyer preferences.

The Sacramento Region benefits from a broadly representative and growing population, including:

- Younger Millennial and Gen Z buyers entering the market for the first time and moving up for the first time,
- Move-up buyers and mature families, most often with school-aged children,
- And Baby Boomers and retirees seeking to downsize while remaining close to family, friends, and community networks.

At the higher end of the market, many buyers are leveraging substantial equity from the sale of existing homes—often in more expensive markets—to purchase new homes with cash, avoiding the impact of today's elevated mortgage interest rates. The buyer profile in the Sacramento new-home market varies by product type and price point but generally includes:

- Young and Growing Families (Ages 25–54): Purchasing first or second homes, often in suburban locations with good schools and family-oriented amenities.
- Mature Families (Ages 45–64): Some with older children still at home, seeking more space or a better lifestyle fit.
- Move-Down Buyers, Empty-Nesters, and Retirees (Ages 55–74): Looking for low-maintenance living, modern amenities, and proximity to services and recreation.

The Sacramento Region remains a compelling destination for new-home buyers across a broad spectrum of life stages and income levels. With ongoing migration trends, a constrained resale market, and a resilient regional economy, new-home communities throughout the area are well positioned to meet evolving demand in both the short and long term. The only caveat would be a prolonged military action in Iran resulting in sustained higher mortgage rates and gas prices (potentially leading to slower economic growth and inflation). This is a scenario that could lead to much slower home sales and a significant pull back by new homes buyers.

Northlake Conclusions

Northlake Conclusions

Pricing and Absorption Conclusions

There are sixteen new-home competitive projects within the Primary Market Area (North Natomas), eight of which are selling in the Northlake planned community, three from Natomas Landing, three from East Village, one from Natomas Park and one from Natomas Creek. In terms of new-housing, this positioning is straight forward: it is believed that Northlake can be positioned toward the top of the competitive developments based on the current offering of homes within the Northlake community and the other competitive projects in North Natomas, the lot sizes, the home configurations and current market conditions. New product in the Northlake community warrants a competitive pricing compared to the currently selling new-home projects in the Primary Market Area. In terms of existing-housing, the positioning is toward the top of the existing home sales in the Community of Natomas and towards the middle of the competitive projects in the Northlake community.

The home pricing for the subject projects in the conclusions for this analysis are similar, but not always the same as the current sales prices for the homes that are actively selling. Several projects have been adjusted to form a better relationship to each other and competitive projects, as well as a positioning that provides a more competitive absorption. The positioning also considers the current absorption rates and pace of sales over time. All the surveyed projects are offering buyer incentives, which are netted out to arrive at a base price for the subject project. It may be difficult to offer homes for sale in today's environment without offering a reasonable incentive. In some cases (completed and unsold homes, inferior locations within the community, etc.), there may be a need for additional incentives that may result in a pricing position that is below the suggested net pricing in this analysis. This added incentive is not anticipated to be widespread but may be necessary to maintain the absorption conclusions in this analysis.

Finally, the product offerings are generally affordable and can attract a larger buyer segment due to a wider range of home sizes and home prices. The eight subject projects include lot sizes from 2,788 to 5,500 square feet with home sizes between 1,454 and 3,460 square feet and pricing between $514,990 and $811,990.

Based on a review of the competitive marketplace and considering the product type and lot size, the tables on the following pages outlines the pricing and absorption for the subject project in the planned community of Northlake. The base pricing is net of any incentives (and premiums and options), and the absorption is based on sales per week. In addition, based on the pricing position, the absorption rate is estimated at between 0.50 and 1.25 sales per week per project.

Looking forward, despite the possibility of on-going economic and housing challenges (including the recent military action in Iran), base pricing for the subject project is forecast to remain stable. In fact, incentives, which have recorded the highest values in over 25 years, are anticipated to gradually decrease in the coming years and a decrease in incentive values may result in an increase in net pricing. However, an unknown factor is the economy. Despite slowly decreasing mortgage rates (increasing recently), economic growth and employment have slowed and unknown factors such as AI may boost productivity but slow employment (and wage) growth for the very people that are trying to purchase a home. Therefore, slowing economic activity, the war in Iran and general political and economic uncertainties, could have an impact on absorption and pricing moving forward and this impact could result in slower sales, and lower pricing, than anticipated.

Northlake Conclusions

Pricing and Absorption Conclusions

The Gregory Group

COMMUNITY DETAILS								RECOMMENDATIONS										
Community		Builder	Home						Base	Current Add-Ons		Total	Monthly Obligation (Base)			80%	
Location		Master Plan	Size					Base	Price/	Options/		Price/	Monthly	Base	Add	6.00%	Req.
Product Summary		Sales Summary	(SF)	Bed	Bath	Levels	Gar	Price	Sq. Ft.	Upgrades	Premiums	Total Price	Sq. Ft.	HOA	Tax	Tax	Mo. Pmt	Income
Subject Project	**Bleau**	**Lennar Homes**	2,150	4	3	1	2	$625,990	$291	$0	$0	$625,990	$291	$97	1.06%	0.46%	$3,892	$150,674
	Natomas	**Northlake**	2,727	4/B	3	2	2	$706,990	$259	$0	$0	$706,990	$259	$97	1.06%	0.46%	$4,384	$169,685
	Product Type: Single-Family	Total Units: 110	2,977	4/L	3	2	2	$741,990	$249	$0	$0	$741,990	$249	$97	1.06%	0.46%	$4,596	$177,900
	Configuration: Traditional		3,046	5/L	3	2	3	$750,990	$247	$0	$0	$750,990	$247	$97	1.06%	0.46%	$4,650	$180,012
	Lot Dimensions: 50 x 100		3,180	4/L	2.5	2	3	$768,990	$242	$0	$0	$768,990	$242	$97	1.06%	0.46%	$4,759	$184,236
	Lot Size/Density: 5,000		3,460	5/NG/L	4	2	2	$807,990	$234	$0	$0	$807,990	$234	$97	1.06%	0.46%	$4,996	$193,390
	Rec. Wkly Abs.: 0.50																	
		Totals/Averages:	**2,923**					**$733,823**	**$254**	**$0**	**$0**	**$733,823**	**$254**	**$97**	**1.06%**	**0.46%**	**$4,546**	**$175,983**
Subject Project	**Crestvue**	**Lennar Homes**	1,789	3	2	1	2	$573,990	$321	$0	$0	$573,990	$321	$97	1.06%	0.58%	$3,635	$140,692
	Natomas	**Northlake**	2,268	4	3	2	3	$640,990	$283	$0	$0	$640,990	$283	$97	1.06%	0.58%	$4,047	$156,676
	Product Type: Single-Family	Total Units: 138	2,679	4/L	3	2	3	$697,990	$261	$0	$0	$697,990	$261	$97	1.06%	0.58%	$4,399	$170,275
	Configuration: Traditional		2,869	4/L	3	2	3	$723,990	$252	$0	$0	$723,990	$252	$97	1.06%	0.58%	$4,559	$176,477
	Lot Dimensions: 55 x 85		3,178	5	4.5	2	3	$766,990	$241	$0	$0	$766,990	$241	$97	1.06%	0.58%	$4,824	$186,736
	Lot Size/Density: 4,675																	
	Rec. Wkly Abs.: 0.75																	
		Totals/Averages:	**2,557**					**$680,790**	**$272**	**$0**	**$0**	**$680,790**	**$272**	**$97**	**1.06%**	**0.58%**	**$4,293**	**$166,171**
Subject Project	**Drifton**	**Lennar Homes**	2,282	4	2.5	1	2	$652,990	$286	$0	$0	$652,990	$286	$97	1.06%	0.55%	$4,105	$158,907
	Natomas	**Northlake**	2,964	5/L	3	2	2	$747,990	$252	$0	$0	$747,990	$252	$97	1.06%	0.55%	$4,688	$181,479
	Product Type: Single-Family	Total Units: 108	3,104	5/L	3	2	3	$766,990	$247	$0	$0	$766,990	$247	$97	1.06%	0.55%	$4,805	$185,994
	Configuration: Traditional		3,135	4/NG	3.5	2	2	$771,990	$246	$0	$0	$771,990	$246	$97	1.06%	0.55%	$4,836	$187,182
	Lot Dimensions: 55 x 100		3,312	4/L	3.5	2	3	$795,990	$240	$0	$0	$795,990	$240	$97	1.06%	0.55%	$4,983	$192,884
	Lot Size/Density: 5,500		3,425	4/L	3.5	2	3	$811,990	$237	$0	$0	$811,990	$237	$97	1.06%	0.55%	$5,081	$196,686
	Rec. Wkly Abs.: 0.50																	
		Totals/Averages:	**3,037**					**$757,990**	**$252**	**$0**	**$0**	**$757,990**	**$252**	**$97**	**1.06%**	**0.55%**	**$4,750**	**$183,855**
Subject Project	**Lakelet**	**Lennar Homes**	2,114	3/O/L	2.5	2	2	$600,990	$284	$0	$0	$600,990	$284	$97	1.06%	0.52%	$3,771	$145,970
	Natomas	**Northlake**	2,223	4	3	2	2	$616,990	$278	$0	$0	$616,990	$278	$97	1.06%	0.52%	$3,869	$149,756
	Product Type: Single-Family	Total Units: 173	2,362	4/L	3.5	2	2	$635,990	$269	$0	$0	$635,990	$269	$97	1.06%	0.55%	$4,002	$154,909
	Configuration: Small Lot																	
	Lot Dimensions: 41 x 90																	
	Lot Size/Density: 3,690																	
	Rec. Wkly Abs.: 1.00																	
		Totals/Averages:	**2,233**					**$617,990**	**$277**	**$0**	**$0**	**$617,990**	**$277**	**$97**	**1.06%**	**0.53%**	**$3,880**	**$150,212**
Subject Project	**Shor**	**Lennar Homes**	1,774	3	2.5	2	2	$551,990	$311	$0	$0	$551,990	$311	$97	1.06%	0.60%	$3,508	$135,799
	Natomas	**Northlake**	1,945	3/L	2.5	2	2	$575,990	$296	$0	$0	$575,990	$296	$97	1.06%	0.60%	$3,656	$141,541
	Product Type: Single-Family	Total Units: 193	2,018	4/L	3	2	2	$585,990	$290	$0	$0	$585,990	$290	$97	1.06%	0.60%	$3,718	$143,933
	Configuration: Small Lot		2,190	4/L	3	2	2	$609,990	$279	$0	$0	$609,990	$279	$97	1.06%	0.60%	$3,867	$149,674
	Lot Dimensions: 41 x 68																	
	Lot Size/Density: 2,788																	
	Rec. Wkly Abs.: 1.25																	
		Totals/Averages:	**1,982**					**$580,990**	**$294**	**$0**	**$0**	**$580,990**	**$294**	**$97**	**1.06%**	**0.60%**	**$3,687**	**$142,737**

Northlake Conclusions

Pricing and Absorption Conclusions

The Gregory Group

COMMUNITY DETAILS								RECOMMENDATIONS										
	Community		**Builder**	Home						Base	Current Add-Ons			Total	Monthly Obligation (Base)			80%	
	Location		**Master Plan**	Size					Base	Price/	Options/		Total	Price/	Monthly	Base	Add	6.00%	Req.
	Product Summary		Sales Summary	(SF)	Bed	Bath	Levels	Gar	Price	Sq. Ft.	Upgrades	Premiums	Price	Sq. Ft.	HOA	Tax	Tax	Mo. Pmt	Income
Subject Project	**Watersyde**		**Lennar Homes**	2,307	4	3	2	2	$637,990	$277	$0	$0	$637,990	$277	$97	1.06%	0.52%	$3,997	$154,726
	Natomas		**Northlake**	2,469	4/L	3	2	2	$660,990	$268	$0	$0	$660,990	$268	$97	1.06%	0.52%	$4,138	$160,168
	Product Type:	Single-Family	Total Units: 153	2,693	4/L	3.5	2	2	$691,990	$257	$0	$0	$691,990	$257	$97	1.06%	0.52%	$4,327	$167,504
	Configuration:	Traditional		2,793	5/L	4	2	2	$705,990	$253	$0	$0	$705,990	$253	$97	1.06%	0.52%	$4,413	$170,817
	Lot Dimensions:	50 x 80		2,966	4/NG/L	3.5	2	3	$729,990	$246	$0	$0	$729,990	$246	$97	1.06%	0.52%	$4,559	$176,496
	Lot Size/Density:	4,000																	
	Rec. Wkly Abs.:	0.75																	
			Totals/Averages:	**2,646**					**$685,390**	**$260**	**$0**	**$0**	**$685,390**	**$260**	**$97**	**1.06%**	**0.52%**	**$4,287**	**$165,942**
Subject Project	**Wavmor**		**Lennar Homes**	2,134	3	2	1	2	$616,990	$289	$0	$0	$616,990	$289	$97	1.06%	0.64%	$3,930	$152,145
	Natomas		**Northlake**	2,394	4/L	3	2	2	$653,990	$273	$0	$0	$653,990	$273	$97	1.06%	0.64%	$4,160	$161,043
	Product Type:	Single-Family	Total Units: 163	2,620	5/L	3	2	2	$684,990	$261	$0	$0	$684,990	$261	$97	1.06%	0.64%	$4,353	$168,499
	Configuration:	Traditional		2,786	4/L	3.5	2	2	$707,990	$254	$0	$0	$707,990	$254	$97	1.06%	0.64%	$4,496	$174,031
	Lot Dimensions:	45 x 100																	
	Lot Size/Density:	4,500																	
	Rec. Wkly Abs.:	0.75																	
			Totals/Averages:	**2,484**					**$665,990**	**$269**	**$0**	**$0**	**$665,990**	**$269**	**$97**	**1.06%**	**0.64%**	**$4,235**	**$163,929**
Subject Project	**Waters Edge (Village 14)**		**Lennar Homes**	1,454	3	2.5	2	2	$514,990	$354	$0	$0	$514,990	$354	$84	1.06%	0.45%	$3,202	$123,953
	Natomas		**Northlake**	1,569	3/L	2.5	2	2	$530,990	$338	$0	$0	$530,990	$338	$84	1.06%	0.45%	$3,299	$127,703
	Product Type:	Single-Family	Total Units: 139	1,631	3/L	2.5	2	2	$539,990	$331	$0	$0	$539,990	$331	$84	1.06%	0.45%	$3,353	$129,813
	Configuration:	Small Lot		1,907	4/L	3	2	2	$577,990	$303	$0	$0	$577,990	$303	$84	1.06%	0.45%	$3,584	$138,719
	Lot Dimensions:	41 x 90																	
	Lot Size/Density:	3,690																	
	Rec. Wkly Abs.:	1.00																	
			Totals/Averages:	**1,640**					**$540,990**	**$332**	**$0**	**$0**	**$540,990**	**$332**	**$84**	**1.06%**	**0.45%**	**$3,360**	**$130,047**

Northlake Conclusions

Absorption Conclusions

The absorption analysis is based on information provided by the developer which includes when each village opened for sales, infrastructure development, grading schedules, marketing considerations and anticipated market conditions. Furthermore, the North Natomas housing market can sustain several different projects selling simultaneously by different builders even when offering similar lot sizes and home sizes.

Additional factors considered in predicting absorption rates are:

- the desirability of North Natomas and specifically the Northlake community as a new-home destination including the availability and relative affordability of housing (with the offering of many different lot sizes, home sizes and price points);
- new-home sales within the subject market area (based on historical evidence, the subject market area is capable of absorbing additional units despite the increased competition) and the Sacramento Region;
- limited inventory in the subject market area and the surrounding market area (and the Sacramento Region);
- current absorption rates for similar product types within the subject market area and the Sacramento Region;
- overall economic and housing conditions within the Sacramento Region (which appear to be transitioning to a more normal and sustainable housing market--although are somewhat uncertain of late given the war in Iran);
- anticipated lower mortgage rates (a return to approximately 6.0% or lower once the war in Iran is resolved and mortgage rates and gas prices recede);

In conclusion, it is believed that the subject project can absorb between 0.50 and 1.25 sales per week per project (an average of 0.81 sales per week) for the product offerings at the beginning of sales for the development given the pricing (with home sizes ranging from 1,454 to 3,460 square feet and base price range from $514,990 to $811,990).

The absorption rates in this analysis are based on the current housing market and economic conditions. Due to the increase in mortgage rates and sometimes challenging, but mixed economic signals (i.e., moderating employment and wage growth, stubborn inflation and a slowing overall economy), the absorption rates in the initial years of this analysis are considered appropriate. A continued or more significant slowdown in economic conditions could result in slower sales.

The absorption over time may not always be consistent due to development schedules, financing conditions, infrastructure concerns and overall economic, political and housing conditions. However, it is believed that over time, the absorption in this analysis is appropriate. There may be differences between projected and actual results because events and circumstances frequently do not occur as expected and the differences may be material.

Northlake Conclusions

Absorption Conclusions

As previously stated, it is believed that the absorption rates in the conclusion of this analysis are appropriate. They are based on current absorption rates of the Northlake project, and in some cases the absorption rates presented here are higher than current absorption rates on projects selling in Northlake due to a lack of inventory, delays in construction, price points and locations. The absorption rates also consider the pricing position of the projects and the relationship of the projects with each other. Finally, the overall average absorption rate of the Northlake projects in the conclusions of this analysis (0.81 sales per week) are consistent with the overall absorption of the projects in Phase 2 (0.66 sales per week).

All the surveyed projects within the Northlake community began selling prior to the survey date of February 11, 2026. Therefore, for this analysis the beginning sales for the remaining units within each project is February 11, 2026. It is estimated, based on projected absorption rates in the conclusions of this analysis, that for Phase 2, a total of 301 units will sell in the remainder of 2026 (February 12 through December 31), 280 units in 2027, 138 units in 2028, 62 units in 2029 and seven units in 2030. The schedule of product offerings (project entry dates) were provided by the developer; the decreases and increases in the number of units absorbed over time is a result of the scheduled market entry (and sellout of projects). All product offerings are anticipated to conclude sales by early April 2030; the years to absorb the production homes is estimated to be 4.15 years from February 12, 2026.

		Lot Size/	Open	Total Number	Est. Abs.	Sales Before	2/12/2026			Units Sold Per Year		
Village	Homebuilder	Density	Date	of Units	Per Week	2/11/2026	12/31/2026	2027	2028	2029	2030	2031
Bleau	Lennar Homes	5,000	09/29/25	110	0.50	2	23	26	26	26	7	0
Crestvue	Lennar Homes	4,675	05/07/24	138	0.75	56	35	39	8	0	0	0
Drifton	Lennar Homes	5,500	01/13/25	108	0.50	14	23	26	26	19	0	0
Lakelet	Lennar Homes	3,690	05/13/24	173	1.00	45	46	52	30	0	0	0
Shor	Lennar Homes	2,788	11/19/24	193	1.25	111	58	24	0	0	0	0
Watersyde	Lennar Homes	4,000	05/01/24	153	0.75	70	35	39	9	0	0	0
Wavmor	Lennar Homes	4,500	02/03/25	163	0.75	33	35	39	39	17	0	0
Waters Edge	Lennar Homes	3,690	06/25/24	139	1.00	58	46	35	0	0	0	0
			Totals/Averages:	**1,177**	**0.81**	**389**	**301**	**280**	**138**	**62**	**7**	**0**

Years to Absorb:	**4.15**

Northlake Conclusions

Absorption Conclusions -- Alternative

Recent developments in Iran—including the ongoing conflict and the closure of the Strait of Hormuz—are creating ripple effects across the broader economy. Oil prices have climbed above $100 per barrel, inflationary pressures are intensifying, and a growing number of economists are acknowledging an increased likelihood of a near-term recession. The fieldwork and primary drafting of this report were completed in February; since then, the situation in Iran has escalated significantly. While the competitive project analysis has not been updated to reflect these developments, there is clear potential for further deterioration in economic and housing conditions in the months ahead.

As noted throughout this report, future conditions remain inherently uncertain. However, given the heightened risk of a more pronounced economic slowdown than anticipated earlier in the year, it is appropriate to consider an alternative absorption scenario. The original absorption projections remain valid based on the information available at the time of analysis. That said, the duration and escalation of the conflict—particularly the potential for ground troop involvement and disruptions to critical infrastructure such as Kharg Island, where a substantial share of Iran's oil is processed and distributed—could amplify economic impacts. These may include sustained increases in energy prices, slower economic growth, and rising inflation, all of which could dampen new home sales. Accordingly, an alternative scenario has been developed that assumes escalating military activity in Iran, resulting in slower absorption rates and an extended timeline for the buildout of the Northlake community.

The reduced absorption rates reflect the potential for an escalation of conflict in the Middle East and the likely economic and housing market impacts associated with such conditions. This alternative absorption scenario does not incorporate any adjustments to project pricing. While weaker economic conditions could lead to downward pressure on home prices—potentially stabilizing sales pace—there is also a risk that, if conditions deteriorate significantly and absorption falls below an average of 0.50 sales per week per project, developers may opt to pause or shut down projects rather than reduce pricing to unsustainable levels. Under this alternative scenario, the Northlake projects are projected to achieve an overall average absorption rate of 0.56 sales per week, representing a 31% decline from the original absorption estimates.

It is estimated, based on projected absorption rates in the alternative conclusions of this analysis, that for Phase 2, a total of 228 units will sell in the remainder of 2026, 234 units in 2027, 163 units in 2028, 106 units in 2029 and 57 units in 2030. All product offerings are anticipated to conclude sales by the end of December 2030; the years to absorb the production homes for the alternative absorption schedule is estimated to be 5.88 years.

Village	Homebuilder	Lot Size/ Density	Open Date	Total Number of Units	Est. Abs. Per Week	Sales Before 2/11/2026	2/12/2026 12/31/2026	Units Sold Per Year 2027	2028	2029	2030	2031
Bleau	Lennar Homes	5,000	09/29/25	110	0.50	2	23	26	26	26	7	0
Crestvue	Lennar Homes	4,675	05/07/24	138	0.50	56	26	26	26	4	0	0
Drifton	Lennar Homes	5,500	01/13/25	108	0.50	14	23	26	26	19	0	0
Lakelet	Lennar Homes	3,690	05/13/24	173	0.50	45	26	26	26	26	24	0
Shor	Lennar Homes	2,788	11/19/24	193	0.75	111	39	39	4	0	0	0
Watersyde	Lennar Homes	4,000	05/01/24	153	0.50	70	26	26	26	5	0	0
Wavmor	Lennar Homes	4,500	02/03/25	163	0.50	33	26	26	26	26	26	0
Waters Edge	Lennar Homes	3,690	06/25/24	139	0.75	58	39	39	3	0	0	0
			Totals/Averages:	**1,177**	**0.56**	**389**	**228**	**234**	**163**	**106**	**57**	**0**

Years to Absorb:	**5.88**

Locational Assessment

To best analyze the subject project, 16 new-home projects from the Community of Natomas (in the City of Sacramento) were considered, including eight projects from the Northlake planned community. The competitive projects offer topography, community design and features and amenities that are similar as the subject project, as well as overlap in the housing types offered.

Community of Natomas:

- Provides a desirable lifestyle for today's active buyers with an abundance of recreation and entertainment options;
- Provides a variety of housing types including existing housing, planned community living, and attached and detached housing in various sizes, price points, and home configurations and community designs;
- A family focused and friendly community that includes bike/walking paths throughout the city, good schools and an abundance of local and regional shopping and conveniences;
- The community draws a multitude of families, but also younger singles and couples without children as well as older Baby-Boomers.

Northlake:

- Is an integral part in offering conventional and available housing;
- Is located within proximity to local services and conveniences (including healthcare) within Sacramento County and the City of Sacramento as well as entertainment (Golden 1 Center), employment (downtown) and the transportation corridors (I-5, I-80 and Hwy 99) throughout the region;
- The subject project provides an opportunity for new housing in an area with connectivity and easy access to surrounding businesses, employment, walking trails, recreation, community amenities, open space and parks and the potential for lake view lots.
- Is offering a solid land plan, community amenities and product design/execution.

The Community of Natomas consists of a variety of housing options including traditional subdivisions (with attached and detached housing), standalone communities of for-sale housing, and multi-family for-rent development. The range of these product types are uniquely integrated into the area at large and in a fabric that includes commercial uses (office and light industrial) and retail, hospitality and entertainment (including restaurants) and services and conveniences. New development is generally located north of Interstate 80 and offers communities with similar terrain, tree coverage, housing styles and planned community living environments.

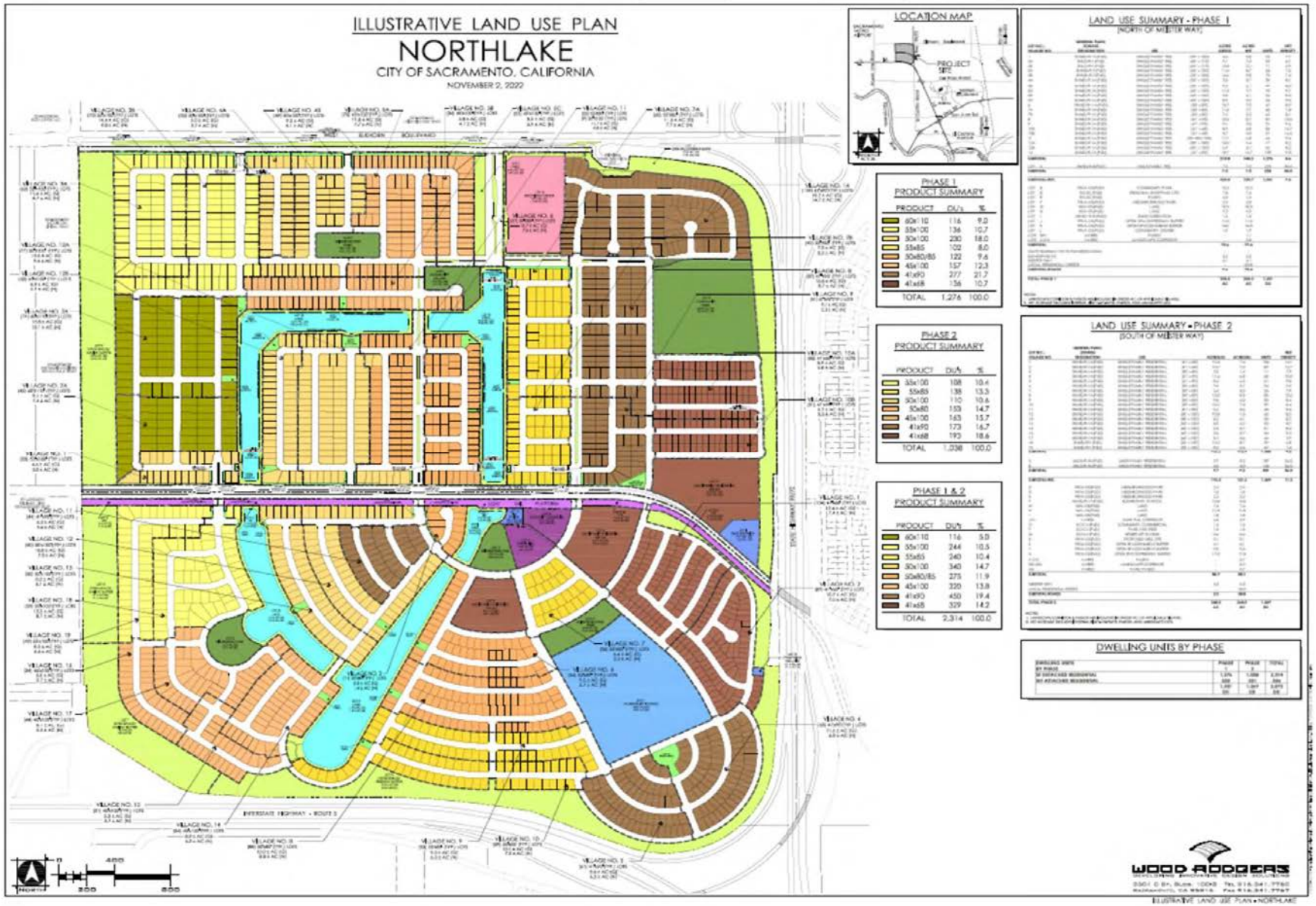
Given its location, a balance between proximity and livability and overall desirability, the subject project location is a community where many people desire to live:

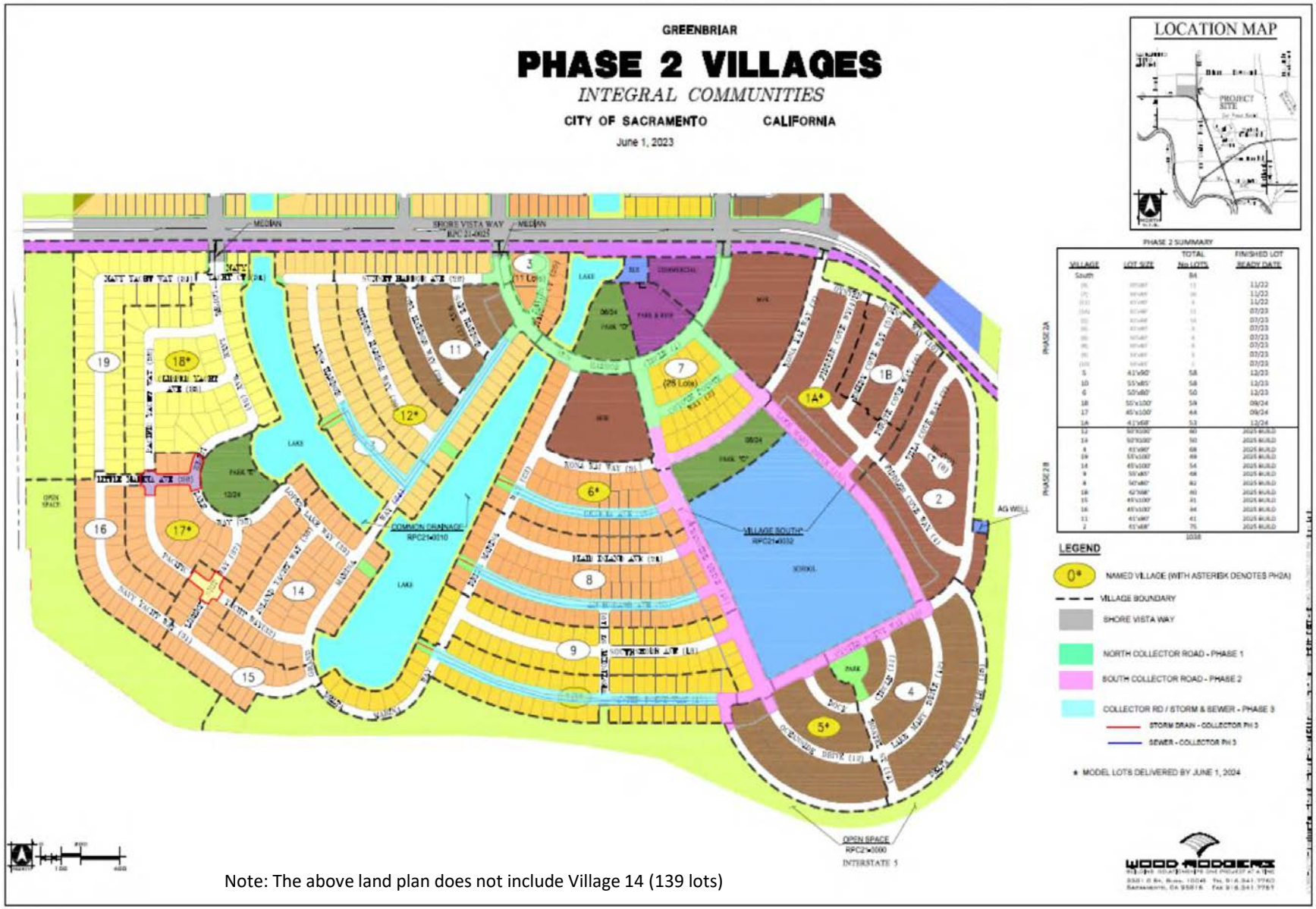
- It provides a quiet, less hectic and less congested lifestyle that is close to downtown Sacramento;
- It is community-centric and a prime location for residents to start and raise a family or transition into an empty-nester phase of life;
- Provides a variety of housing options including existing housing, planned community living, stand-alone housing, attached and detached housing, for-rent housing and traditional subdivision housing;
- Convenient with proximity to local services and conveniences (including the Sacramento International Airport) as well as employment and the major transportation corridors throughout the region;

The subject site is located north of Interstate 5, west of Highway 99 and south of Elkhorn Boulevard in the Community of Natomas. Northlake provides excellent access to Highway 99 and Interstate 5—leading to the employment centers to the south in Downtown Sacramento and beyond, and recreation to the east toward South Lake Tahoe and San Francisco to the west. Plus, the site provides excellent access to services and entertainment at the Del Paso Road corridor and further south at Truxel Road.

The entire Northlake planned community is scheduled to include a total of 2,892 units on 616.7-acres (a density of 4.69 units per acre); however, this analysis is focused on Phase 2 of the project (Greenbriar IA2/Second Series) which includes 1,177 residential, for-sale units on 269 acres (a density of 4.38 units per acre). In addition to the for-sale residential housing, the project is planned to include a lake (21.0-acres), parks (6.4-acres), and open space (32.6-acres). Furthermore, the project is planned to include 1.5-acres of commercial, 1.5-acres for a park-and-ride facility, 16.8-acres for a K-8 school, 1.6-acres of paseo landscaping and 0.5-acres for a sewer lift station.

The land plan incorporates appropriate lot sizes, product types and connectivity to parks, open space, lakes, local trails/biking paths, recreation, and surrounding places of business and entertainment. Northlake offers a desirable location—especially within Natomas, with a well-designed land plan that integrates product types and walkability effectively.

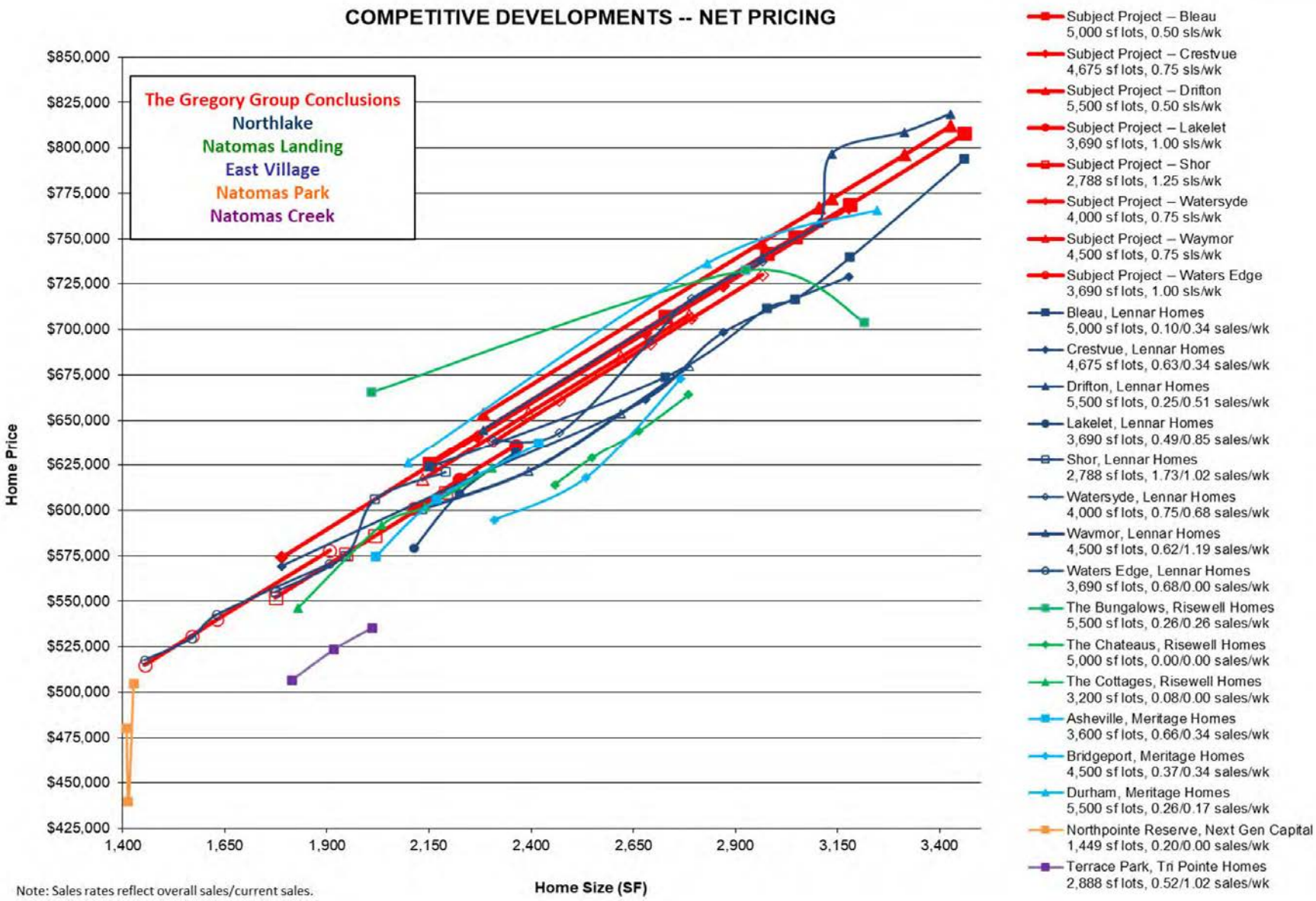

ILLUSTRATIVE LAND USE PLAN
NORTHLAKE
CITY OF SACRAMENTO, CALIFORNIA
NOVEMBER 2, 2022
LOCATION MAP
PROJECT SITE
PHASE 1 PRODUCT SUMMARY
PRODUCT DU's %
60x110 116 9.0
55x100 136 10.7
50x100 230 18.0
55x85 102 8.0
50x80/85 122 9.6
45x100 157 12.3
41x90 277 21.7
41x68 136 10.7
TOTAL 1,276 100.0
PHASE 2 PRODUCT SUMMARY
PRODUCT DU's %
55x100 108 10.4
55x85 138 13.3
50x100 110 10.6
50x80 153 14.7
45x100 163 15.7
41x90 173 16.7
41x68 193 18.6
TOTAL 1,038 100.0
PHASE 1 & 2 PRODUCT SUMMARY
PRODUCT DU's %
60x110 116 5.0
55x100 244 10.5
55x85 240 10.4
50x100 340 14.7
50x80/85 275 11.9
45x100 320 13.8
41x90 450 19.4
41x68 329 14.2
TOTAL 2,314 100.0
LAND USE SUMMARY - PHASE 1
(NORTH OF MEISTER WAY)
LAND USE SUMMARY - PHASE 2
(SOUTH OF MEISTER WAY)
DWELLING UNITS BY PHASE
WOOD RODGERS
ILLUSTRATIVE LAND USE PLAN • NORTHLAKE



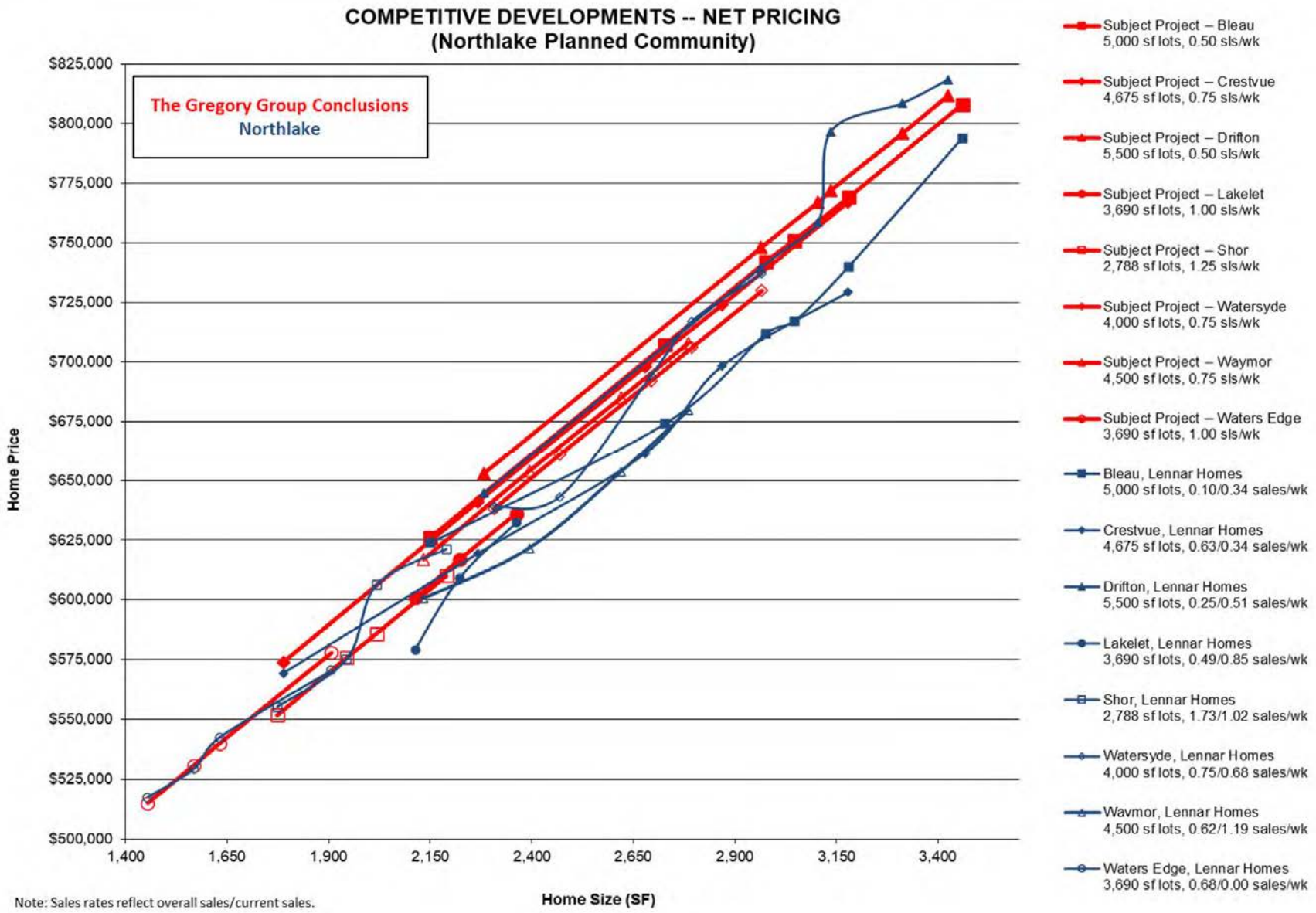
Note: The above land plan does not include Village 14 (139 lots)

VILLAGE NO. 5B
(34) 45'x100'(TYP.) LOTS
5.8 ± AC (G)
4.1 ± AC (N)
VILLAGE NO. 5C
(53) 45'x100'(TYP.) LOTS
8.5 ± AC (G)
5.9 ± AC (N)
VILLAGE NO. 11
(55) 50'X80' (TYP.) LOTS
(9) 50'X100' (TYP.) LOTS
11.7 ± AC (G)
6.8 ± AC (N)
VILLAGE NO. 7A
(60) 55'X85' (TYP.) LOTS
11.5 ± AC (G)
7.7 ± AC (N)
EXISTING PARK AND RIDE LOT
LOT J
OPEN SPACE/FREEWAY BUFFER
LOT E
PASEO
LOT D
SHOPPING CENTER
VILLAGE NO. 6
(67) 50'X85' (TYP.) LOTS
10.7 ± AC (G)
7.5 ± AC (N)
VILLAGE NO. 14
(139) 41'x90'(TYP.) LOTS
19.7 ± AC (G)
14.7 ± AC (N)
VILLAGE NO. 7B
(42) 55'X85' (TYP.) LOTS
7.2 ± AC (G)
5.2 ± AC (N)
VILLAGE NO. 8
(87) 41'X90' (TYP.) LOTS
15.6 ± AC (G)
8.7 ± AC (N)

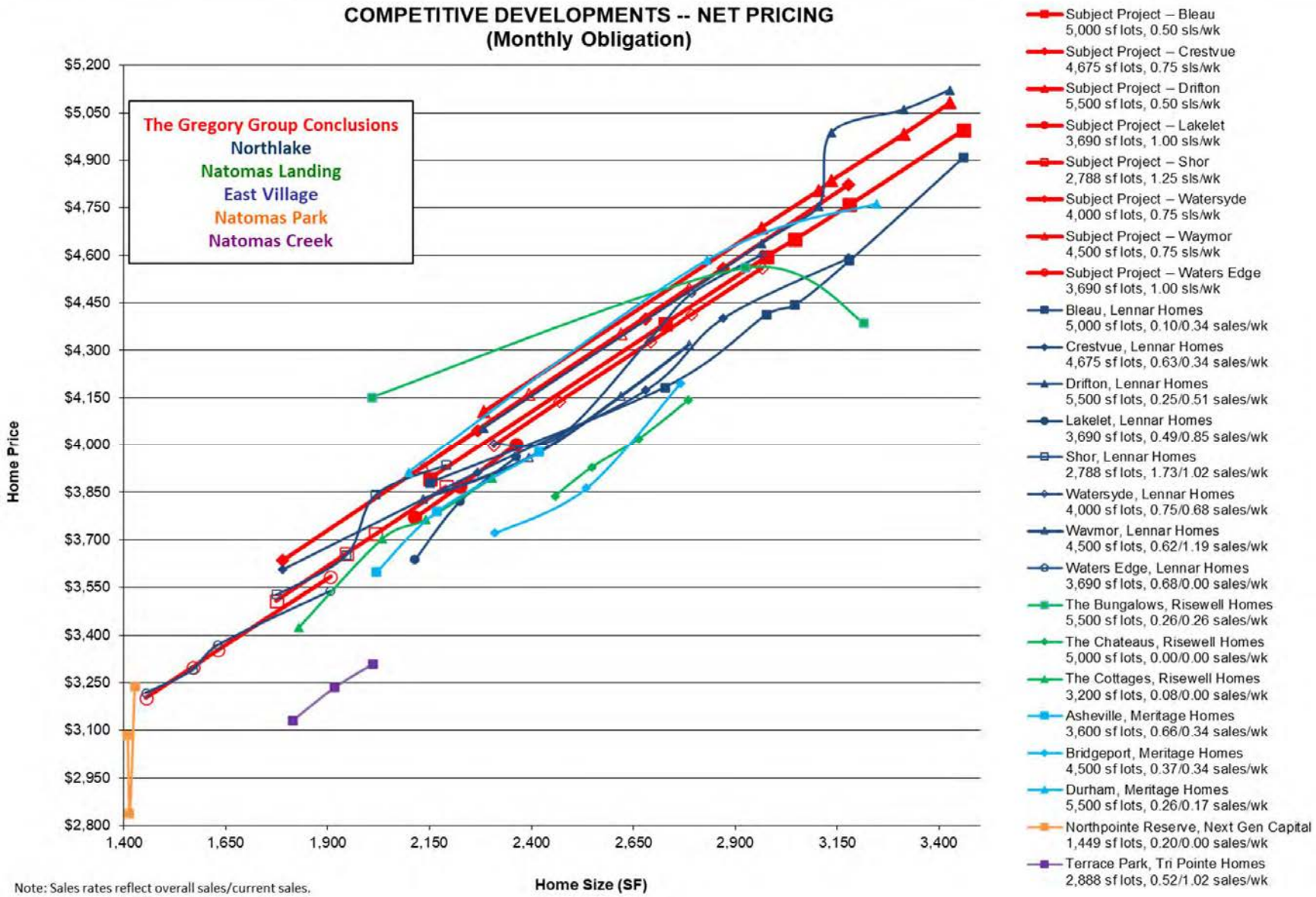
Competitive Housing Analysis



Note: Sales rates reflect overall sales/current sales.



Note: Sales rates reflect overall sales/current sales.


COMPETITIVE DEVELOPMENTS -- NET PRICING
(Monthly Obligation)
The Gregory Group Conclusions
Northlake
Natomas Landing
East Village
Natomas Park
Natomas Creek
Home Price
$5,200
$5,050
$4,900
$4,750
$4,600
$4,450
$4,300
$4,150
$4,000
$3,850
$3,700
$3,550
$3,400
$3,250
$3,100
$2,950
$2,800
1,400
1,650
1,900
2,150
2,400
2,650
2,900
3,150
3,400
Home Size (SF)
Subject Project – Bleau 5,000 sf lots, 0.50 sls/wk
Subject Project – Crestvue 4,675 sf lots, 0.75 sls/wk
Subject Project – Drifton 5,500 sf lots, 0.50 sls/wk
Subject Project – Lakelet 3,690 sf lots, 1.00 sls/wk
Subject Project – Shor 2,788 sf lots, 1.25 sls/wk
Subject Project – Watersyde 4,000 sf lots, 0.75 sls/wk
Subject Project – Waymor 4,500 sf lots, 0.75 sls/wk
Subject Project – Waters Edge 3,690 sf lots, 1.00 sls/wk
Bleau, Lennar Homes 5,000 sf lots, 0.10/0.34 sales/wk
Crestvue, Lennar Homes 4,675 sf lots, 0.63/0.34 sales/wk
Drifton, Lennar Homes 5,500 sf lots, 0.25/0.51 sales/wk
Lakelet, Lennar Homes 3,690 sf lots, 0.49/0.85 sales/wk
Shor, Lennar Homes 2,788 sf lots, 1.73/1.02 sales/wk
Watersyde, Lennar Homes 4,000 sf lots, 0.75/0.68 sales/wk
Waymor, Lennar Homes 4,500 sf lots, 0.62/1.19 sales/wk
Waters Edge, Lennar Homes 3,690 sf lots, 0.68/0.00 sales/wk
The Bungalows, Risewell Homes 5,500 sf lots, 0.26/0.26 sales/wk
The Chateaus, Risewell Homes 5,000 sf lots, 0.00/0.00 sales/wk
The Cottages, Risewell Homes 3,200 sf lots, 0.08/0.00 sales/wk
Asheville, Meritage Homes 3,600 sf lots, 0.66/0.34 sales/wk
Bridgeport, Meritage Homes 4,500 sf lots, 0.37/0.34 sales/wk
Durham, Meritage Homes 5,500 sf lots, 0.26/0.17 sales/wk
Northpointe Reserve, Next Gen Capital 1,449 sf lots, 0.20/0.00 sales/wk
Terrace Park, Tri Pointe Homes 2,888 sf lots, 0.52/1.02 sales/wk
Note: Sales rates reflect overall sales/current sales.

Competitive Housing Analysis

Competitive Projects

The Gregory Group

COMMUNITY DETAILS				PRODUCT SUMMARY					MARKET PRICING SUMMARY															
Community			Builder	Home						Base	Current Incentives			Net	Net Base	Current Add-Ons			Total	Monthly Payment			80%	
Location			Master Plan	Size					Base	Price/	Price	Options/	Closing $/	Base	Price/	Options/		Total	Price/	Monthly	Base	Add	6.00%	Req.
Product Summary			Sales Summary	(SF)	Bed	Bath	Levels	Gar	Price	Sq. Ft.	Reduction	Upgrades	Other	Price	Sq. Ft.	Upgrades	Premiums	Price	Sq. Ft.	HOA	Tax	Tax	Mo. Pmt	Income
Primary Market Area	**Bleau**		**Lennar Homes**	2,150	4	3	1	2	$670,990	$312	$0	$0	$47,150	$623,840	$290	$0	$0	$623,840	$290	$97	1.06%	0.46%	$3,879	$150,170
	Natomas		**Northlake**	2,727	4/B	3	2	2	$720,990	$264	$0	$0	$47,150	$673,840	$247	$0	$0	$673,840	$247	$97	1.06%	0.46%	$4,183	$161,905
	Product Type:	Detached	Total Units: 110	2,977	4/L	3	2	2	$758,990	$255	$0	$0	$47,150	$711,840	$239	$0	$0	$711,840	$239	$97	1.06%	0.46%	$4,413	$170,823
	Configuration:	Traditional	Units Offered: 12	3,046	5/L	3	2	3	$763,990	$251	$0	$0	$47,150	$716,840	$235	$0	$0	$716,840	$235	$97	1.06%	0.46%	$4,443	$171,997
	Lot Dimensions:	50 x 100	Units Sold: 2	3,180	4/L	2.5	2	3	$786,990	$247	$0	$0	$47,150	$739,840	$233	$0	$0	$739,840	$233	$97	1.06%	0.46%	$4,583	$177,395
	Lot Size/Density:	5,000	Current Sales: 2	3,460	5/NG/L	4	2	2	$840,990	$243	$0	$0	$47,150	$793,840	$229	$0	$0	$793,840	$229	$97	1.06%	0.46%	$4,910	$190,069
	Open Date:	Sep-25	Total RU: 108																					
	Overall Sales Rate:	0.10	Total % R: 98%																					
	Current Sales Rate:	0.34	Unsold RU: 10																					
			Averages:	**2,923**					**$757,157**	**$262**	**$0**	**$0**	**$47,150**	**$710,007**	**$246**	**$0**	**$0**	**$710,007**	**$246**	**$97**	**1.06%**	**0.46%**	**$4,402**	**$170,393**
Primary Market Area	**Crestvue**		**Lennar Homes**	1,789	3	2	1	2	$600,990	$336	$0	$0	$31,711	$569,279	$318	$0	$0	$569,279	$318	$97	1.06%	0.58%	$3,606	$139,568
	Natomas		**Northlake**	2,268	4	3	2	3	$650,990	$287	$0	$0	$31,711	$619,279	$273	$0	$0	$619,279	$273	$97	1.06%	0.58%	$3,914	$151,497
	Product Type:	Detached	Total Units: 138	2,679	4/L	3	2	3	$692,990	$259	$0	$0	$31,711	$661,279	$247	$0	$0	$661,279	$247	$97	1.06%	0.58%	$4,173	$161,516
	Configuration:	Traditional	Units Offered: 68	2,869	4/L	3	2	3	$729,990	$254	$0	$0	$31,711	$698,279	$243	$0	$0	$698,279	$243	$97	1.06%	0.58%	$4,401	$170,344
	Lot Dimensions:	55 x 85	Units Sold: 56	3,178	5	4.5	2	3	$760,990	$239	$0	$0	$31,711	$729,279	$229	$0	$0	$729,279	$229	$97	1.06%	0.58%	$4,592	$177,739
	Lot Size/Density:	4,675	Current Sales: 2																					
	Open Date:	May-24	Total RU: 82																					
	Overall Sales Rate:	0.63	Total % R: 59%																					
	Current Sales Rate:	0.34	Unsold RU: 12																					
			Averages:	**2,557**					**$687,190**	**$275**	**$0**	**$0**	**$31,711**	**$655,479**	**$262**	**$0**	**$0**	**$655,479**	**$262**	**$97**	**1.06%**	**0.58%**	**$4,137**	**$160,133**
Primary Market Area	**Drifton**		**Lennar Homes**	2,282	4	2.5	1	2	$672,990	$295	$0	$0	$28,361	$644,629	$282	$0	$0	$644,629	$282	$97	1.06%	0.55%	$4,054	$156,920
	Natomas		**Northlake**	2,964	5/L	3	2	2	$767,990	$259	$0	$0	$28,361	$739,629	$250	$0	$0	$739,629	$250	$97	1.06%	0.55%	$4,637	$179,493
	Product Type:	Detached	Total Units: 108	3,104	5/L	3	2	3	$786,990	$254	$0	$0	$28,361	$758,629	$244	$0	$0	$758,629	$244	$97	1.06%	0.55%	$4,754	$184,007
	Configuration:	Traditional	Units Offered: 23	3,135	4/NG	3.5	2	2	$824,990	$263	$0	$0	$28,361	$796,629	$254	$0	$0	$796,629	$254	$97	1.06%	0.55%	$4,987	$193,036
	Lot Dimensions:	55 x 100	Units Sold: 14	3,312	4/L	3.5	2	3	$836,990	$253	$0	$0	$28,361	$808,629	$244	$0	$0	$808,629	$244	$97	1.06%	0.55%	$5,060	$195,887
	Lot Size/Density:	5,500	Current Sales: 3	3,425	4/L	3.5	2	3	$846,990	$247	$0	$0	$28,361	$818,629	$239	$0	$0	$818,629	$239	$97	1.06%	0.55%	$5,122	$198,263
	Open Date:	Jan-25	Total RU: 94																					
	Overall Sales Rate:	0.25	Total % R: 87%																					
	Current Sales Rate:	0.51	Unsold RU: 9																					
			Averages:	**3,037**					**$789,490**	**$262**	**$0**	**$0**	**$28,361**	**$761,129**	**$252**	**$0**	**$0**	**$761,129**	**$252**	**$97**	**1.06%**	**0.55%**	**$4,769**	**$184,601**
Primary Market Area	**Lakelet**		**Lennar Homes**	2,114	3/O/L	2.5	2	2	$614,990	$291	$0	$0	$35,776	$579,214	$274	$0	$0	$579,214	$274	$97	1.06%	0.52%	$3,638	$140,817
	Natomas		**Northlake**	2,223	4	3	2	2	$644,990	$290	$0	$0	$35,776	$609,214	$274	$0	$0	$609,214	$274	$97	1.06%	0.52%	$3,821	$147,916
	Product Type:	Detached	Total Units: 173	2,362	4/L	3.5	2	2	$667,990	$283	$0	$0	$35,776	$632,214	$268	$0	$0	$632,214	$268	$97	1.06%	0.52%	$3,962	$153,359
	Configuration:	Small Lot	Units Offered: 51																					
	Lot Dimensions:	41 x 90	Units Sold: 45																					
	Lot Size/Density:	3,690	Current Sales: 5																					
	Open Date:	May-24	Total RU: 128																					
	Overall Sales Rate:	0.49	Total % R: 74%																					
	Current Sales Rate:	0.85	Unsold RU: 6																					
			Averages:	**2,233**					**$642,657**	**$288**	**$0**	**$0**	**$35,776**	**$606,881**	**$272**	**$0**	**$0**	**$606,881**	**$272**	**$97**	**1.06%**	**0.52%**	**$3,807**	**$147,364**
Primary Market Area	**Shor**		**Lennar Homes**	1,774	3	2.5	2	2	$577,990	$326	$0	$0	$22,821	$555,169	$313	$0	$0	$555,169	$313	$97	1.06%	0.60%	$3,528	$136,560
	Natomas		**Northlake**	1,945	3/L	2.5	2	2	$597,990	$307	$0	$0	$22,821	$575,169	$296	$0	$0	$575,169	$296	$97	1.06%	0.60%	$3,651	$141,344
	Product Type:	Detached	Total Units: 193	2,018	4/L	3	2	2	$628,990	$312	$0	$0	$22,821	$606,169	$300	$0	$0	$606,169	$300	$97	1.06%	0.60%	$3,843	$148,760
	Configuration:	Small Lot	Units Offered: 118	2,190	4/L	3	2	2	$643,990	$294	$0	$0	$22,821	$621,169	$284	$0	$0	$621,169	$284	$97	1.06%	0.60%	$3,936	$152,348
	Lot Dimensions:	41 x 68	Units Sold: 111																					
	Lot Size/Density:	2,788	Current Sales: 6																					
	Open Date:	Nov-24	Total RU: 82																					
	Overall Sales Rate:	1.73	Total % R: 42%																					
	Current Sales Rate:	1.02	Unsold RU: 7																					
			Averages:	**1,982**					**$612,240**	**$310**	**$0**	**$0**	**$22,821**	**$589,419**	**$298**	**$0**	**$0**	**$589,419**	**$298**	**$97**	**1.06%**	**0.60%**	**$3,739**	**$144,753**

Competitive Housing Analysis

Competitive Projects

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COMMUNITY DETAILS				PRODUCT SUMMARY					MARKET PRICING SUMMARY															
Community			Builder	Home						Base	Current Incentives			Net	Net Base	Current Add-Ons			Total	Monthly Payment			80%	
Location			Master Plan	Size					Base	Price/	Price	Options/	Closing $/	Base	Price/	Options/		Total	Price/	Monthly	Base	Add	6.00%	Req.
Product Summary			Sales Summary	(SF)	Bed	Bath	Levels	Gar	Price	Sq. Ft.	Reduction	Upgrades	Other	Price	Sq. Ft.	Upgrades	Premiums	Price	Sq. Ft.	HOA	Tax	Tax	Mo. Pmt	Income
Primary Market Area																								
Waters Edge			**Lennar Homes**	1,454	3	2.5	2	2	$541,990	$373	$0	$0	$24,413	$517,577	$356	$0	$0	$517,577	$356	$84	1.06%	0.45%	$3,218	$124,560
Natomas			**Northlake**	1,569	3/L	2.5	2	2	$553,990	$353	$0	$0	$24,413	$529,577	$338	$0	$0	$529,577	$338	$84	1.06%	0.45%	$3,290	$127,372
Product Type:	Detached	Total Units:	139	1,631	3/L	2.5	2	2	$566,990	$348	$0	$0	$24,413	$542,577	$333	$0	$0	$542,577	$333	$84	1.06%	0.45%	$3,369	$130,419
Configuration:	Small Lot	Units Offered:	65	1,907	4/L	3	2	2	$594,990	$312	$0	$0	$24,413	$570,577	$299	$0	$0	$570,577	$299	$84	1.06%	0.45%	$3,539	$136,982
Lot Dimensions:	41 x 90	Units Sold:	58																					
Lot Size/Density:	3,690	Current Sales:	0																					
Open Date:	Jun-24	Total RU:	81																					
Overall Sales Rate:	0.68	Total % R:	58%																					
Current Sales Rate:	0.00	Unsold RU:	7																					
			Averages:	**1,640**					**$564,490**	**$346**	**$0**	**$0**	**$24,413**	**$540,077**	**$331**	**$0**	**$0**	**$540,077**	**$331**	**$84**	**1.06%**	**0.45%**	**$3,354**	**$129,833**
Primary Market Area																								
Watersyde			**Lennar Homes**	2,307	4	3	2	2	$660,990	$287	$0	$0	$21,938	$639,052	$277	$0	$0	$639,052	$277	$97	1.06%	0.52%	$4,004	$154,977
Natomas			**Northlake**	2,469	4/L	3	2	2	$664,990	$269	$0	$0	$21,938	$643,052	$260	$0	$0	$643,052	$260	$97	1.06%	0.52%	$4,028	$155,923
Product Type:	Detached	Total Units:	153	2,693	4/L	3.5	2	2	$715,990	$266	$0	$0	$21,938	$694,052	$258	$0	$0	$694,052	$258	$97	1.06%	0.52%	$4,340	$167,992
Configuration:	Traditional	Units Offered:	81	2,793	5/L	4	2	2	$738,990	$265	$0	$0	$21,938	$717,052	$257	$0	$0	$717,052	$257	$97	1.06%	0.52%	$4,480	$173,434
Lot Dimensions:	50 x 80	Units Sold:	70	2,966	4/NG/L	3.5	2	3	$758,990	$256	$0	$0	$21,938	$737,052	$249	$0	$0	$737,052	$249	$97	1.06%	0.52%	$4,603	$178,167
Lot Size/Density:	4,000	Current Sales:	4																					
Open Date:	May-24	Total RU:	83																					
Overall Sales Rate:	0.75	Total % R:	54%																					
Current Sales Rate:	0.68	Unsold RU:	11																					
			Averages:	**2,646**					**$707,990**	**$268**	**$0**	**$0**	**$21,938**	**$686,052**	**$260**	**$0**	**$0**	**$686,052**	**$260**	**$97**	**1.06%**	**0.52%**	**$4,291**	**$166,099**
Primary Market Area																								
Wavmor			**Lennar Homes**	2,134	3	2	1	2	$631,990	$296	$0	$0	$31,450	$600,540	$281	$0	$0	$600,540	$281	$97	1.06%	0.64%	$3,828	$148,188
Natomas			**Northlake**	2,394	4/L	3	2	2	$652,990	$273	$0	$0	$31,450	$621,540	$260	$0	$0	$621,540	$260	$97	1.06%	0.64%	$3,959	$153,239
Product Type:	Detached	Total Units:	163	2,620	5/L	3	2	2	$684,990	$261	$0	$0	$31,450	$653,540	$249	$0	$0	$653,540	$249	$97	1.06%	0.64%	$4,157	$160,935
Configuration:	Traditional	Units Offered:	43	2,786	4/L	3.5	2	2	$710,990	$255	$0	$0	$31,450	$679,540	$244	$0	$0	$679,540	$244	$97	1.06%	0.64%	$4,319	$167,188
Lot Dimensions:	45 x 100	Units Sold:	33																					
Lot Size/Density:	4,500	Current Sales:	7																					
Open Date:	Feb-25	Total RU:	130																					
Overall Sales Rate:	0.62	Total % R:	80%																					
Current Sales Rate:	1.19	Unsold RU:	10																					
			Averages:	**2,484**					**$670,240**	**$271**	**$0**	**$0**	**$31,450**	**$638,790**	**$259**	**$0**	**$0**	**$638,790**	**$259**	**$97**	**1.06%**	**0.64%**	**$4,066**	**$157,388**
Primary Market Area																								
The Bungalows			**Risewell Homes**	2,008	3/Lo	2.5	1	2	$695,500	$346	$0	$0	$30,000	$665,500	$331	$0	$0	$665,500	$331	$89	1.06%	0.51%	$4,152	$160,711
Natomas			**Natomas Landing**	2,925	4/F/L	3	2	3	$762,515	$261	$0	$0	$30,000	$732,515	$250	$0	$0	$732,515	$250	$89	1.06%	0.51%	$4,561	$176,548
Product Type:	Detached	Total Units:	104	3,215	5/L/Su	3.5	2	3	$734,000	$228	$0	$0	$30,000	$704,000	$219	$0	$0	$704,000	$219	$89	1.06%	0.51%	$4,387	$169,809
Configuration:	Traditional	Units Offered:	7																					
Lot Dimensions:	55 x 100	Units Sold:	1																					
Lot Size/Density:	5,500	Current Sales:	1																					
Open Date:	Jan-26	Total RU:	103																					
Overall Sales Rate:	0.26	Total % R:	99%																					
Current Sales Rate:	0.26	Unsold RU:	6																					
			Averages:	**2,716**					**$730,672**	**$278**	**$0**	**$0**	**$30,000**	**$700,672**	**$267**	**$0**	**$0**	**$700,672**	**$267**	**$89**	**1.06%**	**0.51%**	**$4,366**	**$169,023**
Primary Market Area																								
The Chateaus			**Risewell Homes**	2,458	4/L	3	2	2	$644,000	$262	$0	$0	$30,000	$614,000	$250	$0	$0	$614,000	$250	$89	1.06%	0.51%	$3,837	$148,541
Natomas			**Natomas Landing**	2,549	4/L	3	2	2	$659,000	$259	$0	$0	$30,000	$629,000	$247	$0	$0	$629,000	$247	$89	1.06%	0.51%	$3,929	$152,086
Product Type:	Detached	Total Units:	171	2,664	4/L	3	2	2	$674,000	$253	$0	$0	$30,000	$644,000	$242	$0	$0	$644,000	$242	$89	1.06%	0.51%	$4,020	$155,630
Configuration:	Traditional	Units Offered:	8	2,785	5/L	3	2	2	$694,000	$249	$0	$0	$30,000	$664,000	$238	$0	$0	$664,000	$238	$89	1.06%	0.51%	$4,143	$160,357
Lot Dimensions:	50 x 100	Units Sold:	0																					
Lot Size/Density:	5,000	Current Sales:	0																					
Open Date:	Jan-26	Total RU:	171																					
Overall Sales Rate:	0.00	Total % R:	100%																					
Current Sales Rate:	0.00	Unsold RU:	8																					
			Averages:	**2,614**					**$667,750**	**$256**	**$0**	**$0**	**$30,000**	**$637,750**	**$244**	**$0**	**$0**	**$637,750**	**$244**	**$89**	**1.06%**	**0.51%**	**$3,982**	**$154,153**

Competitive Housing Analysis

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COMMUNITY DETAILS				PRODUCT SUMMARY					MARKET PRICING SUMMARY															
	Community		Builder	Home						Base	Current Incentives			Net	Net Base	Current Add-Ons			Total	Monthly Payment			80%	
	Location		Master Plan	Size					Base	Price/	Price	Options/	Closing $/	Base	Price/	Options/		Total	Price/	Monthly	Base	Add	6.00%	Req.
	Product Summary		Sales Summary	(SF)	Bed	Bath	Levels	Gar	Price	Sq. Ft.	Reduction	Upgrades	Other	Price	Sq. Ft.	Upgrades	Premiums	Price	Sq. Ft.	HOA	Tax	Tax	Mo. Pmt	Income
Primary Market Area	**The Cottages**		**Risewell Homes**	1,829	3	2.5	2	2	$576,525	$315	$0	$0	$30,000	$546,525	$299	$0	$0	$546,525	$299	$89	1.06%	0.51%	$3,425	$132,596
	Natomas		**Natomas Landing**	2,034	4	3	2	2	$622,165	$306	$0	$0	$30,000	$592,165	$291	$0	$0	$592,165	$291	$89	1.06%	0.51%	$3,704	$143,381
	Product Type:	Detached	Total Units: 68	2,141	3/F/L	2.5	2	2	$632,035	$295	$0	$0	$30,000	$602,035	$281	$0	$0	$602,035	$281	$89	1.06%	0.51%	$3,764	$145,714
	Configuration:	Small Lot	Units Offered: 9	2,304	4/L	3	2	2	$653,370	$284	$0	$0	$30,000	$623,370	$271	$0	$0	$623,370	$271	$89	1.06%	0.51%	$3,895	$150,755
	Lot Dimensions:	40 x 80	Units Sold: 2																					
	Lot Size/Density:	3,200	Current Sales: 0																					
	Open Date:	Aug-25	Total RU: 66																					
	Overall Sales Rate:	0.08	Total % R: 97%																					
	Current Sales Rate:	0.00	Unsold RU: 7																					
			Averages:	**2,077**					**$621,024**	**$300**	**$0**	**$0**	**$30,000**	**$591,024**	**$285**	**$0**	**$0**	**$591,024**	**$285**	**$89**	**1.06%**	**0.51%**	**$3,697**	**$143,111**
Primary Market Area	**Asheville**		**Meritage Homes**	2,020	4/L	3	2	2	$598,800	$296	$0	$0	$23,952	$574,848	$285	$0	$0	$574,848	$285	$89	1.06%	0.51%	$3,598	$139,289
	Natomas		**East Village**	2,168	4/L	3	2	2	$631,459	$291	$0	$0	$25,258	$606,201	$280	$0	$0	$606,201	$280	$89	1.06%	0.51%	$3,790	$146,698
	Product Type:	Detached	Total Units: 114	2,419	5/L	3	2	2	$663,600	$274	$0	$0	$26,544	$637,056	$263	$0	$0	$637,056	$263	$89	1.06%	0.51%	$3,978	$153,989
	Configuration:	Small Lot	Units Offered: 36																					
	Lot Dimensions:	40 x 90	Units Sold: 23																					
	Lot Size/Density:	3,600	Current Sales: 2																					
	Open Date:	Jun-25	Total RU: 91																					
	Overall Sales Rate:	0.66	Total % R: 80%																					
	Current Sales Rate:	0.34	Unsold RU: 13																					
			Averages:	**2,202**					**$631,286**	**$287**	**$0**	**$0**	**$25,251**	**$606,035**	**$276**	**$0**	**$0**	**$606,035**	**$276**	**$89**	**1.06%**	**0.51%**	**$3,789**	**$146,659**
Primary Market Area	**Bridgeport**		**Meritage Homes**	2,310	4/L	3	2	2	$619,700	$268	$0	$0	$24,788	$594,912	$258	$0	$0	$594,912	$258	$89	1.06%	0.51%	$3,721	$144,030
	Natomas		**East Village**	2,534	4/L	3	2	2	$643,800	$254	$0	$0	$25,752	$618,048	$244	$0	$0	$618,048	$244	$89	1.06%	0.51%	$3,862	$149,498
	Product Type:	Detached	Total Units: 138	2,765	4/L	3	2	2	$700,700	$253	$0	$0	$28,028	$672,672	$243	$0	$0	$672,672	$243	$89	1.06%	0.51%	$4,195	$162,406
	Configuration:	Traditional	Units Offered: 27																					
	Lot Dimensions:	50 x 90	Units Sold: 13																					
	Lot Size/Density:	4,500	Current Sales: 2																					
	Open Date:	Jun-25	Total RU: 125																					
	Overall Sales Rate:	0.37	Total % R: 91%																					
	Current Sales Rate:	0.34	Unsold RU: 14																					
			Averages:	**2,536**					**$654,733**	**$259**	**$0**	**$0**	**$26,189**	**$628,544**	**$248**	**$0**	**$0**	**$628,544**	**$248**	**$89**	**1.06%**	**0.51%**	**$3,926**	**$151,978**
Primary Market Area	**Durham**		**Meritage Homes**	2,098	4	2	1	2	$652,500	$311	$0	$0	$26,140	$626,360	$299	$0	$0	$626,360	$299	$89	1.06%	0.51%	$3,913	$151,462
	Natomas		**East Village**	2,831	4/F/L	3	2	2	$767,200	$271	$0	$0	$30,688	$736,512	$260	$0	$0	$736,512	$260	$89	1.06%	0.51%	$4,585	$177,492
	Product Type:	Detached	Total Units: 76	3,247	5/F/L	3.5	2	3	$797,605	$246	$0	$0	$31,904	$765,701	$236	$0	$0	$765,701	$236	$89	1.06%	0.51%	$4,763	$184,390
	Configuration:	Traditional	Units Offered: 17																					
	Lot Dimensions:	55 x 100	Units Sold: 9																					
	Lot Size/Density:	5,500	Current Sales: 1																					
	Open Date:	Jun-25	Total RU: 67																					
	Overall Sales Rate:	0.26	Total % R: 88%																					
	Current Sales Rate:	0.17	Unsold RU: 8																					
			Averages:	**2,725**					**$739,102**	**$276**	**$0**	**$0**	**$29,577**	**$709,524**	**$265**	**$0**	**$0**	**$709,524**	**$265**	**$89**	**1.06%**	**0.51%**	**$4,420**	**$171,115**
Primary Market Area	**Northpointe Reserve**		**Next Generation Capital**	1,409	3	2.5	2	2	$499,900	$355	$0	$0	$20,000	$479,900	$341	$0	$0	$479,900	$341	$135	1.06%	0.56%	$3,085	$119,406
	Natomas		**Natomas Park**	1,414	3	2.5	2	2	$459,900	$325	$0	$0	$20,000	$439,900	$311	$0	$0	$439,900	$311	$135	1.06%	0.56%	$2,839	$109,889
	Product Type:	Detached	Total Units: 48	1,427	3	2.5	2	2	$524,900	$368	$0	$0	$20,000	$504,900	$354	$0	$0	$504,900	$354	$135	1.06%	0.56%	$3,238	$125,354
	Configuration:	Small Lot	Units Offered: 27																					
	Lot Dimensions:	23 x 63	Units Sold: 20																					
	Lot Size/Density:	1,449	Current Sales: 0																					
	Open Date:	Mar-24	Total RU: 28																					
	Overall Sales Rate:	0.20	Total % R: 58%																					
	Current Sales Rate:	0.00	Unsold RU: 7																					
			Averages:	**1,417**					**$494,900**	**$349**	**$0**	**$0**	**$20,000**	**$474,900**	**$335**	**$0**	**$0**	**$474,900**	**$335**	**$135**	**1.06%**	**0.56%**	**$3,054**	**$118,217**

Competitive Housing Analysis

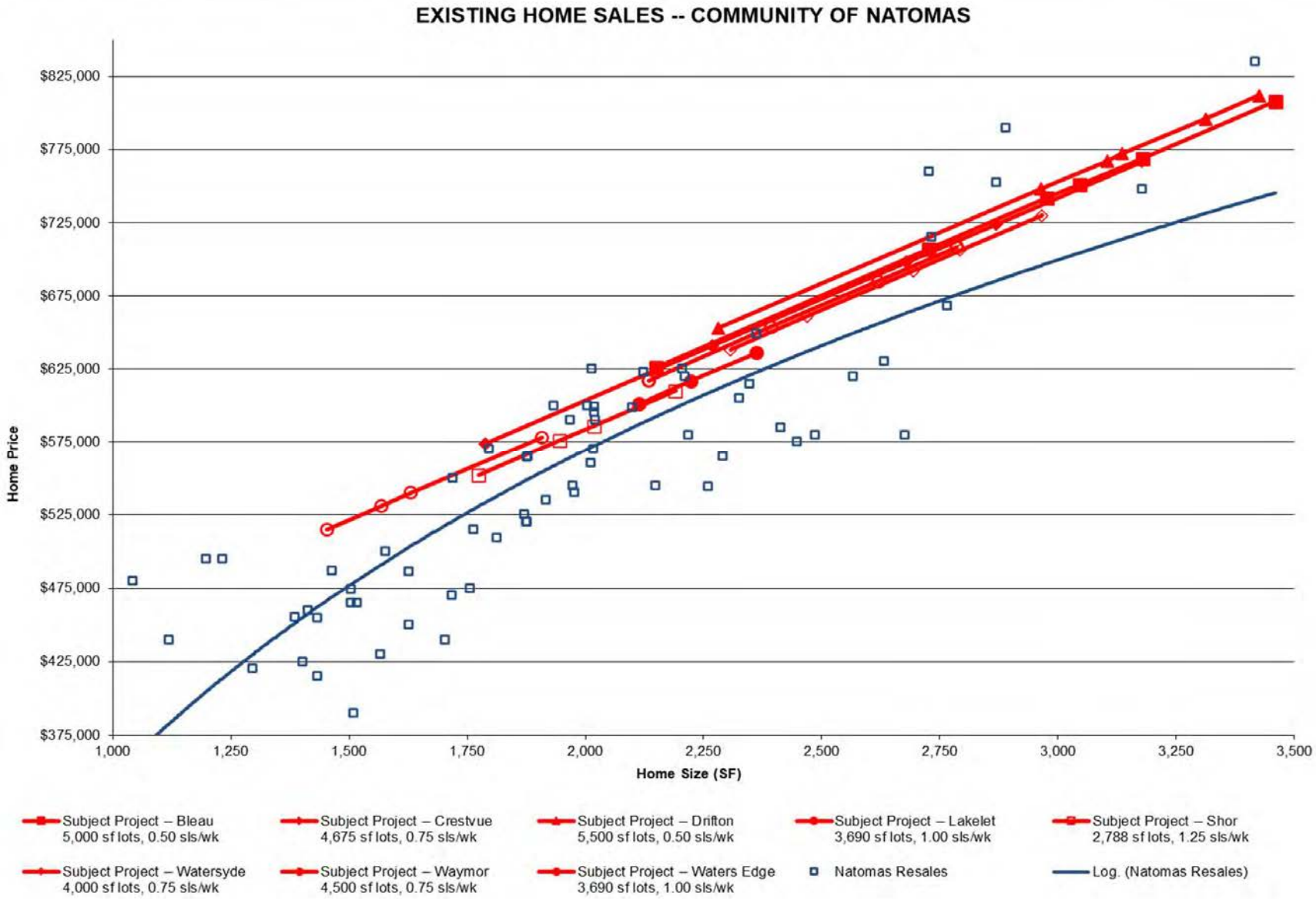
Competitive Projects

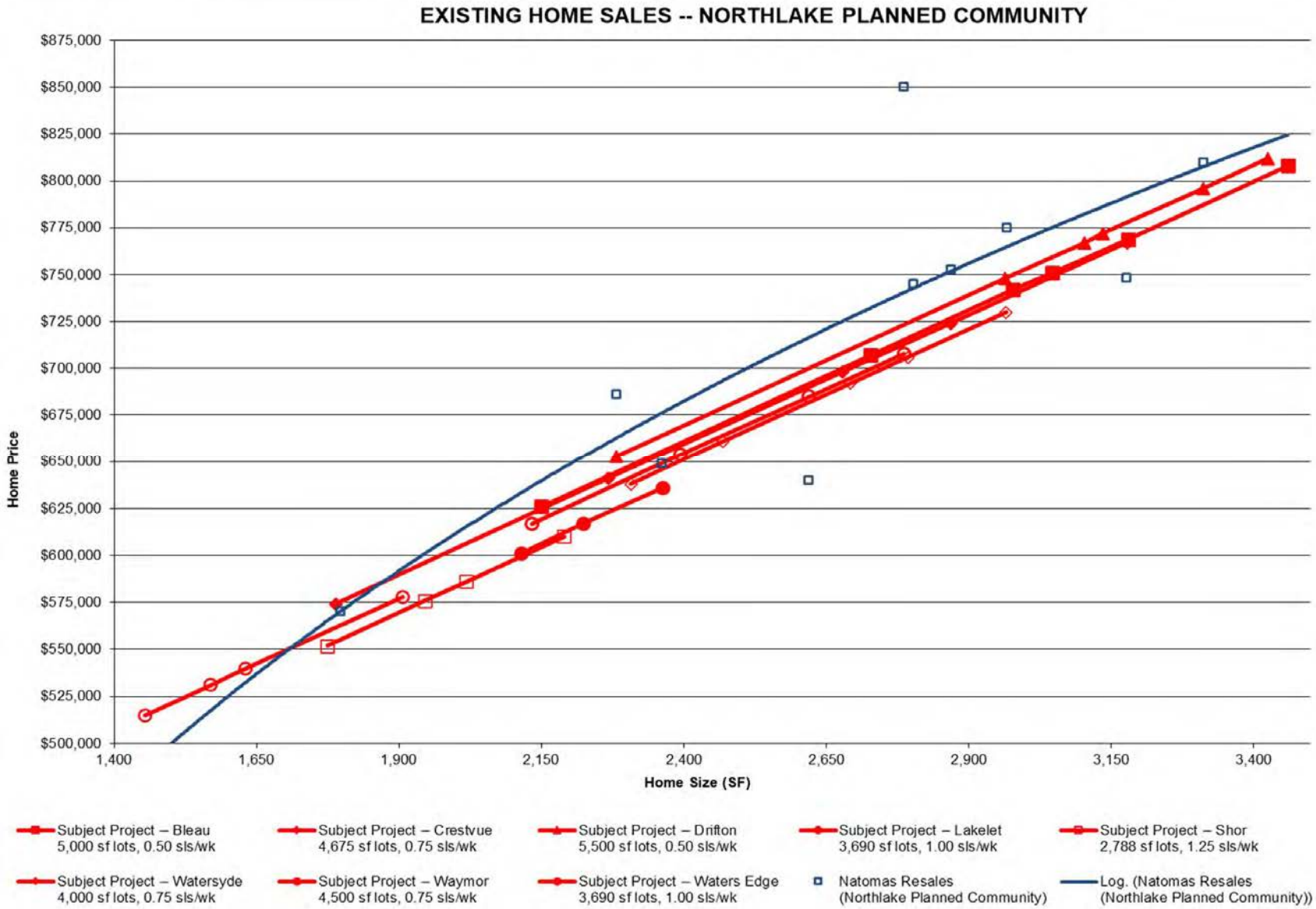
The Gregory Group

COMMUNITY DETAILS				PRODUCT SUMMARY					MARKET PRICING SUMMARY															
	Community		Builder	Home						Base	Current Incentives			Net	Net Base	Current Add-Ons			Total	Monthly Payment			80%	
	Location		Master Plan	Size					Base	Price/	Price	Options/	Closing $/	Base	Price/	Options/		Total	Price/	Monthly	Base	Add	6.00%	Req.
	Product Summary		Sales Summary	(SF)	Bed	Bath	Levels	Gar	Price	Sq. Ft.	Reduction	Upgrades	Other	Price	Sq. Ft.	Upgrades	Premiums	Price	Sq. Ft.	HOA	Tax	Tax	Mo. Pmt	Income
Primary Market Area	**Terrace Park**		**Tri Pointe Homes**	1,815	3	2.5	2	2	$531,762	$293	$0	$0	$25,000	$506,762	$279	$0	$0	$506,762	$279	$0	1.06%	0.60%	$3,132	$121,225
	Natomas		**Natomas Creek**	1,917	3/L	2.5	2	2	$548,441	$286	$0	$0	$25,000	$523,441	$273	$0	$0	$523,441	$273	$0	1.06%	0.60%	$3,235	$125,215
	Product Type:	Detached	Total Units: 79	2,011	4	2.5	2	2	$560,441	$279	$0	$0	$25,000	$535,441	$266	$0	$0	$535,441	$266	$0	1.06%	0.60%	$3,309	$128,086
	Configuration:	Small Lot	Units Offered: 42																					
	Lot Dimensions:	36 x 80	Units Sold: 35																					
	Lot Size/Density:	2,888	Current Sales: 6																					
	Open Date:	Nov-24	Total RU: 44																					
	Overall Sales Rate:	0.52	Total % R: 56%																					
	Current Sales Rate:	1.02	Unsold RU: 7																					
			Averages:	**1,914**					**$546,881**	**$286**	**$0**	**$0**	**$25,000**	**$521,881**	**$273**	**$0**	**$0**	**$521,881**	**$273**	**$0**	**1.06%**	**0.60%**	**$3,225**	**$124,842**

Competitive Housing Analysis

Existing-Home Graph – Natomas Market Area




EXISTING HOME SALES -- NORTHLAKE PLANNED COMMUNITY
Home Price
$875,000
$850,000
$825,000
$800,000
$775,000
$750,000
$725,000
$700,000
$675,000
$650,000
$625,000
$600,000
$575,000
$550,000
$525,000
$500,000
1,400
1,650
1,900
2,150
2,400
2,650
2,900
3,150
3,400
Home Size (SF)
Subject Project – Bleau 5,000 sf lots, 0.50 sls/wk
Subject Project – Crestvue 4,675 sf lots, 0.75 sls/wk
Subject Project – Drifton 5,500 sf lots, 0.50 sls/wk
Subject Project – Lakelet 3,690 sf lots, 1.00 sls/wk
Subject Project – Shor 2,788 sf lots, 1.25 sls/wk
Subject Project – Watersyde 4,000 sf lots, 0.75 sls/wk
Subject Project – Waymor 4,500 sf lots, 0.75 sls/wk
Subject Project – Waters Edge 3,690 sf lots, 1.00 sls/wk
Natomas Resales (Northlake Planned Community)
Log. (Natomas Resales (Northlake Planned Community))

Potential Future Supply

Potential Future Supply

Subject Market Area

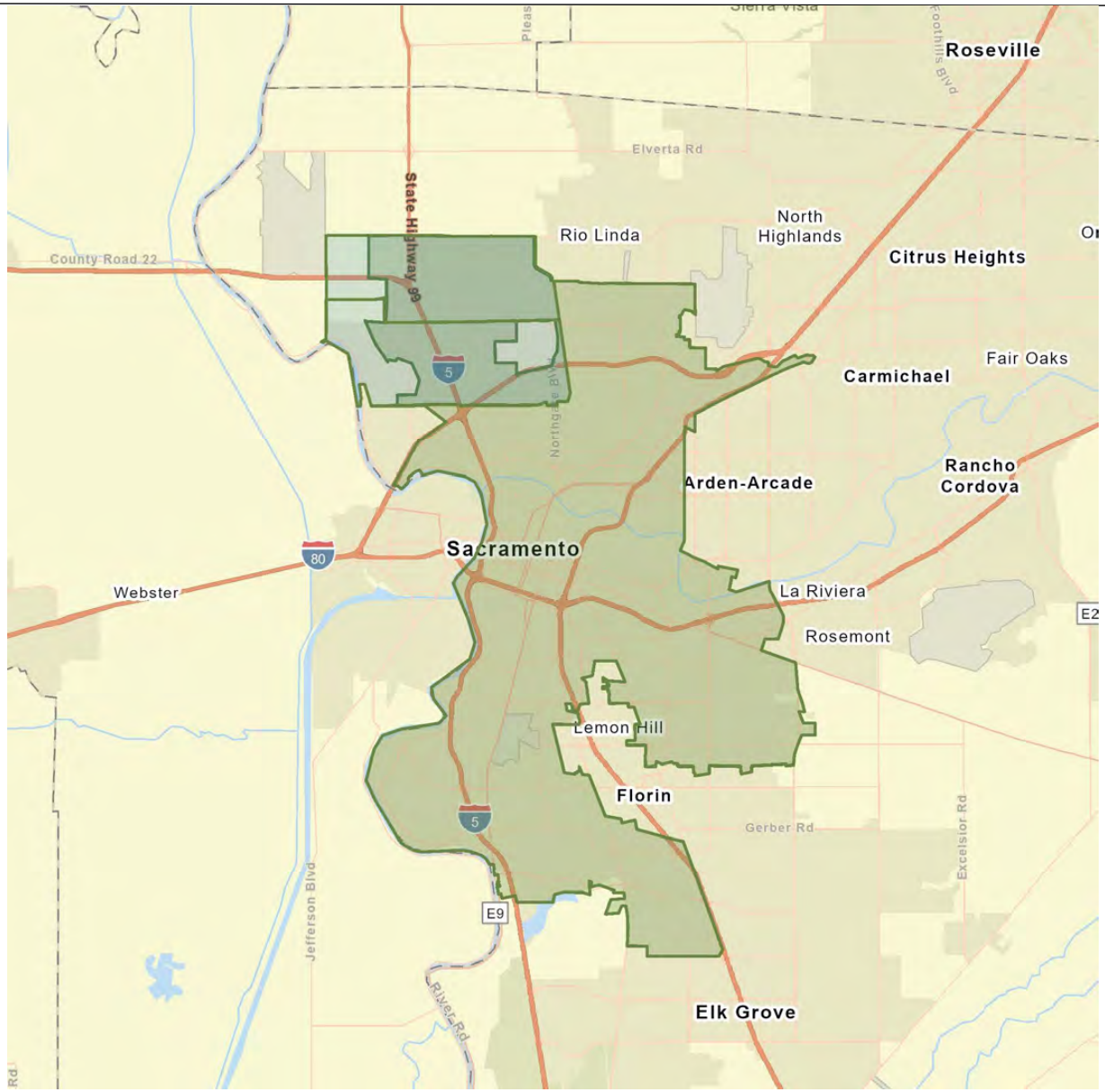
Within the greater subject market area, there are a total of 30,530 planned units on 10,078.7 acres (a density of 3.0 units per acre) and not including the subject project. A total of 29,330 of these units (96.1% of the total) are in four, not yet selling, major planned communities; Upper Westside, Sutter Pointe, Innovation District and Life District. Some of the surveyed communities may offer homes soon (two to five years), but most of these units will be many years (more than five years) before a first phase of development occurs.

Therefore, there are approximately only 1,200 units that could potentially offer future competition to the subject project (this includes additional planned units within the Panhandle—which is already selling homes in six separate subdivisions). While it is understood that a portion of these units may open for sale within the development time-frame of the subject project, it is not believed that they will provide significant competition to the subject project. It is always difficult to determine when these proposed projects will be delivering homes. It is known from experience that delays in approvals, permits, plan and infrastructure financing make predicting a start date impractical.

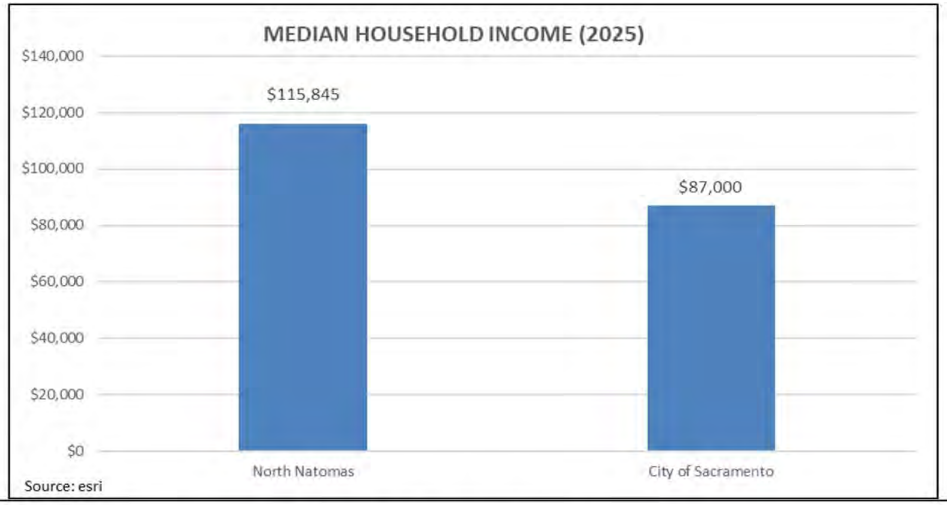
Project Name	Developer/Owner	Location	Number Of Units	Acres	Density	Comments
Upper Westside	Upper Westside LLC	Natomas	9,356	2,066.0	4.5	Project is in planning and has recently undergone a recirculated draft EIR; waiting Specific Plan Approval. Development is many years in the future. Project is located west of Interstate 80 at West El Camino Avenue.
Sutter Pointe	Various	Sutter County	17,500	7,528.2	2.3	Project has Specific Plan Approval. Development is several years in the future and will be over a 20 - 30 year build out. Infrastructure may begin in 2026. Project is located in southern Sutter County west of Placer County and north of the City of Sacramento and Sacramento County.
Panhandle	Various	Natomas	952	345.7	2.8	Project has Approval. 671 units (not a part of the 952 units) are currently being developed by Risewell Homes (343 units) and Meritage Homes (328 units). Project is located north of Del Paso Road and west of Sorento Road.
Valley View	Avdis Property	Natomas	248	41.4	6.0	Project is in the planning stages and is located east of the Panhandle project.
Innovation District	Sacramento Kings Ownership Group	Natomas	1,228	25.2	48.7	Project is in the planning stages and also includes 35,000 square feet of retail and 180,000 square feet of office space.
The Life District	Sacramento Kings Ownership Group	Natomas	1,246	72.2	17.3	Project is in the planning stages and also includes 15,000 square feet of retail, 120,000 square feet of office space and 120,000 square feet of hotel/commercial space.
		Averages/Totals:	**30,530**	**10,078.7**	**3.0**	

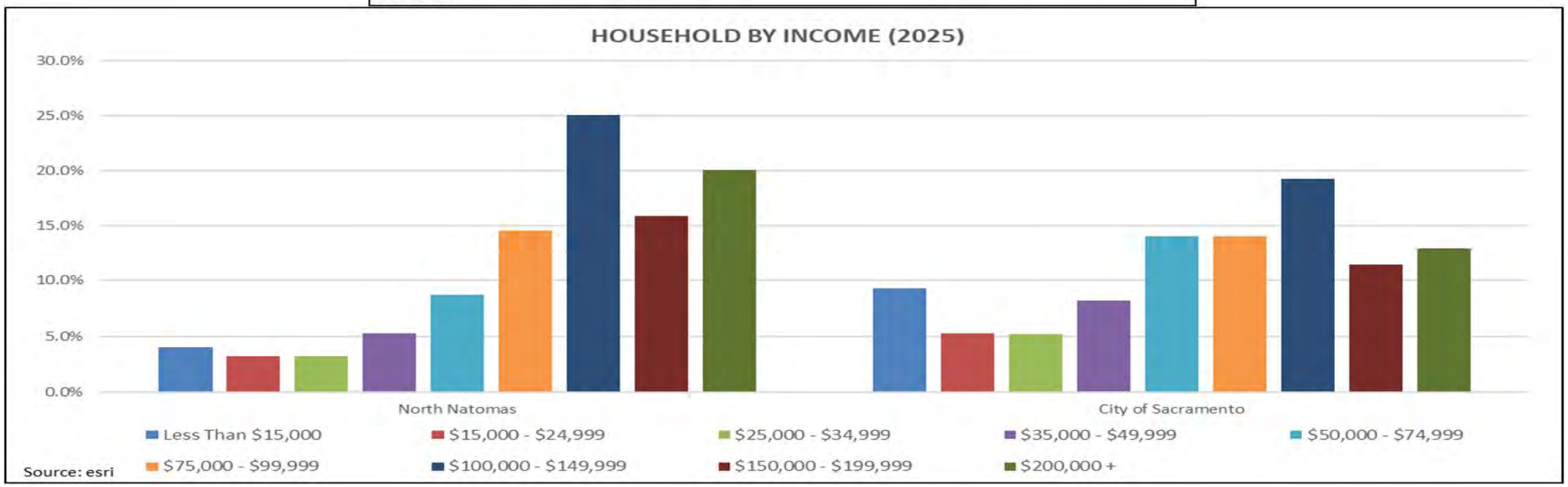
Economics and Demographics

Subject Market Area

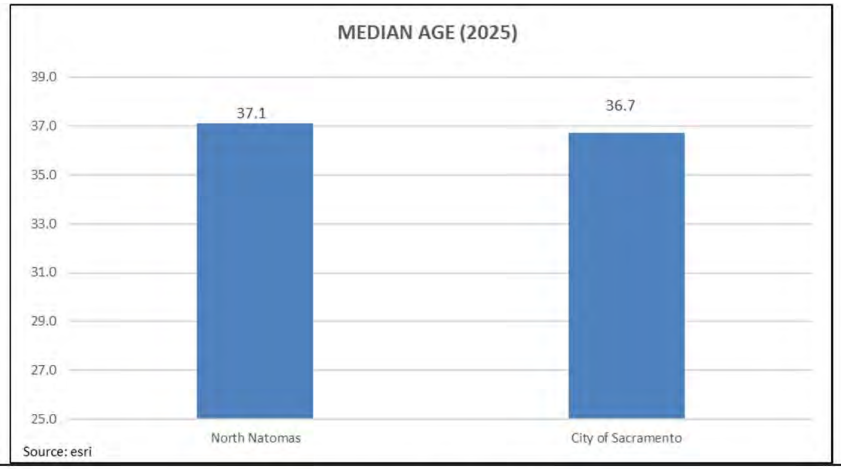

Roseville
Elverta Rd
State Highway 99
Rio Linda
North Highlands
Citrus Heights
County Road 22
Fair Oaks
Carmichael
Arden-Arcade
Rancho Cordova
Sacramento
Webster
La Riviera
Rosemont
Lemon Hill
Florin
Gerber Rd
Jefferson Blvd
Excelsior Rd
Elk Grove
River Rd
5
80
E9

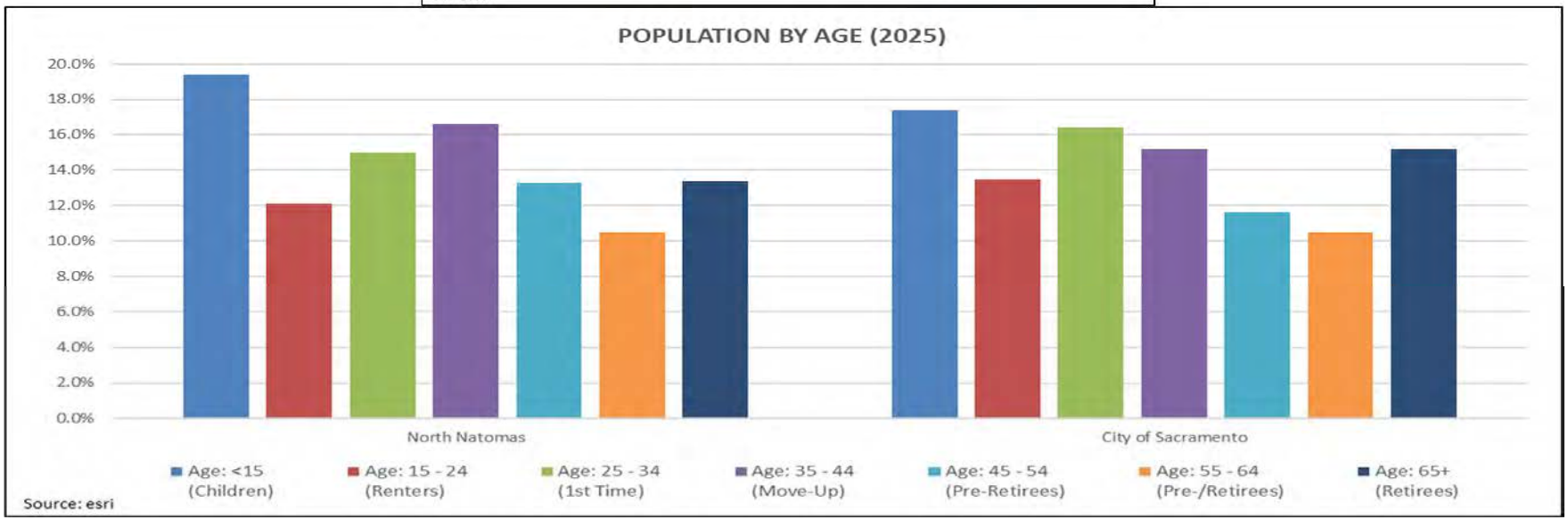
An analysis of economic and demographic variables can help to illuminate the specific dynamics of the subject project. The median household income is greater in North Natomas than in the City of Sacramento. In fact, North Natomas has a median income that is 33% greater than the City of Sacramento: a result of older housing and lower income residents in the city and newer housing with higher income households in North Natomas. The greatest distribution for North Natomas is $100,000 to $149,999 and the two categories that are greater than $150,000, but the City of Sacramento has a greater percentage distribution in the three categories between $50,000 to $149,999.





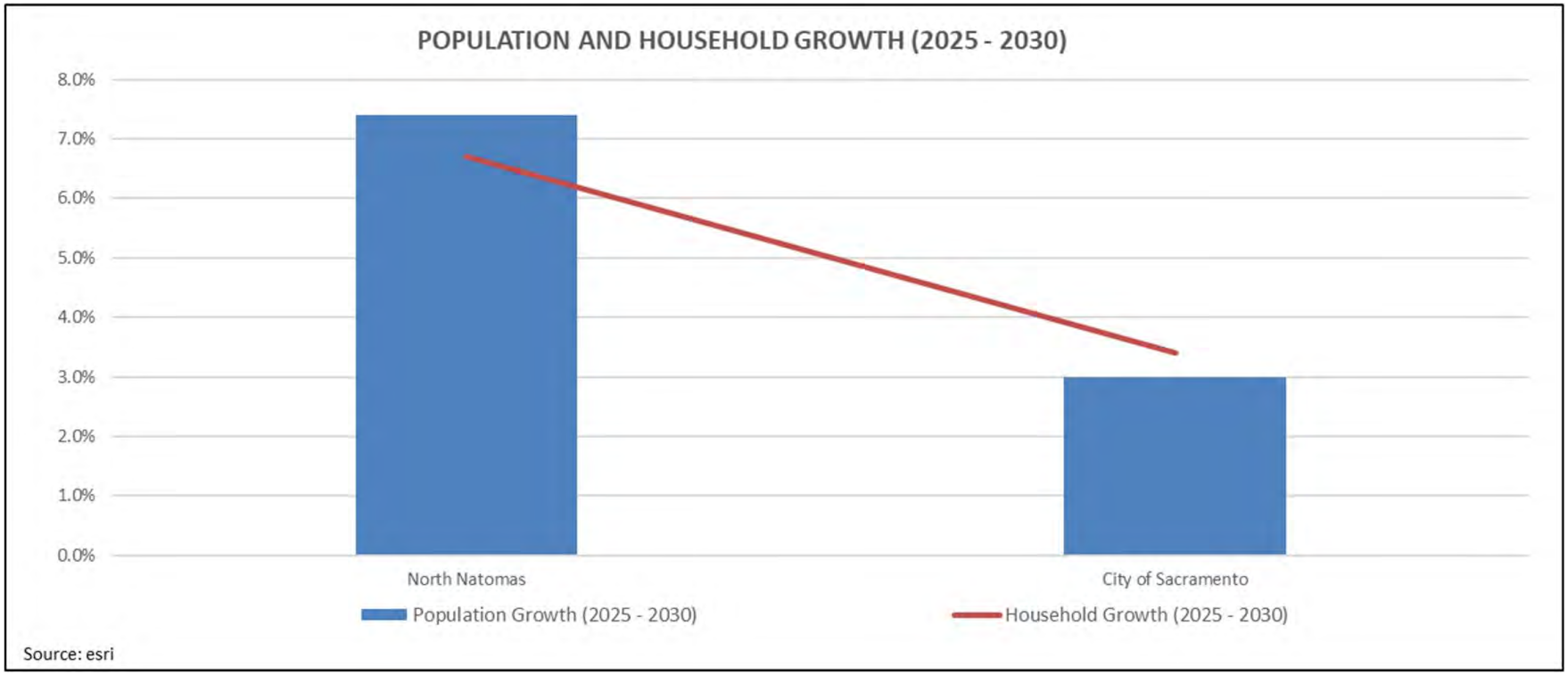
The median age within North Natomas (37.1-years) is higher than the City of Sacramento (36.7-years), although by an insignificant amount. When considering population by age, North Natomas includes a large percentage of children under 15 years of age (nearly 20%--due to the suburban, family areas) and higher percentages of 25- to 34-year-olds and 35- to 44-year-olds (both above 14%). While the City of Sacramento includes a larger percentage of children under 15 years of age (just below 18%), there are higher numbers of young adults aged between 25 and 34 years and older adults aged at 65 years and older (long-time residents of the city).





Population and Household Growth – Subject Market Area

A review of population and household growth reveals much higher estimated growth in North Natomas (at 7.4% and 6.7% respectively) than in the City of Sacramento (at 3.0% and 3.4%). It is believed that the strong growth associated with North Natomas is due to the maturing of the area, the desirability of the community and the emphasis on housing and infrastructure development along with plans for substantial future development.



Source: esri

ECONOMIC AND DEMOGRAPHIC INFORMATION -- NORTH NATOMAS				
	2025 Estimate		2030 Projection	
Category	Number	Percent	Number	Percent
Population				
Population	76,829	--	82,481	--
Growth 2025 - 2030	--	--	--	7.4%
Population by Age				
Age 0 - 4	4,743	6.2%	4,867	5.9%
Age 5 - 9	5,134	6.7%	5,054	6.1%
Age 10 - 14	4,961	6.5%	5,350	6.5%
Age 15 - 19	4,818	6.3%	4,585	5.6%
Age 20 - 24	4,449	5.8%	4,907	6.0%
Age 25 - 34	11,514	15.0%	12,337	15.0%
Age 35 - 44	12,736	16.6%	13,077	15.9%
Age 45 - 54	10,214	13.3%	11,346	13.8%
Age 55 - 64	8,058	10.5%	8,998	11.0%
Age 65 - 74	6,029	7.9%	6,646	8.0%
Age 75 - 84	3,357	4.4%	4,182	5.0%
Age 85 and over	816	1.1%	1,132	1.4%
24 and Under	24,105	31.5%	24,763	30.1%
Age 45 - 64	18,272	23.8%	20,344	24.8%
65 and over	10,202	13.4%	11,960	14.4%
Median Age	37.1	--	38.2	--
Households				
Households	26,776	--	28,571	--
Growth 2025 - 2030	--	--	--	6.7%
Average Household Size	2.87	--	2.89	--
Household Income				
Less Than $15,000	1,063	4.0%	1,004	4.2%
$15,000 - $24,999	851	3.2%	716	3.2%
$25,000 - $34,999	845	3.2%	711	3.3%
$35,000 - $49,999	1,410	5.3%	1,246	4.4%
$50,000 - $74,999	2,329	8.7%	2,197	9.3%
$75,000 - $99,999	3,916	14.6%	3,767	12.4%
$100,000 - $149,999	6,733	25.1%	6,969	28.4%
$150,000 - $199,999	4,263	15.9%	4,860	16.0%
$200,000 and Greater	5,367	20.1%	7,100	18.8%
Median Household Income	$115,845	--	$127,126	--
Average Household Income	$146,280	--	$162,321	--
Housing Units		--		--
Owner Occupied	16,295	60.9%	17,039	59.6%
Renter Occupied	10,481	39.1%	11,532	40.4%

Source: esri

ECONOMIC AND DEMOGRAPHIC INFORMATION -- CITY OF SACRAMENTO				
	2025 Estimate		2030 Projection	
Category	Number	Percent	Number	Percent
Population				
Population	539,961	--	556,386	--
Growth 2025 - 2030	--	--	--	3.0%
Population by Age				
Age 0 - 4	30,713	5.7%	30,941	6.6%
Age 5 - 9	31,512	5.8%	30,193	6.4%
Age 10 - 14	31,912	5.9%	31,303	6.5%
Age 15 - 19	33,493	6.2%	31,832	6.2%
Age 20 - 24	39,306	7.3%	41,866	7.3%
Age 25 - 34	88,413	16.4%	87,499	16.0%
Age 35 - 44	82,227	15.2%	84,739	14.5%
Age 45 - 54	62,467	11.6%	68,749	11.1%
Age 55 - 64	56,830	10.5%	56,244	9.7%
Age 65 - 74	48,464	8.9%	49,704	8.8%
Age 75 - 84	25,787	4.7%	32,446	5.1%
Age 85 and over	8,837	1.6%	10,870	1.9%
24 and Under	166,936	30.9%	166,135	33.0%
Age 45 - 64	119,297	22.1%	124,993	20.8%
65 and over	83,088	15.2%	93,020	15.8%
Median Age	36.7	--	37.8	--
Households				
Households	198,379	--	205,063	--
Growth 2025 - 2030	--	--	--	3.4%
Average Household Size	2.64	--	2.63	--
Household Income				
Less Than $15,000	18,423	9.3%	17,347	8.4%
$15,000 - $24,999	10,579	5.3%	8,992	4.3%
$25,000 - $34,999	10,467	5.2%	9,256	4.6%
$35,000 - $49,999	16,396	8.2%	14,860	7.2%
$50,000 - $74,999	27,948	14.1%	26,750	13.0%
$75,000 - $99,999	27,922	14.1%	28,326	13.8%
$100,000 - $149,999	38,365	19.3%	41,150	20.1%
$150,000 - $199,999	22,543	11.4%	26,204	12.8%
$200,000 and Greater	25,736	13.0%	32,178	15.8%
Median Household Income	$87,000	--	$96,647	--
Average Household Income	$114,334	--	$125,030	--
Housing Units		--		--
Owner Occupied	98,013	49.4%	100,368	48.9%
Renter Occupied	100,366	50.6%	104,695	51.1%
Source: esri				

Migration and Immigration

Migration and Immigration

Sacramento County Components of Change

An analysis of the components of change for Sacramento County reveals that the total population of Sacramento County (July 2025, California Department of Finance for the period between July 2024 and July 2025) increased by 11,803 people (up 0.74% year-over-year). The information is provided in two categories: natural increase and net migration. Natural increase consists of the difference between births and deaths, and net migration is the difference between migration and immigration. Net migration includes net immigration (people coming from or going to anywhere outside of the US) and net domestic migration (people coming from or going to anywhere in the US).

During the previous year, there were 17,730 births and 13,090 deaths resulting in a net natural increase of 4,640 people as there were more births than deaths. Likewise, for the past year, net immigration was positive at 9,913 people (more people came to Sacramento County from outside the US than left Sacramento County for somewhere outside the US) and net domestic migration was negative at 2,750 people (more people left Sacramento County to somewhere in the US than came to Sacramento County from somewhere else in the US). This results in a total net migration of 7,163 people meaning overall, more people came to the county than left the county.

In total, when combining natural increase (4,640 people) with net migration (7,163 people), the result is an increase in the overall population of 11,803 people. Unfortunately, what is unknown is who is leaving (i.e., renters vs owners, wealthy vs low income, families vs singles, older vs younger, etc.) and why they are leaving (i.e., social issues, crime, unaffordability, changes in work, etc.). However, the table and discussion on the following page provides some insight. Overall, as in much of California and a change since the early 2020s and the pandemic, people are beginning to re-enter the state in greater numbers than are leaving it.

SACRAMENTO COUNTY COMPONENTS OF CHANGE

Category	Number	Percent
Population		
Total Population July 1, 2025	1,616,991	--
Total Population Change: July 1, 2024 to July 1, 2025	11,803	0.74%
Components of Change		
Births	17,730	--
Deaths	13,090	--
Natural Increase	4,640	--
Immigration (Net)	9,913	--
Domestic Migration (Net)	-2,750	--
Migration (Net)	7,163	--
Total Population Change: July 1, 2024 to July 1, 2025	11,803	--

Source: California Department of Finance; Chart E-2; Components of Change 2024 - 2025

A report by the US Census Bureau details the migration to Sacramento County from other states and regions (from 2018 through 2022). The analysis reveals that during that time (which includes the pandemic years), 80,333 people migrated to Sacramento County from either other counties in California (other than Sacramento County), other US states or from abroad. Of the total number of people to the county, the vast majority (56,571 people 70.4% of the total) were from another county within California (all counties other than Sacramento County). The exact number of people from individual California counties is unknown. However, it can be surmised, based on the previous table (Census Flow Mapper) that a majority of the inflow to Sacramento County is from the northern California market area (primarily the Sacramento Region and the San Francisco Bay Area Region). This is followed by people coming from another state within the United States (14,151 people or 17.6% of the total) and another 12.0% (9,611 people) from abroad.

Interestingly, the top ten states/regions where people migrated to Sacramento County (excluding counties in California) accounted for 18.5% of the total and represented a diverse mix. For instance, the top two are from outside the US: Asia (4,739 people), and Europe (1,958 people). The next two were from the US: Oregon (1,332 people) and Texas (1,233 people), followed by Central America (1,010 people). The next five are all from the US: Washington (999 people), Nevada (966 people), Florida (927 people), New York (861 people) and Arizona (810 people). There does not appear to be a distinct pattern but an eclectic mix of people moving to Sacramento County from many parts of the US and the world.

SACRAMENTO COUNTY MIGRATION

Category	Number	Percent
To Sacramento County From:		
California (But Different County)	56,571	70.4%
Different State	14,151	17.6%
From Abroad	9,611	12.0%
Total Migration To Sacramento County	80,333	100.0%
Top Ten States/Regions to Sacramento County:		
Asia	4,739	5.9%
Europe	1,958	2.4%
Oregon	1,332	1.7%
Texas	1,233	1.5%
Central America	1,010	1.3%
Washington	999	1.2%
Nevada	966	1.2%
Florida	927	1.2%
New York	861	1.1%
Arizona	810	1.0%
Total	14,835	18.5%

Source: US Census Bureau 2018 - 2022

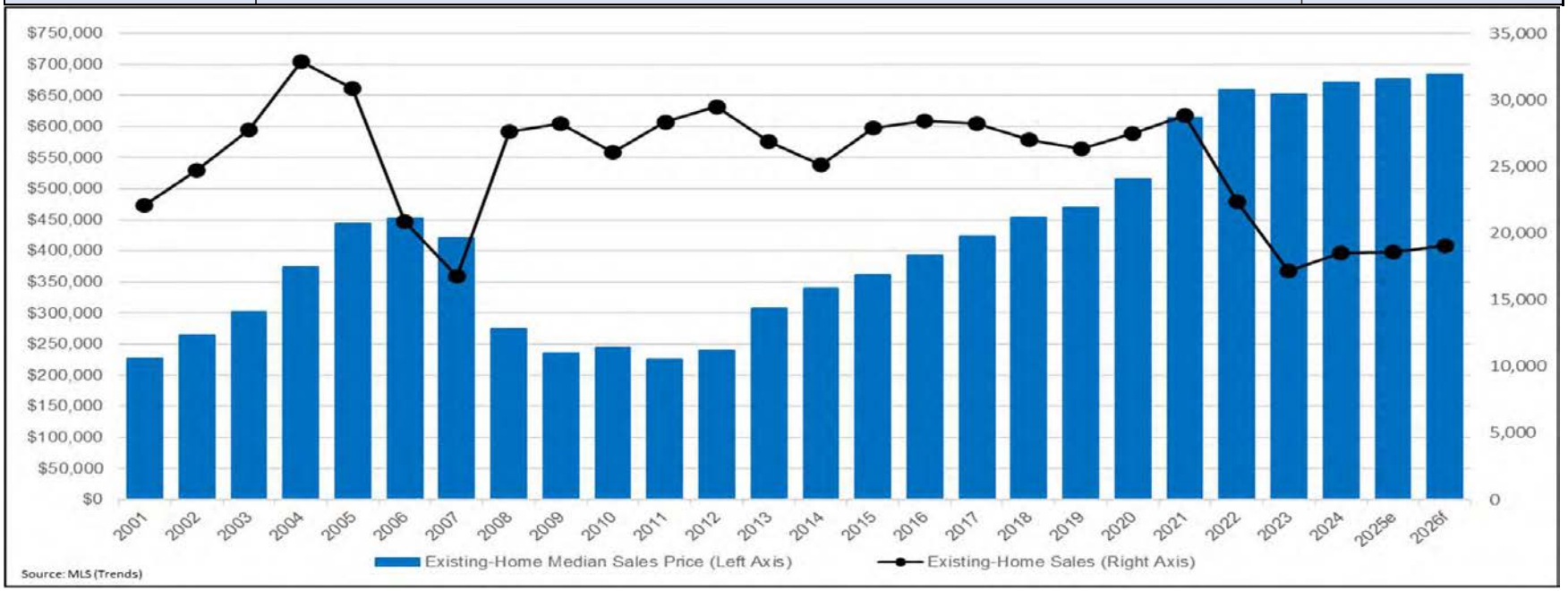
Existing Housing Market

Existing Housing Market

Existing Housing Sales and Pricing -- Annual

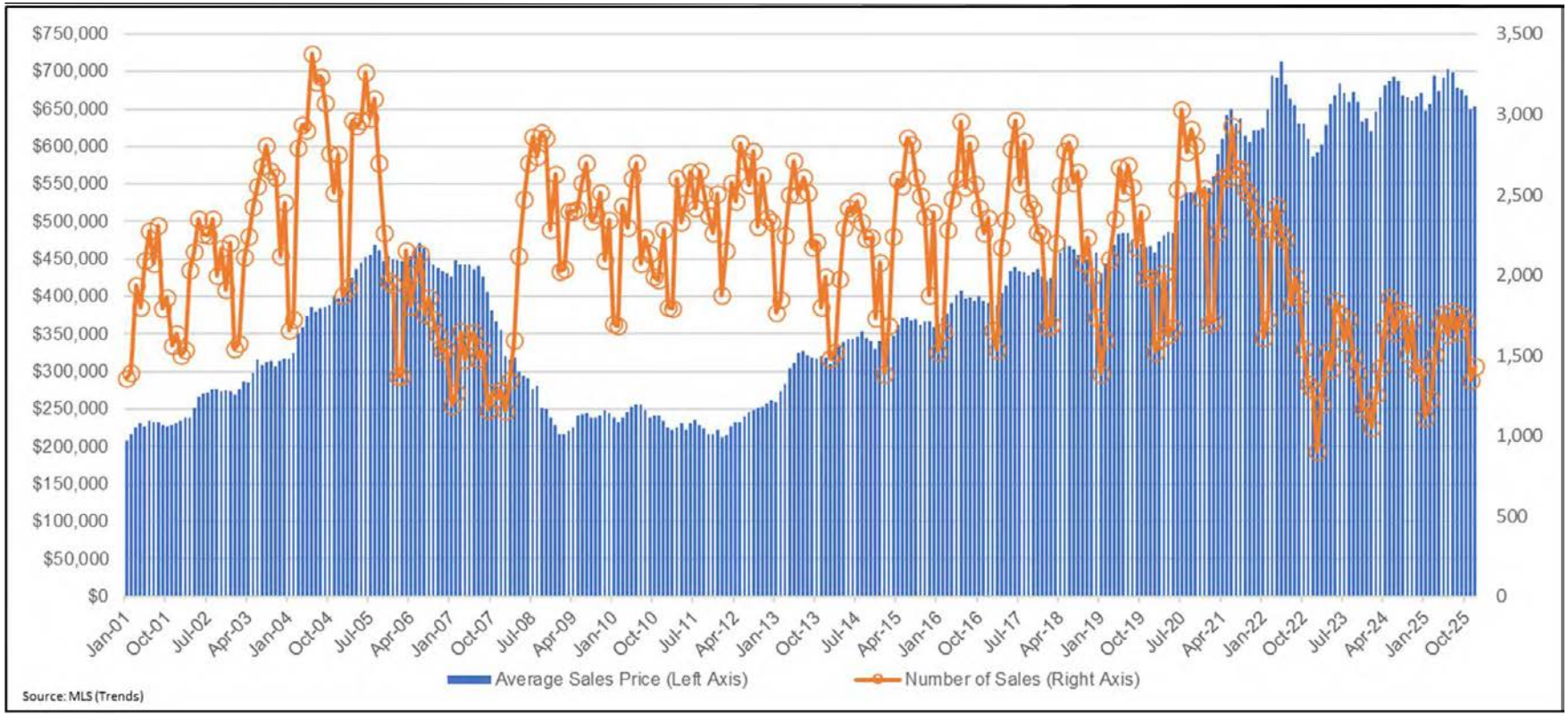
Existing home sales totaled an estimated 18,598 transactions in 2025, representing a slight 0.5% increase from the 18,514 sales recorded in 2024. By comparison, sales averaged 26,715 annually between 2017 and 2022 before declining to an average of 18,098 sales between 2023 and 2025, a decrease of approximately 32.2%. This decline is attributed to elevated mortgage rates, limited housing inventory, higher home prices, and broader economic uncertainty. Despite softer sales volume, existing home prices have continued to rise modestly, reaching an average of $676,211 in 2025, a 0.9% increase from 2024. Overall, home prices have increased approximately 43.9% between 2019 (pre-pandemic) and 2025. Looking ahead, existing home sales in 2026 are projected to increase modestly to approximately 19,062 units, reflecting a 2.5% gain, while average pricing is expected to rise 1.0% to approximately $682,979. Market conditions appear to be transitioning from a period of slower sales and strong price appreciation toward a more balanced environment characterized by increased inventory, improved sales activity, and moderate price growth. While higher interest rates remain a concern, many buyers who delayed purchasing decisions are becoming more willing to accept mortgage rates in the six-percent range for the right home.

Existing Housing Home Sales	Sacramento-Roseville-Arden-Arcade MSA								Two-Year Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026f
Existing-Home Sales	28,237	26,993	26,371	27,487	28,838	22,361	17,181	18,514	18,598	19,062
Annual Percent Change:	-0.7%	-4.4%	-2.3%	4.2%	4.9%	-22.5%	-23.2%	7.8%	0.5%	2.5%
Existing-Home Median Price	$423,670	$454,383	$469,993	$516,484	$614,899	$659,279	$651,665	$670,254	$676,211	$682,973
Annual Percent Change:	7.9%	7.2%	3.4%	9.9%	19.1%	7.2%	-1.2%	2.9%	0.9%	1.0%



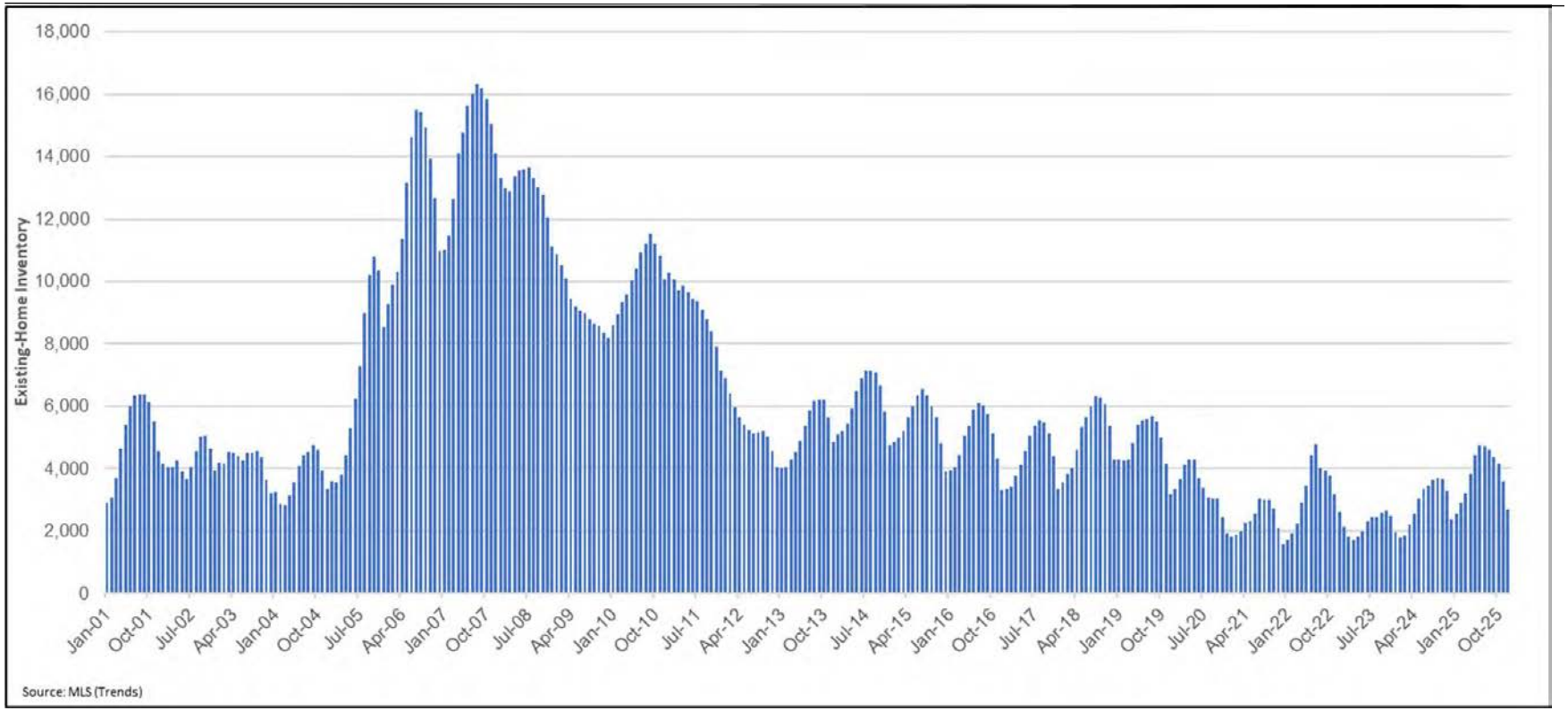
Existing Housing Market

Existing Housing Sales and Pricing -- Monthly



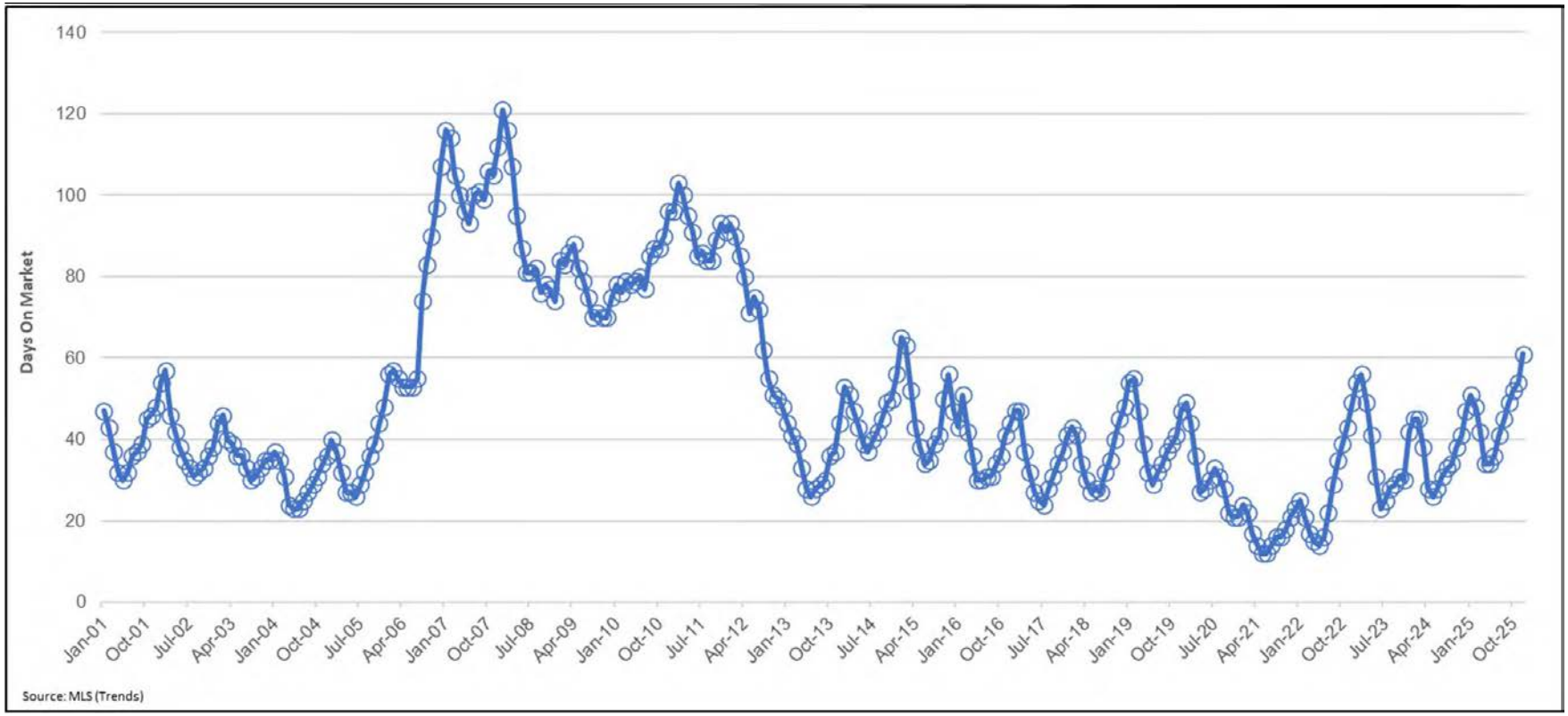
Existing Housing Market

Existing Housing Inventory -- Monthly



Existing Housing Market

Existing Housing Days on Market (DOM) -- Monthly



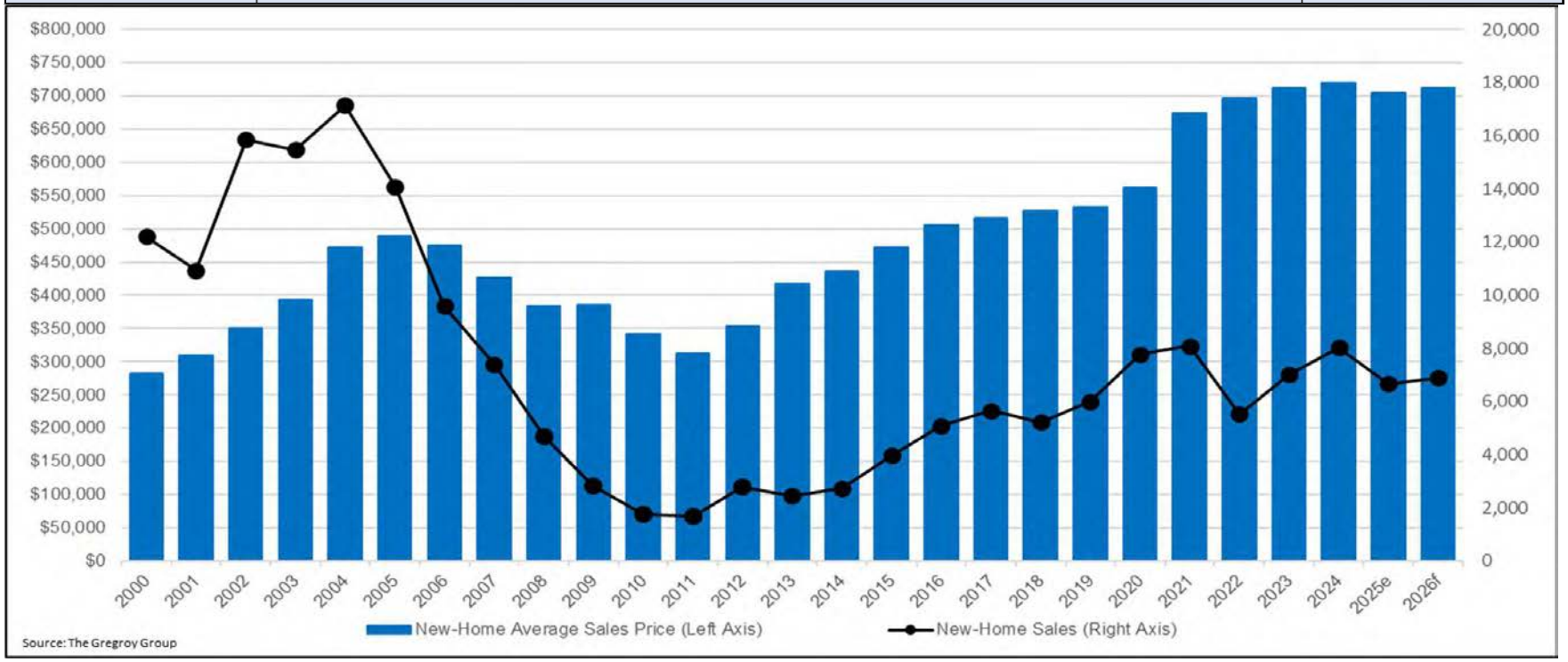
New Housing Market

New Housing Market

New Housing Sales and Pricing -- Annual

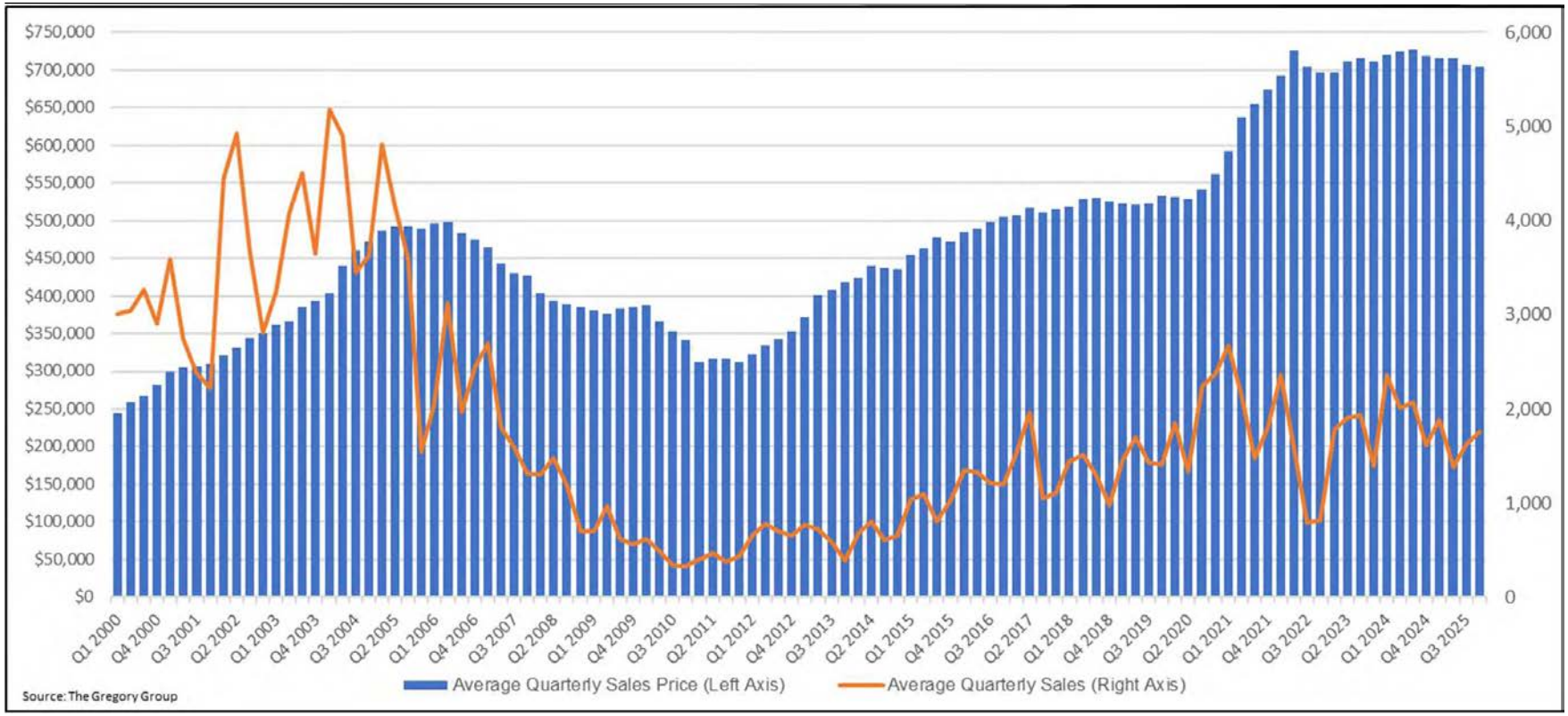
New-home sales declined 17.1% in 2025, totaling 6,665 transactions, but are projected to rebound by 3.5% in 2026 to approximately 6,898 sales. Between 2017 and 2024, new-home sales averaged 6,673 units annually, which is generally consistent with the current sales pace. New-home pricing declined modestly by 2.0% in 2025 to an average of $704,948 and is forecast to increase 1.0% in 2026 to approximately $711,997. Despite this recent softening, new-home prices have risen significantly, increasing approximately 32.3% between 2019 (pre-pandemic) and 2025. While elevated mortgage interest rates have been a primary driver of the recent slowdown, concerns regarding job stability and broader economic uncertainty have also influenced buyer activity. As market conditions stabilize, 2026 is expected to represent a transition toward a stronger and more active new-home market in the years ahead; however, the Iran war may have material impacts on the economy and housing market.

New Housing Home Sales	Sacramento-Roseville-Arden-Arcade MSA								Two-Year Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026f
New -Home Sales	5,663	5,234	5,996	7,790	8,099	5,538	7,019	8,044	6,665	6,898
Annual Percent Change:	11.3%	-7.6%	14.6%	29.9%	4.0%	-31.6%	26.7%	14.6%	-17.1%	3.5%
New -Home Average Price	$515,562	$526,456	$532,718	$562,166	$673,800	$696,922	$711,883	$719,065	$704,948	$711,997
Annual Percent Change:	1.9%	2.1%	1.2%	5.5%	19.9%	3.4%	2.1%	1.0%	-2.0%	1.0%



New Housing Market

New Housing Sales and Pricing -- Quarterly



New Housing Market

New Home Capture

Year	El Dorado County Sales	Placer County Sales	Sacramento County Sales	Sutter County Sales	Yolo County Sales	Yuba County Sales	Sacramento Region Sales
2004	1,055	3,309	9,385	624	1,391	1,391	17,155
2005	580	2,609	7,718	802	1,136	1,249	14,094
2006	366	2,600	4,731	445	915	550	9,607
2007	329	2,147	3,433	299	633	575	7,416
2008	114	1,317	2,538	68	480	178	4,695
2009	118	1,112	1,196	20	244	151	2,841
2010	35	863	739	24	88	27	1,776
2011	40	663	786	16	105	58	1,668
2012	136	1,087	1,259	10	226	64	2,782
2013	166	889	1,138	0	204	61	2,458
2014	183	1,048	1,258	8	169	73	2,739
2015	351	1,503	1,793	13	199	127	3,986
2016	559	1,643	2,327	27	409	122	5,087
2017	637	1,866	2,540	92	464	54	5,663
2018	328	1,676	2,674	109	278	169	5,234
2019	259	1,592	3,220	92	505	328	5,996
2020	417	2,300	3,885	94	670	424	7,790
2021	358	2,958	3,859	102	432	390	8,099
2022	228	2,170	2,557	53	166	364	5,538
2023	271	2,571	3,351	33	434	359	7,019
2024	268	2,268	4,441	82	518	467	8,044
2025	256	2,033	3,531	94	199	552	6,665
Averages (2004 - 2025):	**321**	**1,828**	**3,107**	**141**	**448**	**352**	**6,198**

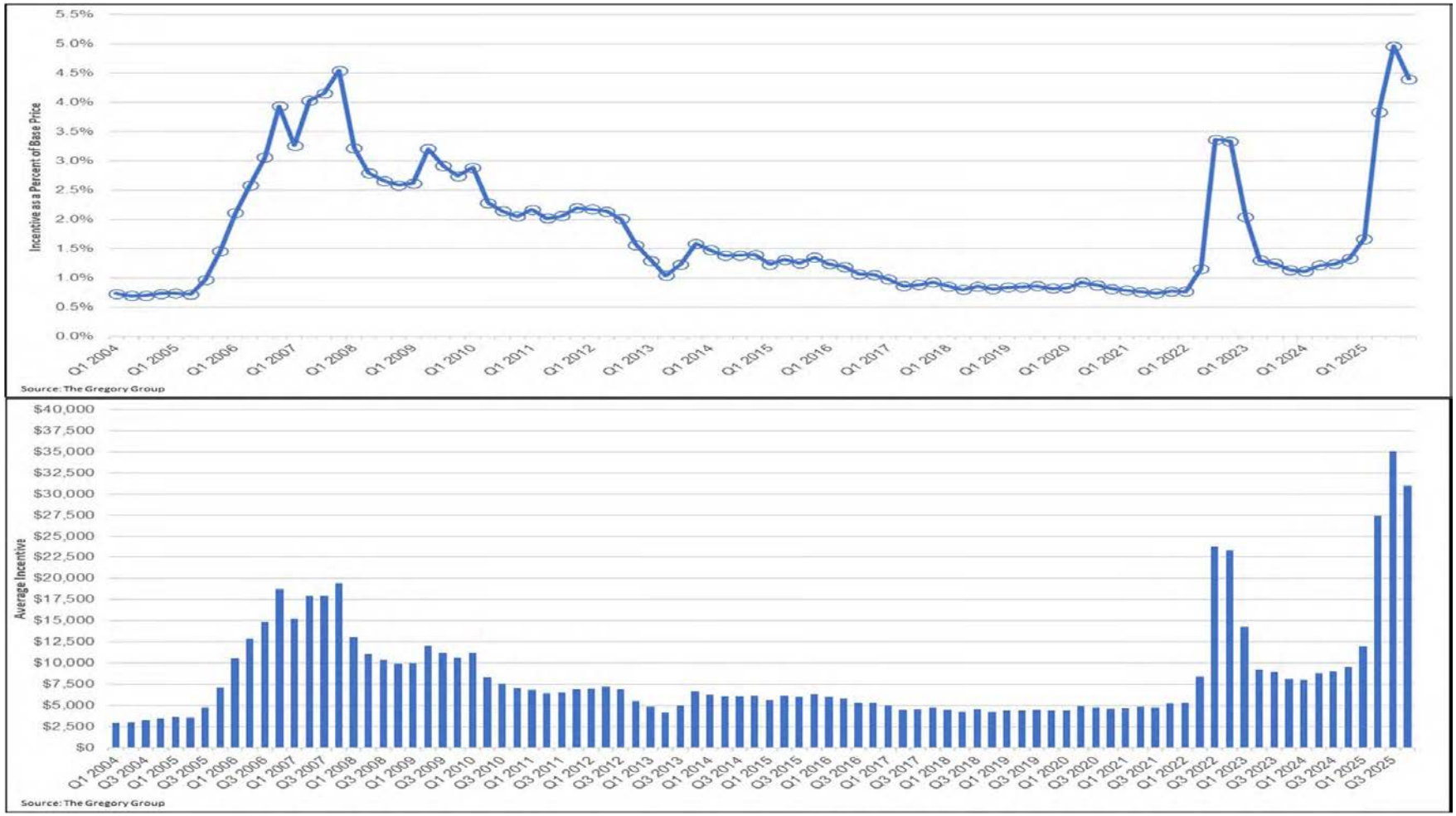
New Housing Pricing – New-Homes Versus Existing Homes

There have been several periods when the net effective price of a new home has fallen below that of an existing home. This occurred during the Great Recession, when builders rapidly reduced pricing, and again during the pandemic when both builders and homeowners competed aggressively to raise prices. More recently, during the second and third quarters of 2025, the net price of new homes (base price less incentives) once again dropped below existing home pricing. Builders have generally responded more quickly than homeowners in adjusting pricing and offering incentives. As a result, buyers are currently more likely to find competitive value in the new-home market compared to the resale market. This shift is also reflected in resale broker marketing, which increasingly directs prospective buyers toward new-home communities. This pricing dynamic is not expected to persist indefinitely. Existing home sellers will likely respond by reducing asking prices or removing homes from the market, with delisting already emerging as a notable trend in the resale market. Nevertheless, the current conditions signal a potential inflection point, suggesting that existing home pricing may soften in the future. In the interim, buyers who might typically focus on resale housing may find new homes to represent a compelling value opportunity.

New Housing Market

New Housing – Incentives as a Percent of Base Price

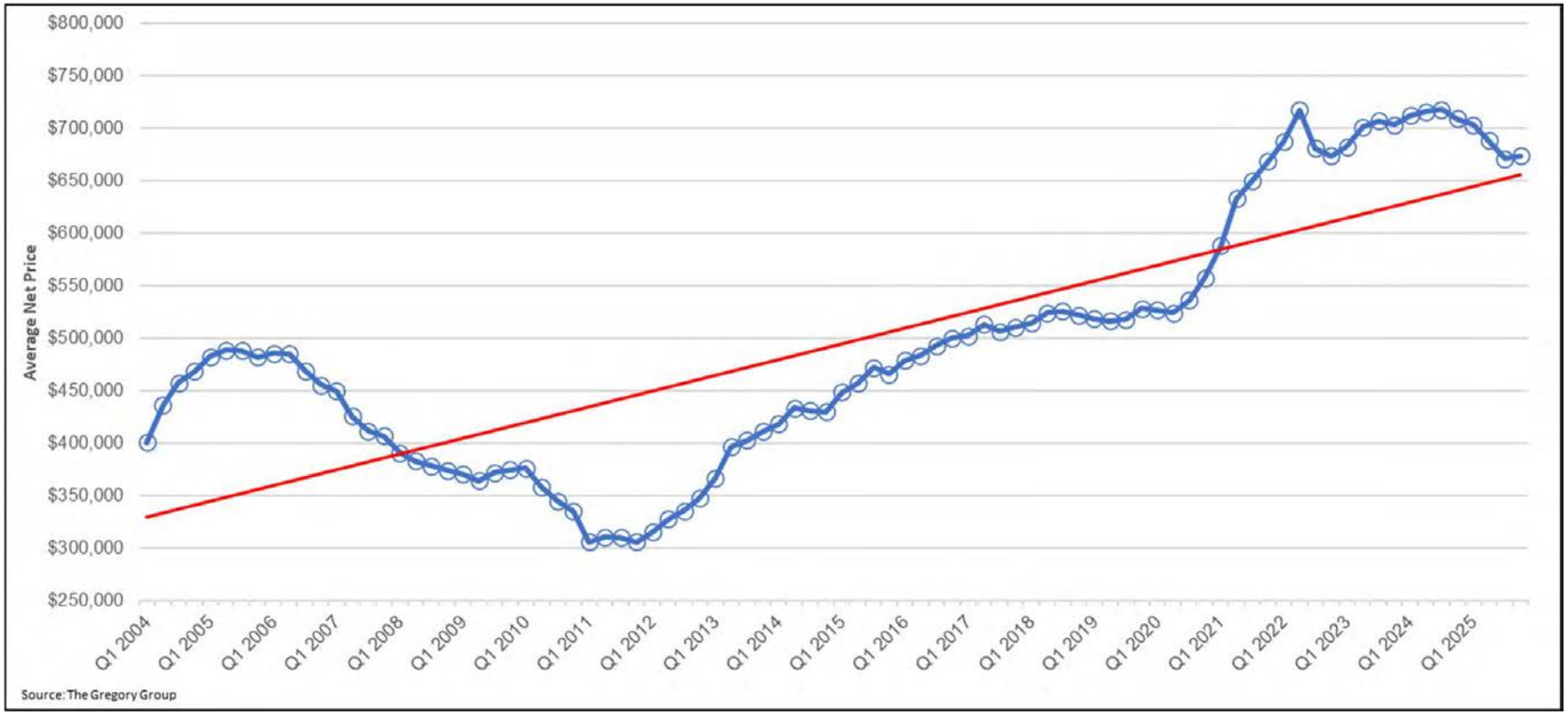
With increased use of incentives in the new-home market, the current average incentive equals approximately 4.4% of the average base price. Although this represents a slight decline from 5.0% in the previous quarter, it remains among the highest levels ever recorded and the most significant since late 2006 and 2007 during the Great Recession, when incentives averaged between 3.9% and 4.5%. Because current base prices are substantially higher than during the Great Recession, the absolute dollar value of incentives is also significantly greater. The average incentive currently totals approximately $31,021, down from $35,048 in the previous quarter (a decline of 11.5%). This compares to average incentives of $23,724 in the third quarter of 2022 and $23,255 in the fourth quarter of 2022, when mortgage interest rates rose sharply in response to inflation.



New Housing Market

New Housing – Historical Average New Net Price

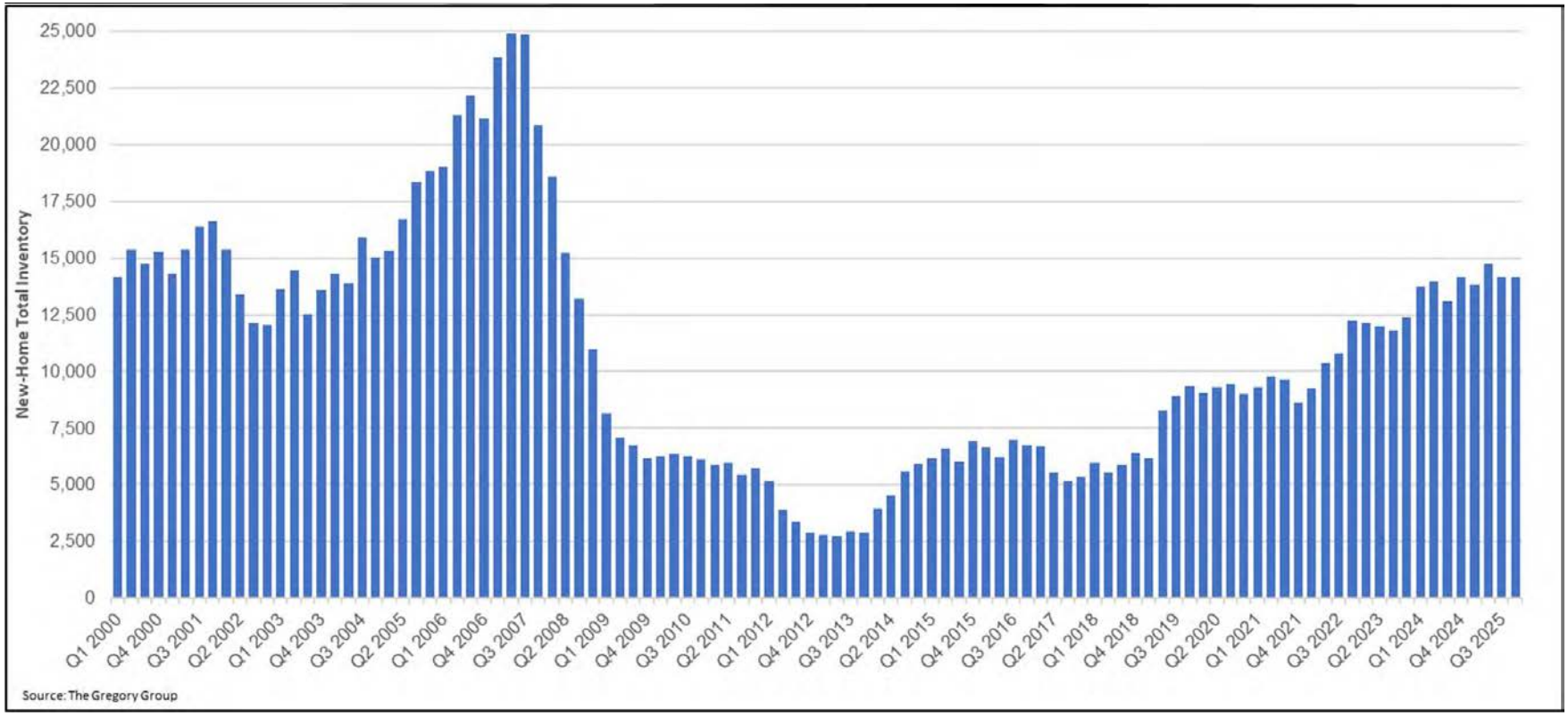
Net pricing in the Sacramento Region has declined since the fourth quarter of 2024 in response to slowing sales activity. Since reaching a recent peak in the third quarter of 2024, the net price has fallen by approximately 6.2%, reflecting a 3.1% reduction in base pricing combined with a 244.6% increase in incentives. Despite this decline, the current net price remains approximately $17,553 above the long-term trendline established since 2004. This suggests that net pricing could potentially decrease by an additional $17,553, or about 2.6%, to realign with historical market trends.



New Housing Market

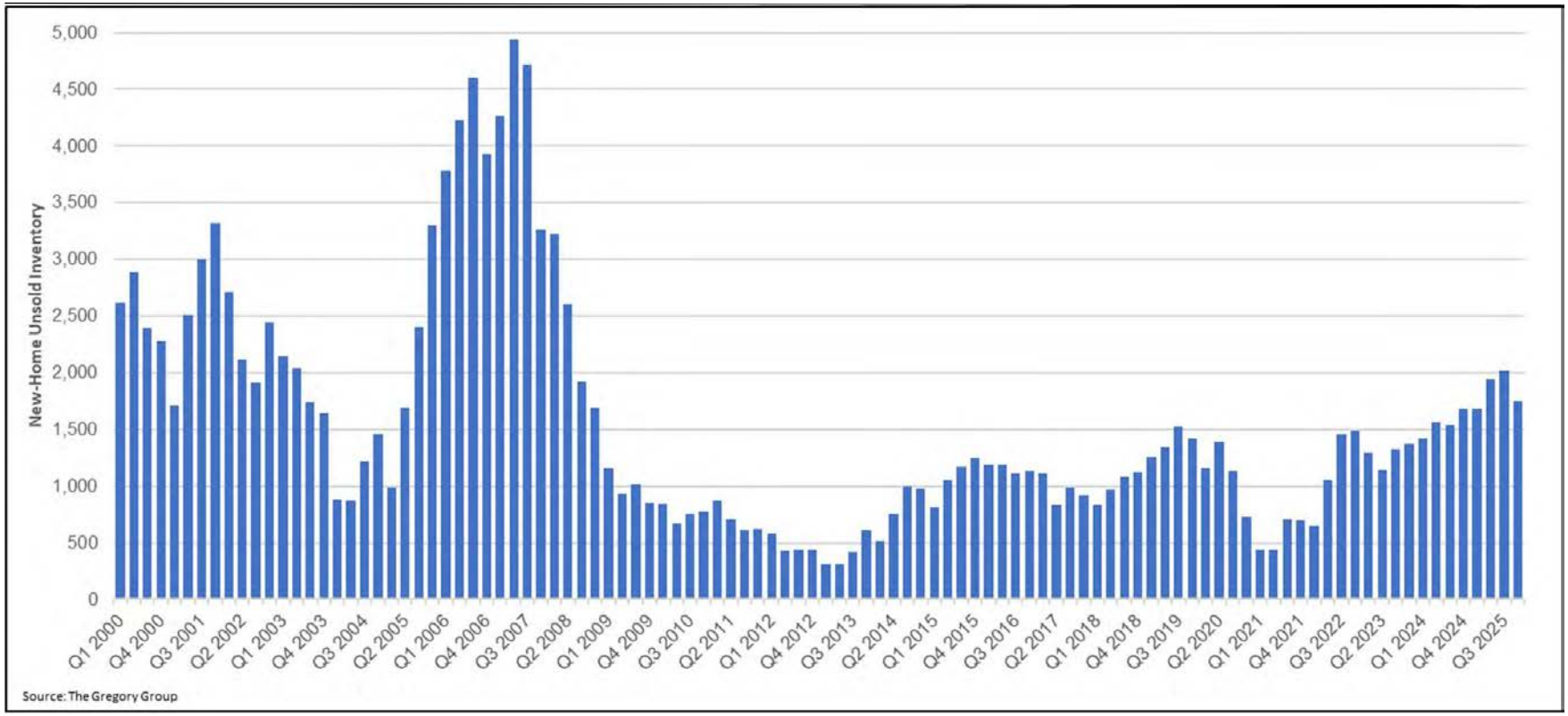
The Gregory Group

New Housing Total Inventory -- Quarterly



New Housing Market

New Housing Unsold Inventory -- Quarterly

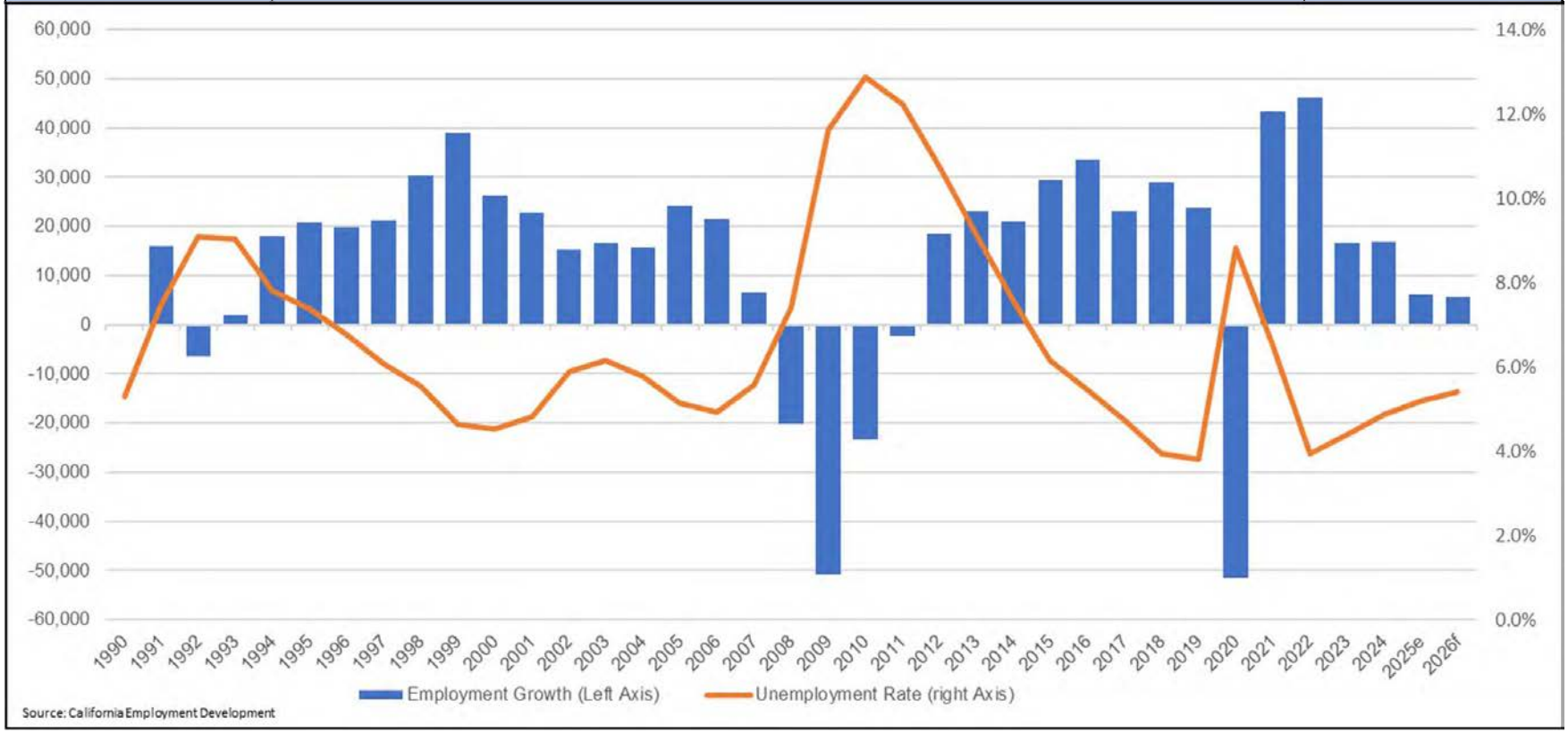


Economics and Demographics

Sacramento Region

Job growth has slowed considerably, with an estimated 6,000 positions added in 2025 compared to 16,800 in 2024, and a projected 5,730 jobs anticipated in 2026, representing annual growth rates of 1.5%, 0.5%, and 0.5%, respectively. At the same time, the unemployment rate increased to 5.2% in 2025 from 4.9% in 2024 and is forecast to rise to 5.4% in 2026. Persistent economic uncertainty and elevated interest rates continue to weigh on the financial outlook. Mortgage rates, which are expected to remain near six percent or above due in part to federal debt pressures, may temper near-term activity; however, productivity-driven economic expansion could support stronger growth prospects beginning in 2026 and beyond.

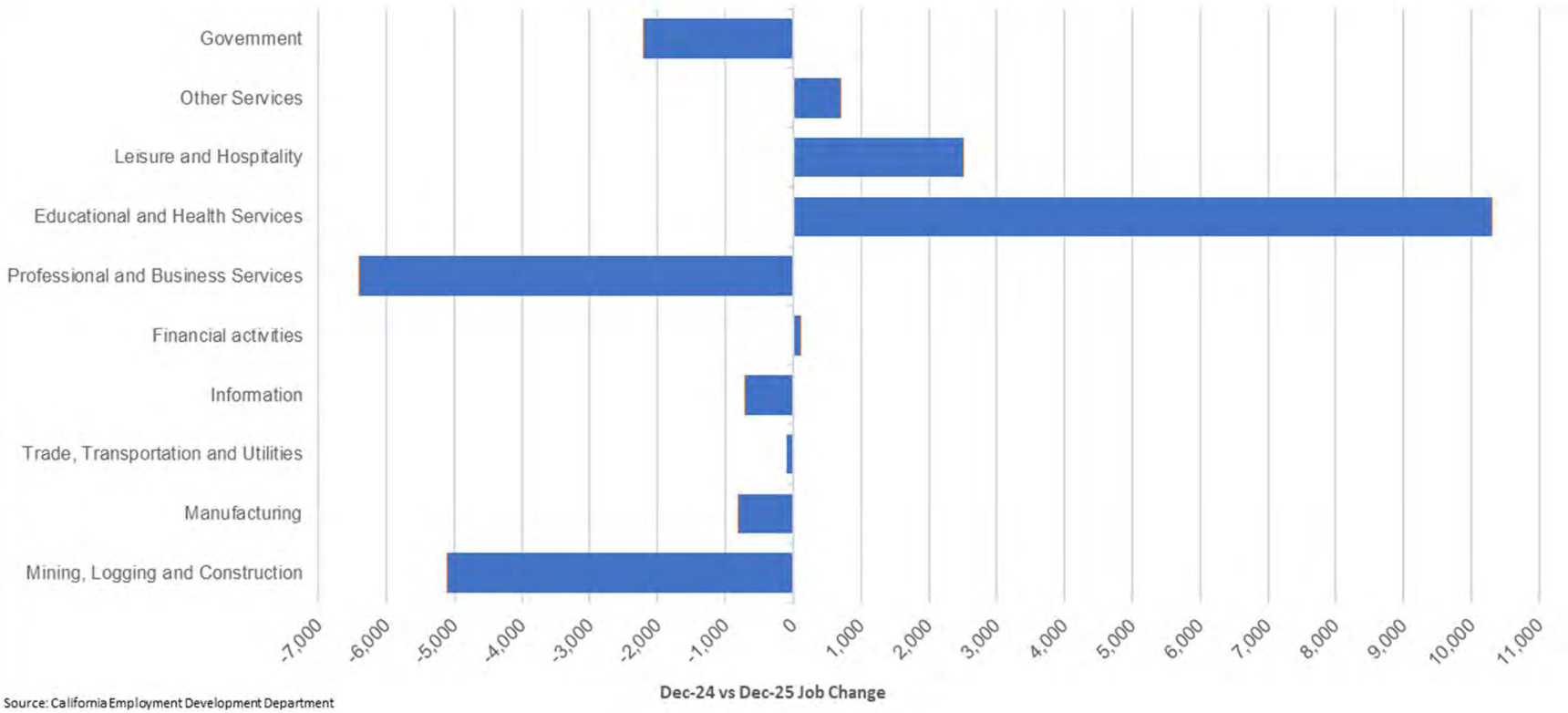
Employment History and Forecast	Sacramento-Roseville-Arden-Arcade MSA/Yuba City MSA								Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026f
Non-Farm Employment:	1,016,200	1,045,200	1,068,800	1,017,200	1,060,500	1,106,700	1,123,200	1,140,000	1,146,000	1,151,730
Change From Prior Year:	23,000	29,000	23,600	-51,600	43,300	46,200	16,500	16,800	6,000	5,730
Annual Percent Change:	2.3%	2.9%	2.3%	-4.8%	4.3%	4.4%	1.5%	1.5%	0.5%	0.5%
Unemployment Rate	4.7%	3.9%	3.8%	8.8%	6.5%	3.9%	4.4%	4.9%	5.2%	5.4%



Employment by Sector

Reflecting the slowdown in overall job growth, six of the ten major employment sectors reported year-over-year job losses, while four sectors expanded. Professional and Business Services experienced the largest decline, losing 6,400 jobs (down 4.6%), followed by Mining, Logging, and Construction, which fell by 5,100 jobs (down 6.5%). Offsetting some of these losses, Education and Health Services recorded the strongest growth, adding 10,300 jobs (up 4.8%), followed by Leisure and Hospitality, which increased by 2,500 jobs (up 2.1%). Overall, jobs increased by 6,000 in 2025.

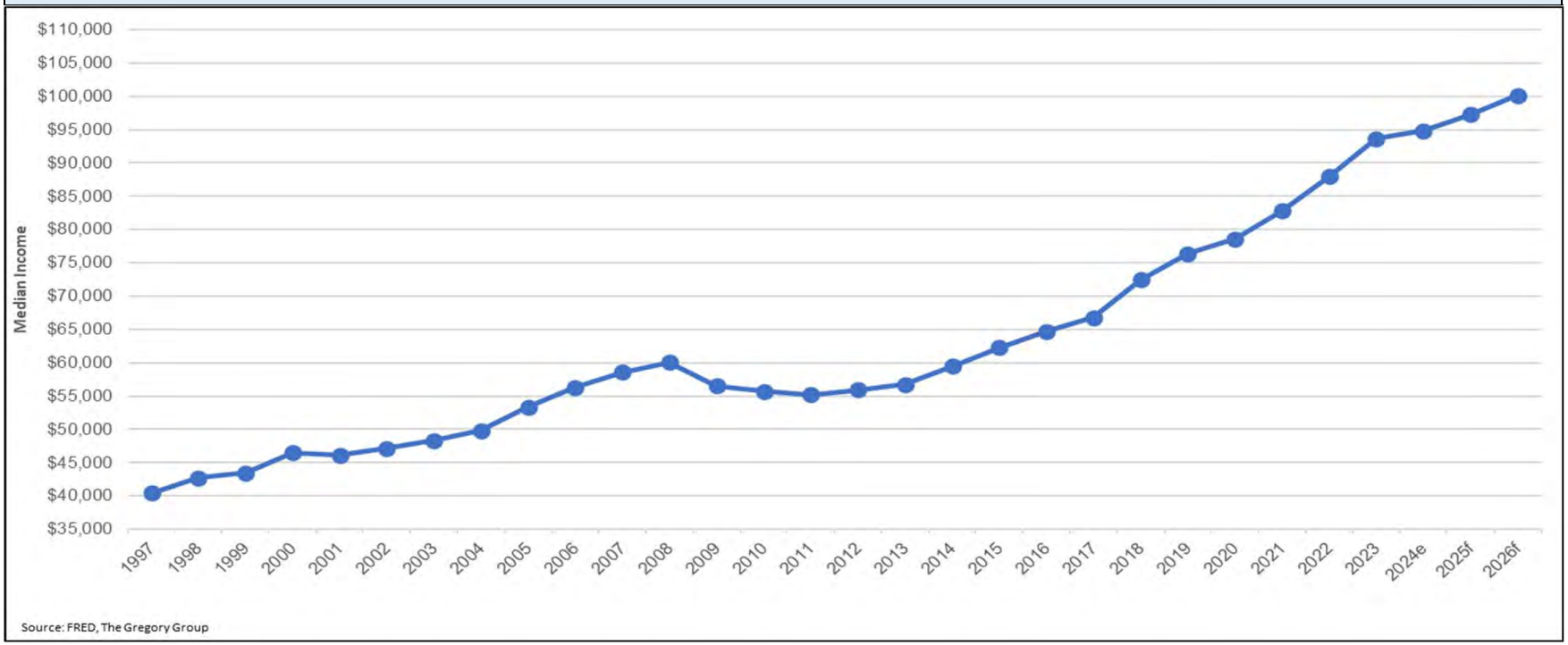
Employment Category	Sacramento-Roseville-Arden-Arcade MSA/Yuba City MSA			
	Dec-24	Dec-25	Number Change	Percent Change
Mining, Logging and Construction	78,000	72,900	-5,100	-6.5%
Manufacturing	42,400	41,600	-800	-1.9%
Trade, Transportation and Utilities	185,600	185,500	-100	-0.1%
Information	9,600	8,900	-700	-7.3%
Financial activities	48,000	48,100	100	0.2%
Professional and Business Services	138,200	131,800	-6,400	-4.6%
Educational and Health Services	216,300	226,600	10,300	4.8%
Leisure and Hospitality	117,100	119,600	2,500	2.1%
Other Services	39,700	40,400	700	1.8%
Government	280,400	278,200	-2,200	-0.8%



Source: California Employment Development Department

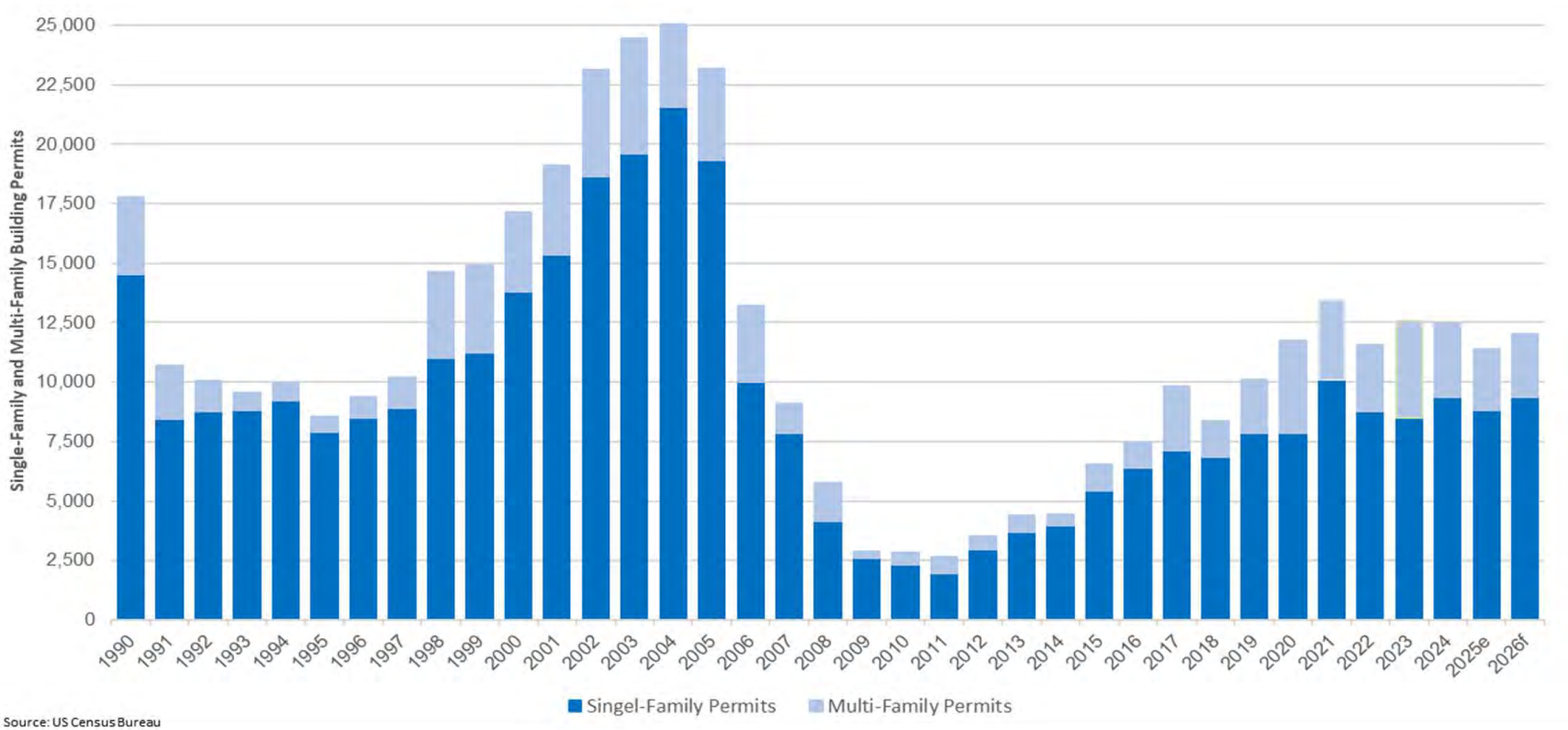
Median household income rose by 6.25% in 2022 and 6.44% in 2023 but slowed to 1.28% growth in 2024. Income gains are projected to moderate to 2.55% in 2025, with a slight acceleration to 3.00% anticipated in 2026. While a strong labor market supported wage growth in recent years, elevated interest rates and economic uncertainty have led to reduced employment expansion and more measured wage increases. As economic growth moderates, income growth is expected to remain comparatively restrained.

Median Income/ County	Sacramento-Roseville-Arden-Arcade MSA									
	2017	2018	2019	2020	2021	2022	2023	2024e	2025f	2026f
El Dorado County	$78,464	$81,869	$86,202	$87,792	$87,689	$104,859	$107,063	$108,411	$111,154	$114,489
Placer County	$81,366	$89,175	$97,688	$100,662	$103,588	$106,114	$110,020	$111,406	$114,224	$117,651
Sacramento County	$62,959	$69,475	$71,891	$72,953	$79,611	$83,985	$89,984	$91,117	$93,423	$96,225
Sutter County	$54,102	$57,879	$60,910	$65,791	$63,246	$66,071	$71,968	$72,874	$74,718	$76,960
Yolo County	$64,900	$67,804	$70,951	$80,668	$76,247	$82,359	$91,192	$92,341	$94,677	$97,517
Yuba County	$53,822	$47,504	$56,607	$56,278	$60,764	$63,626	$71,493	$72,393	$74,225	$76,452
Estimated Region Median Income	$66,767	$72,492	$76,353	$78,592	$82,798	$87,975	$93,638	$94,834	$97,256	$100,177
Annual Percent Change	3.18%	8.57%	5.33%	2.93%	5.35%	6.25%	6.44%	1.28%	2.55%	3.00%



Building permit activity has remained elevated since the onset of the pandemic in 2020, supported by heightened housing demand. Total permits are estimated at 11,390 in 2025, reflecting an 8.8% year-over-year decline; however, these figures remain preliminary due to impacts from the government shutdown. As the housing market normalizes, with improving inventory levels, more stable interest rates, and continued economic expansion, total building permits are forecast to increase to approximately 12,016 in 2026, representing a 5.5% increase.

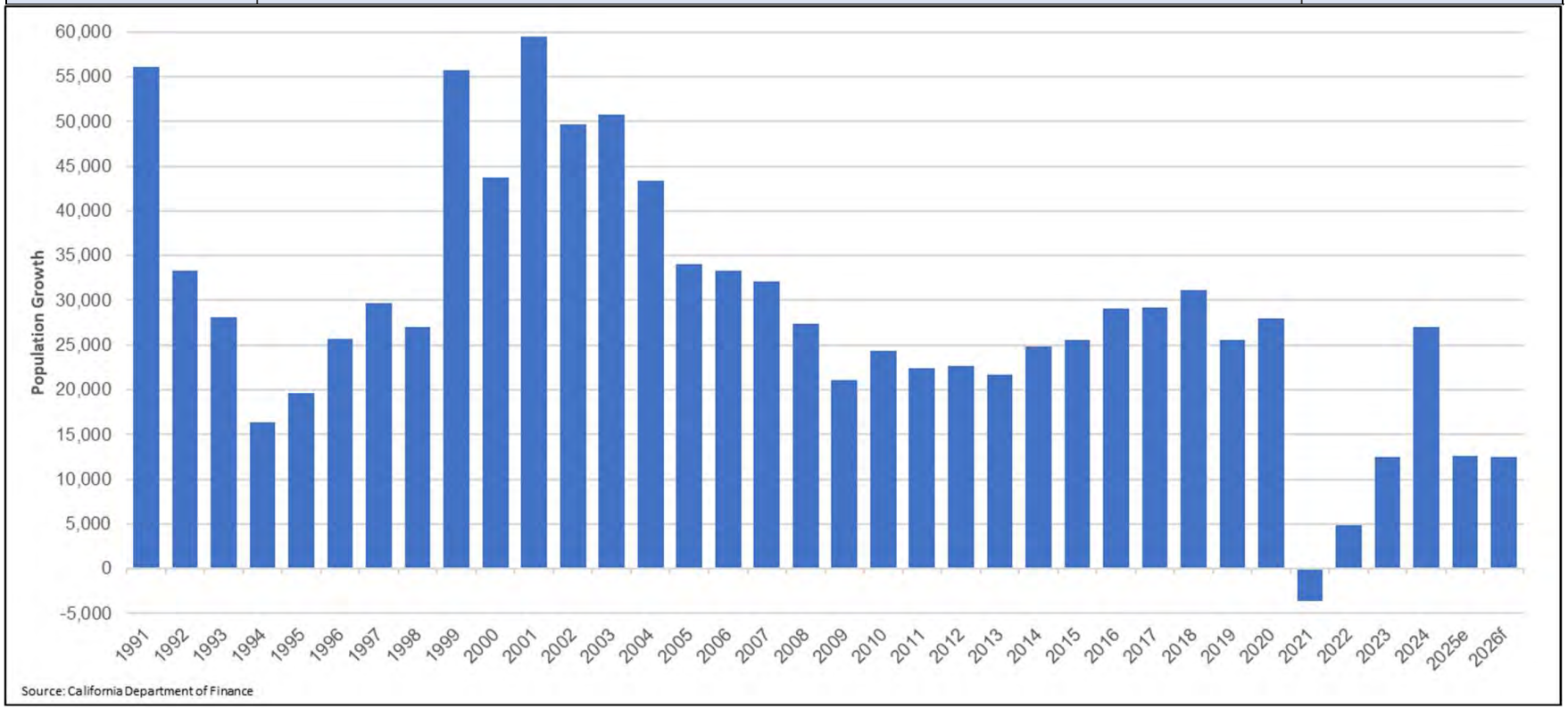
Building Permits	Sacramento-Roseville-Arden-Arcade MSA								Two-Year Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026f
Single-Family Permits	7,114	6,863	7,838	7,855	10,115	8,762	8,520	9,388	8,797	9,368
Multi-Family Permits	2,692	1,486	2,271	3,895	3,300	2,776	4,030	3,098	2,593	2,648
Total Permits	9,806	8,349	10,109	11,750	13,415	11,538	12,550	12,486	11,390	12,016
Annual Percent Change:	31.4%	-14.9%	21.1%	16.2%	14.2%	-14.0%	8.8%	-0.5%	-8.8%	5.5%



Source: US Census Bureau

Post-pandemic population growth in the Sacramento Region has trailed historical averages, largely due to increased net outmigration from both the region and California overall. Population growth totaled 4,918 residents in 2022, followed by stronger gains in 2023 and 2024 of 12,532 and 26,979 residents, respectively. Growth persisted in 2025, though at a moderated pace, with an increase of 12,642 residents (0.5%), and is projected to total approximately 12,514 residents in 2026 (0.5%). Although births continue to outpace deaths, broader demographic shifts indicate that immigration levels are unlikely to generate substantial population acceleration in the near term. Longer-term population growth will likely be supported by the Sacramento Region's comparative affordability, livability, and housing supply, which continue to attract migration from higher-cost markets such as the Bay Area, Southern California, and other states.

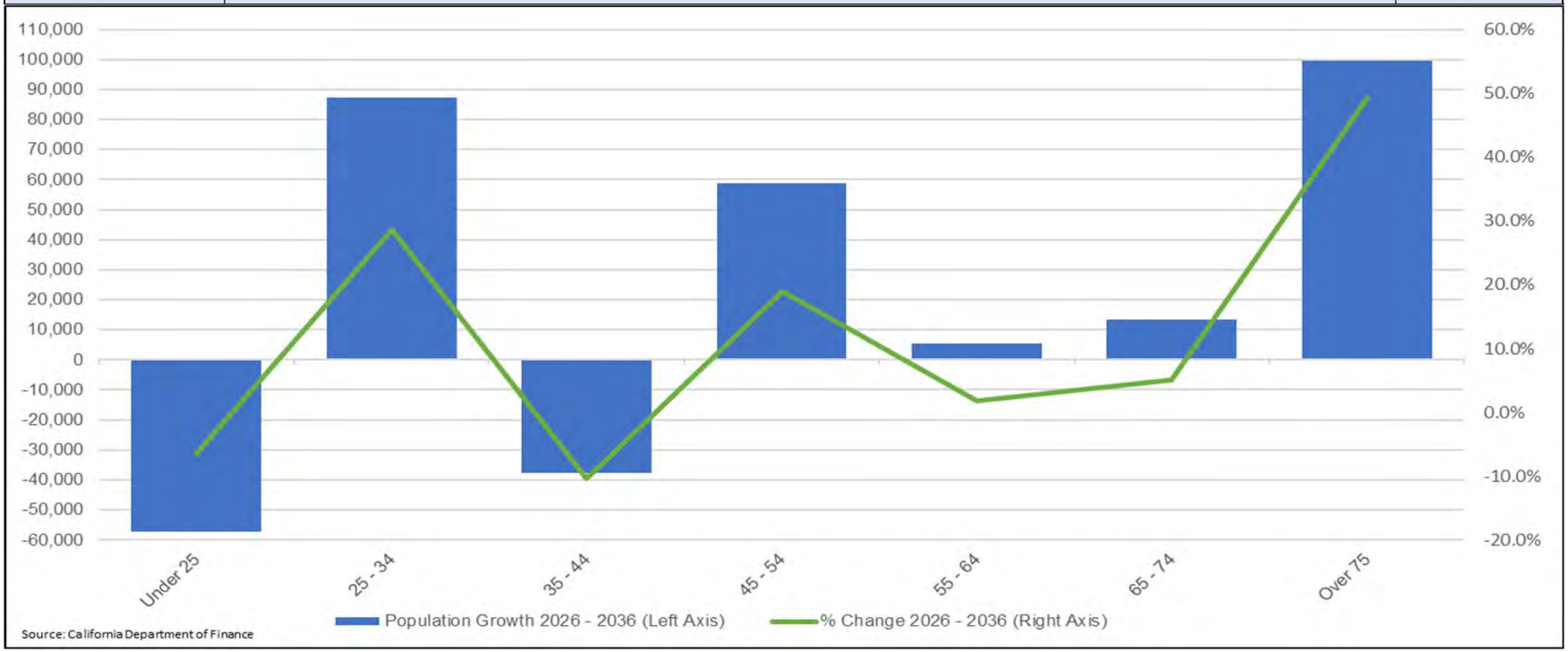
Population History and Forecast	Sacramento-Roseville-Arden-Arcade MSA/Yuba City MSA								Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026f
Population:	2,501,114	2,532,318	2,557,863	2,585,867	2,582,230	2,587,148	2,599,680	2,626,659	2,639,301	2,651,815
Change From Prior Year:	29,243	31,204	25,545	28,004	-3,637	4,918	12,532	26,979	12,642	12,514
Annual Percent Change:	1.2%	1.2%	1.0%	1.1%	-0.1%	0.2%	0.5%	1.0%	0.5%	0.5%



Population Change -- By Age and Over Time

Ten-year population projections by age cohort indicate notable growth in the 75-and-over age group, reflecting the aging of the Baby Boomer generation and increasing demand for downsizing opportunities, including smaller lot homes and single-level living. Concurrently, expanding Millennial and Gen Z populations are expected to drive demand as they enter prime homebuying years, supporting both first-time and move-up housing segments. Development that targets these entry-level and downsizing housing opportunities is expected to remain well positioned to capture future demand. By comparison, population growth is projected to be more moderate among individuals under age 25, those aged 35 to 44, and those aged 55 to 64, although growth within the 45 to 54 age cohort—commonly associated with move-up housing—has proven stronger than previously forecast.

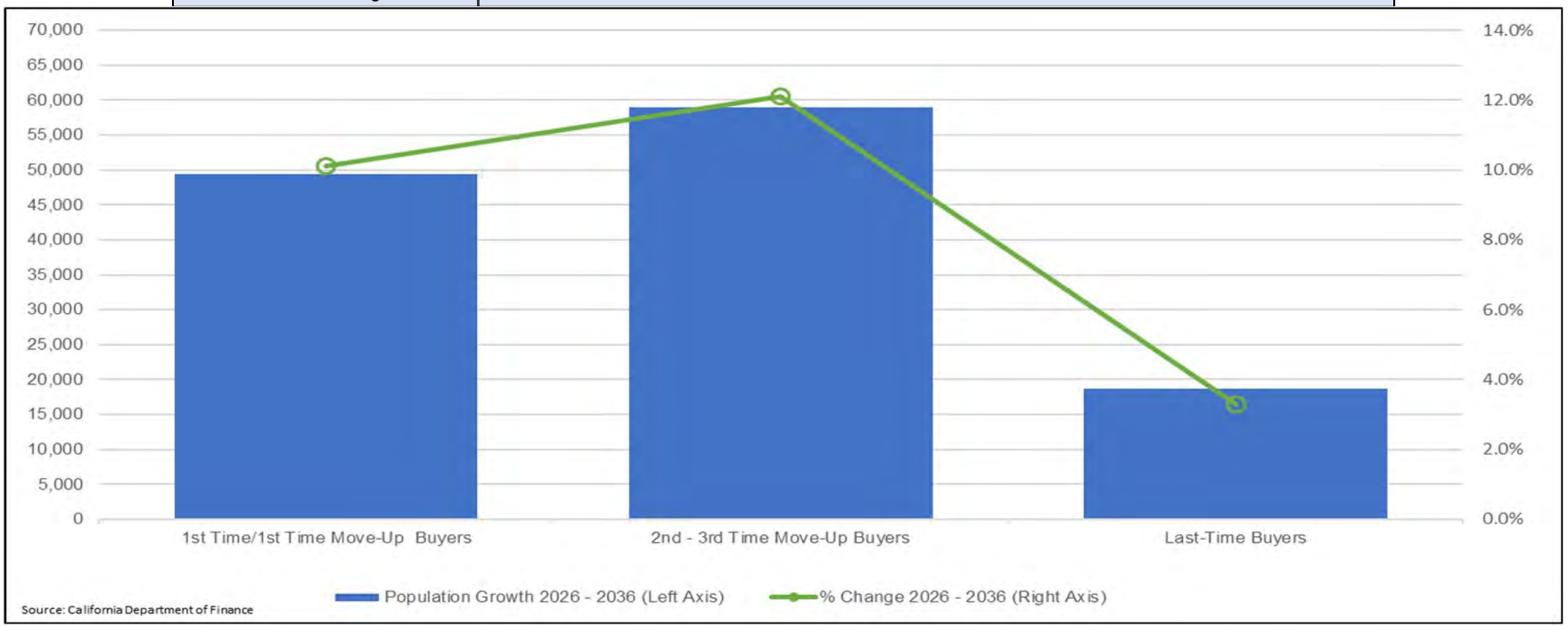
Population Growth by Age Range	Sacramento-Roseville-Arden-Arcade MSA/Yuba City MSA -- Age Distribution							
	0 - 24 Years	25 - 34 Years	35 - 44 Years	45 - 54 Years	55 - 64 Years	65 - 74 Years	75+ Years	Median Age (Est.)
Population (2026):	876,106	303,922	361,891	309,628	301,036	267,621	201,715	35.7
Distribution	33.4%	11.6%	13.8%	11.8%	11.5%	10.2%	7.7%	--
Population (2036):	818,890	391,079	324,132	368,546	306,335	281,053	301,172	--
Distribution	29.3%	14.0%	11.6%	13.2%	11.0%	10.1%	10.8%	--
Change From Prior Decade:	-57,216	87,157	-37,759	58,918	5,299	13,432	99,457	--
Decade Percent Change:	-6.5%	28.7%	-10.4%	19.0%	1.8%	5.0%	49.3%	--



Population Change -- By Buyer Category and Over Time

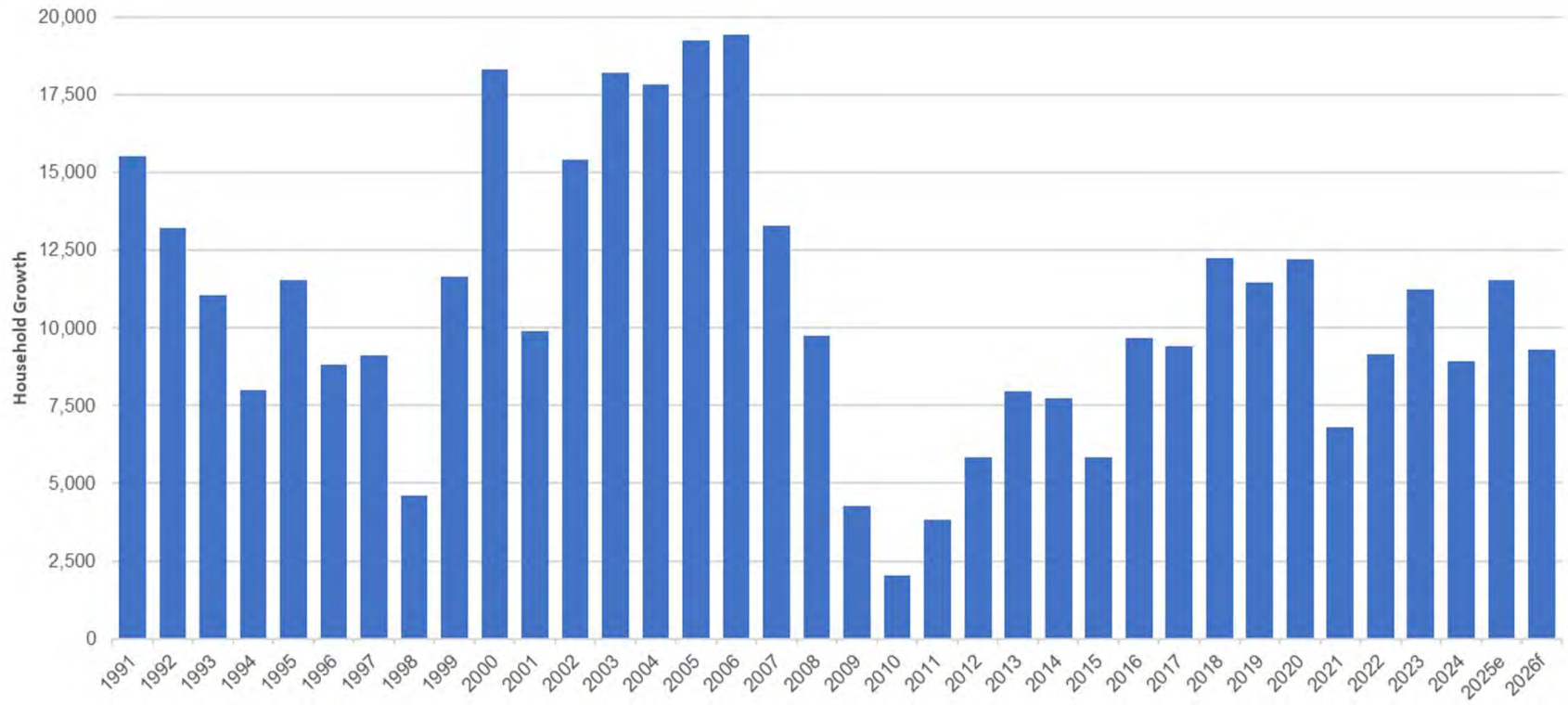
Buyer demand was also analyzed by generational cohort and housing stage. Over the next ten years, last-time buyers are expected to be comprised of the trailing Baby Boomer population and maturing Generation X households, which represent a comparatively smaller generation between the Baby Boomers and Millennials. Second- and third-time move-up buyers are anticipated to include later Generation X and a substantial share of Millennials, while first-time and first-time move-up buyers will be largely driven by later Millennials and the emerging Generation Z population. As a growing portion of the Baby Boomer generation transitions into aging-in-place, independent living, assisted living, and memory care housing options, younger and significantly larger generational groups will continue entering prime homebuying years. Although last-time buyer growth is projected to be more moderate, this cohort is expected to remain the largest buyer segment overall.

Population Growth by Buyer Category	Sacramento Region		
	1st Time/1st Time Move-Up	2nd - 3rd Time Move-Up	Last-Time
Population (2026):	488,740	486,701	568,657
Distribution	31.7%	31.5%	36.8%
Population (2036):	538,156	545,621	587,388
Distribution	32.2%	32.6%	35.1%
Change From Prior Decade:	49,416	58,920	18,731
Decade Percent Change:	10.1%	12.1%	3.3%



Household growth in the Sacramento Region has moderated in response to slower population expansion but remains comparatively strong. The region recorded an increase of approximately 11,540 households in 2025, representing 1.2% growth, and is projected to add 9,292 households in 2026, reflecting 1.0% growth. Household formation is a primary driver of housing demand and continued increases in households and population provide favorable conditions for the residential housing market. Concurrently, average household size is projected to decline from 2.80 persons in 2017 to 2.69 persons in 2026, influenced by declining birth rates, delayed marriage trends, and changes in immigration policy.

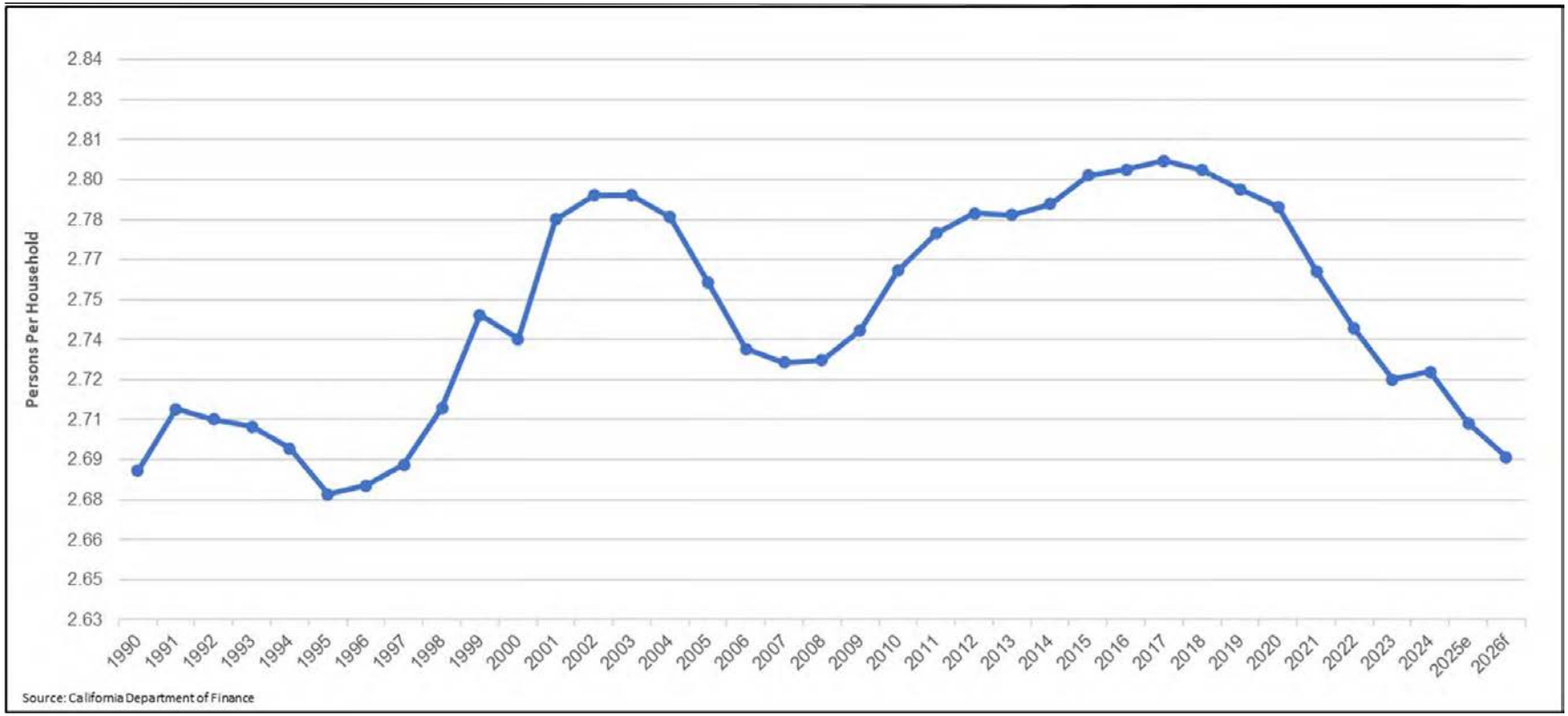
Households History and Forecast	Sacramento-Roseville-Arden-Arcade MSA/Yuba City MSA								Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026f
Households:	892,615	904,870	916,331	928,530	935,348	944,490	955,734	964,646	976,186	985,478
Change From Prior Year:	9,418	12,255	11,461	12,199	6,818	9,142	11,244	8,912	11,540	9,292
Annual Percent Change:	1.1%	1.4%	1.3%	1.3%	0.7%	1.0%	1.2%	0.9%	1.2%	1.0%
Persons Per Household:	2.80	2.80	2.79	2.78	2.76	2.74	2.72	2.72	2.70	2.69



Source: California Department of Finance

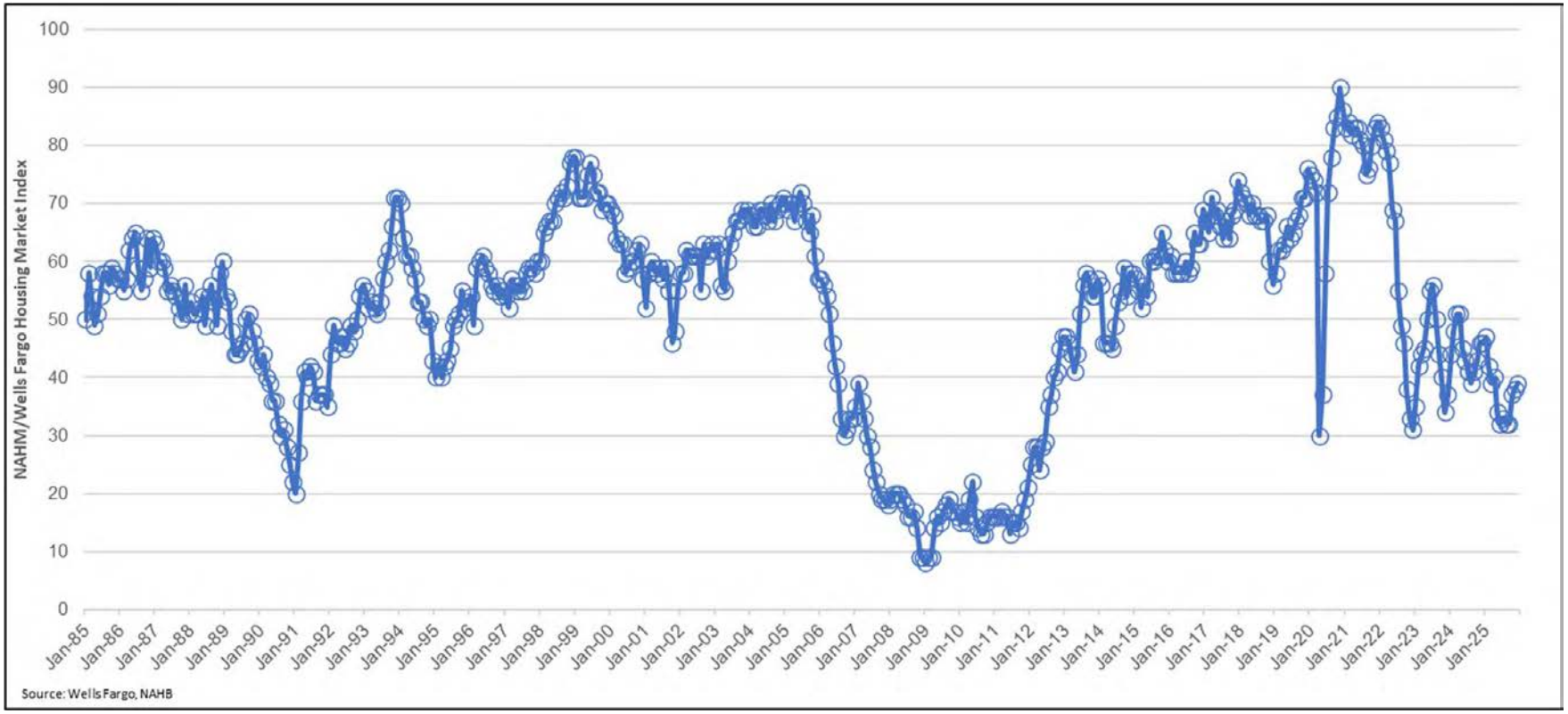
Economics and Demographics

Persons Per Household



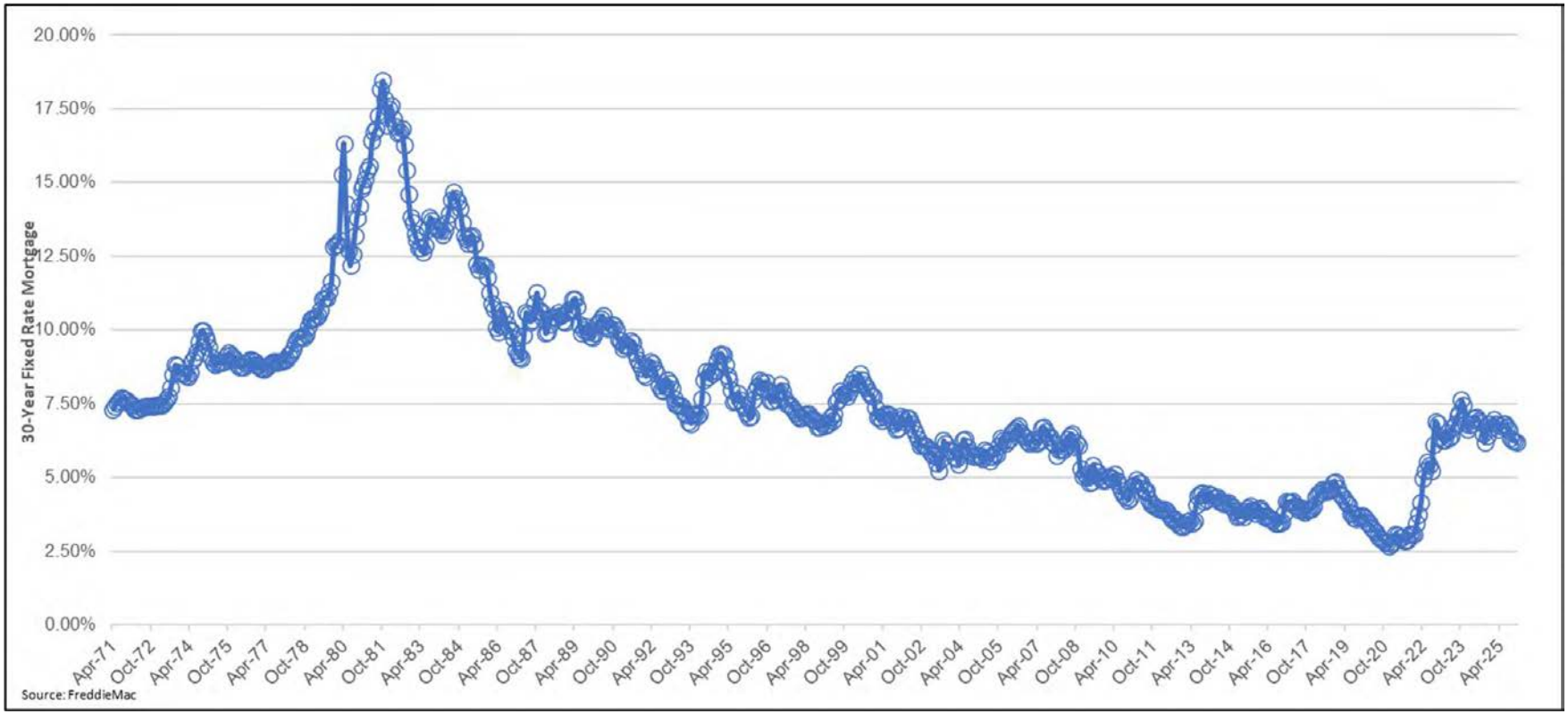
NAHB/Wells Fargo Housing Market Index

Builder optimism has rebounded from a low of 31 in December 2022 to 51 by March 2024, before falling to 39 in December 2025 amid concerns over the economy, mortgage rates, and the high costs of homeownership, including down payments, insurance, and taxes. Entering 2026, the index has climbed from a recent low of 32 in September, reflecting optimism that the housing market will prove more resilient in the year ahead. However, the beginning of 2026 has resulted in a slight downward trend of 37 (January and February) and 38 in (March). This is still higher than the 32 last recorded in September of 2025.



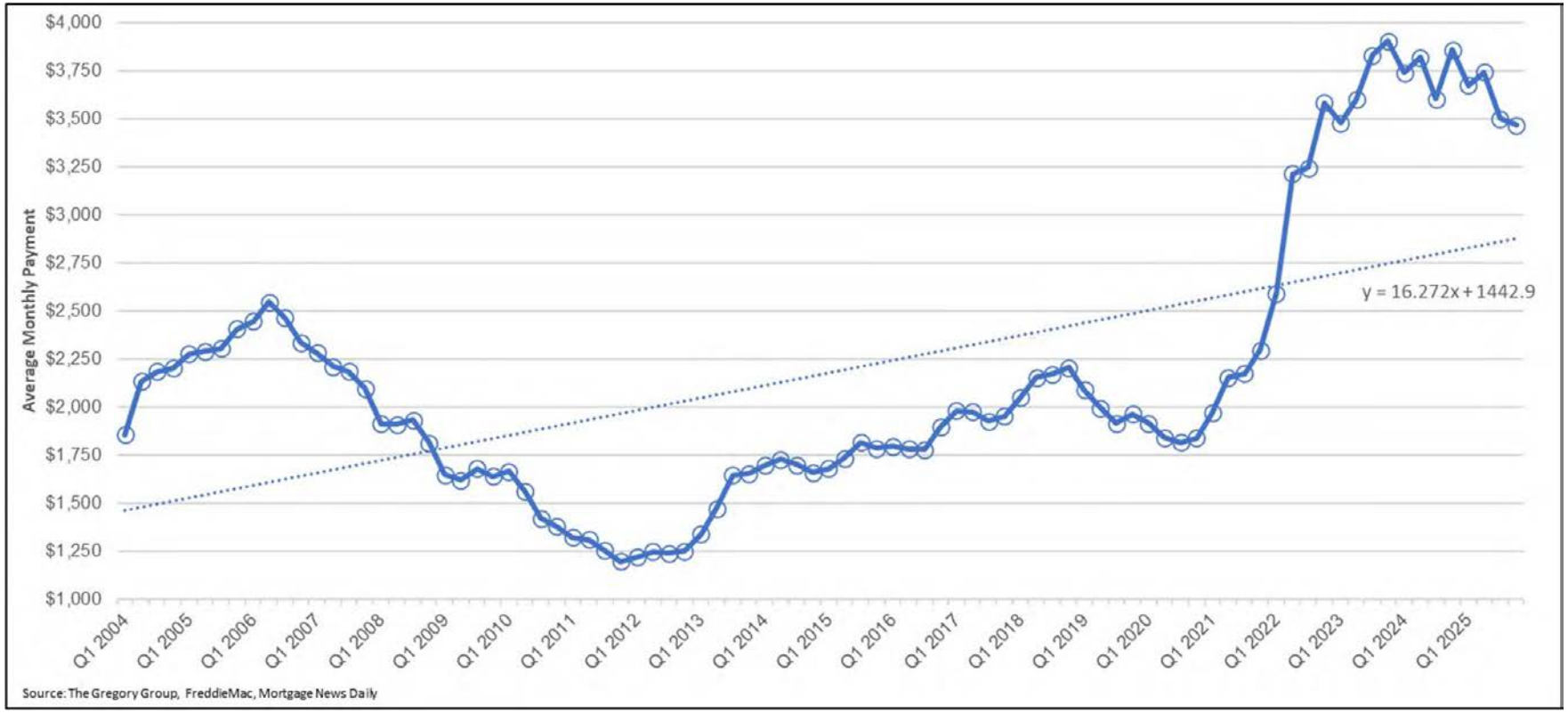
Conventional 30-Year Fixed Rate Mortgage Rates

A large share of California homeowners—estimated at roughly 80%—currently hold mortgages below 5.0%, but the era of exceptionally low rates is over. With mortgage rates stabilizing in the six-percent range, home sale activity has seen a modest uptick. As of December 2025, the average rate of 6.19% has encouraged more buyers and refinancing activity, but, to-date, not enough to significantly impact overall sales or home prices. There has been little change since December, with average mortgage rates of 6.10% (January), 6.05% (February) and 6.18% (March).



New Housing -- Average Monthly Principal Payment

The graph below illustrates the average monthly principal payment for a new home in the Sacramento Region, based on the average home price and a 30-year fixed-rate mortgage, alongside a visual comparison to the historical trendline. The calculation assumes a 20% down payment and includes only the principal—excluding property taxes, special assessments, insurance, or HOA fees. The data show a sharp rise in monthly principal payments, from a low of $1,814 in the third quarter of 2020 to $3,465 in the fourth quarter of 2025, representing a 91.0% increase. Over the past thirteen quarters, mortgage rates have fluctuated, staying relatively high with only minor increases or decreases. If rates were to return to the long-term trendline, the average monthly principal payment would need to drop to $2,875—a reduction of $590, or 17%.



Notes

The Sacramento MSA includes the four counties of El Dorado, Placer, Sacramento and Yolo

The Sacramento Region includes the six counties of El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba

All projections are provided by The Gregory Group

Sources include US Bureau of Economic Analysis, US Bureau of Labor Statistics, US Bureau of Census, Thomson Reuters/University of Michigan, Board of Governors of the Federal Reserve, NAHB/Wells Fargo Bank, National Association of Realtors, Zillow Real Estate Research, California Association of Realtors, Federal Reserve Bank of St. Louis, California Department of Finance, Google Maps, Sacramento County, City of Sacramento, American FactFinder, MLS (Trends), The Gregory Group

Portions of this report were prepared with the assistance of ChatGPT, an AI language model developed by OpenAI. ChatGPT was used solely to support drafting, editing, and idea refinement. All data analysis, interpretations, and conclusions presented in this report are the result of independent research and professional judgment. The authors have reviewed and validated all AI-assisted content for accuracy and relevance. ChatGPT does not have access to proprietary data, and its outputs do not reflect confidential or unpublished information.

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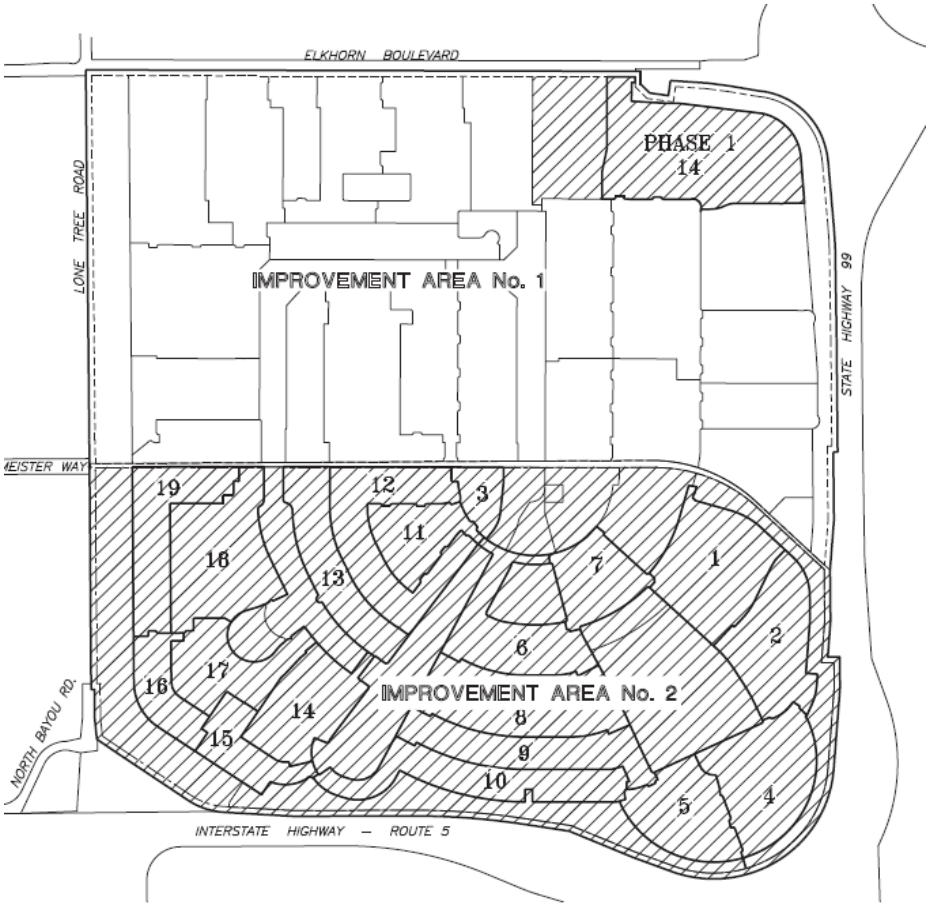
SMITH & ASSOCIATES

AN APPRAISAL REPORT OF

Greenbriar Community Facilities District No. 2018-03
Improvement Area No. 2
NWQ of Interstate 5 and State Highway 99
Sacramento, California 95835



Bay Area
23 Railroad Avenue, #32
Danville, California 94526
925-855-4950

Sacramento/Central Valley
111 Woodmere Road, Suite 140
Folsom, California 95630
916-357-5860

Real Estate Appraisal
and Consulting
www.smithassociatesinc.com

SMITH & ASSOCIATES

August 12, 2026

Ms. Claudia Lara, Debt Analyst
City of Sacramento
Office of the City Treasurer
915 "I" Street, 3rd Floor
Sacramento, CA 95814

RE: Market Value Appraisal – Bring Forward Letter
Greenbriar Community Facilities District No. 2018-03, Improvement Area No. 2
NWQ of Interstate 5 and State Highway 99
Sacramento, CA 95835

Dear Ms. Lara:

This letter serves as an update to the Appraisal Report on the above referenced property. The original Appraisal Report was prepared conforming to the requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP) and the Appraisal Standards for Land Secured Financing published by the California Debt and Investment Commission (CDIAC, 2004). The original appraisal report provides the market values (fee simple estate), by ownership, of certain properties within the boundaries of the City of Sacramento Greenbriar Community Facilities District No. 2018-03, Improvement Area No. 2, under the assumptions and limiting conditions contained in the appraisal report. This Update Appraisal Report may only be used in conjunction with the Original Appraisal Report.

As an Update Appraisal Report, this document does not present a complete discussion of the data, reasoning, and analyses used in the appraisal process to develop the appraiser's opinions of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraiser's work file.

I have been requested to ascertain, as of a current date of value (August 12, 2026), whether the cumulative, or aggregate, value of the appraised properties is not less than the cumulative, or aggregate, value estimated as of the original date of value, June 29, 2026.

Since the original date of value, June 29, 2026, additional homes have been completed and/or sold to individual homeowners, a number of homes have begun construction with building permits, impact fees paid, with continuing work or remaining site improvements. Also, additional takedowns to the homebuilders have likely occurred.

As a result of my analysis, it is my opinion the cumulative, or aggregate, value derived in the Original Appraisal Report, as of June 29, 2026, in accordance with the assumptions and limiting conditions in the attached document, as of August 12, 2026 (current date of value), is not less than **$410,401,553.**

Bay Area
23 Railroad Ave., #32
Danville, CA 94526
925-855-4950

Sacramento/Central Valley
111 Woodmere Rd., Ste. 140
Folsom, CA 95630
916-357-5860

SCOPE OF WORK

In preparing this Update Appraisal Report, I analyzed market data presented in the Original Appraisal Report dated August 12, 2026 (as of the June 29, 2026 date of value). In addition, I analyzed current market conditions and considered any changes in the condition of the subject properties since the date of value above. This Update Appraisal Report sets forth only the appraiser's conclusions. Supporting documentation is retained in the appraiser's work file.

PURPOSE, INTENDED USE AND INTENDED USER OF THE APPRAISAL

The purpose of this Update Appraisal Report, dated August 12, 2026, is to ascertain whether the current estimate (August 12, 2026) of cumulative, or aggregate, value of the CFD is not less than the value derived in the Original Appraisal Report, with a date of value of June 29, 2026.

The intended use of this report is for bond underwriting purposes. The Client is the City of Sacramento. The intended users are the City of Sacramento and its associated finance team. The appraisal is not intended for any other use or user. No party or parties other than the City of Sacramento and its associated finance team may use or rely on the information, opinions, and conclusions contained in this report.

DEFINITION OF MARKET VALUE

The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States.

The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

a. Buyer and seller are typically motivated;
b. Both parties are well informed or well advised, and acting in what they consider their best interests;
c. A reasonable time is allowed for exposure in the open market;
d. Payment is made in terms of cash in U.S. dollars or financial arrangements comparable thereto; and
e. The price reflects the normal consideration by the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

"12 CFR, Part 34, Subpart C-Appraisals, 34.42(h)"

Date of Inspection: The subject was not re-inspected

Current Date of Value: August 12, 2026

Date of Report: August 12, 2026

This Update Appraisal Report has been performed in accordance with the requirements of USPAP, the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute and the Appraisal Standards for Land Secured Financing, published by the California Debt and Investment Advisory Commission (2004). Additionally, this valuation is offered in accordance with the assumptions and limiting conditions in this Appraisal Report.

This Update Appraisal Report dated Augst 12, 2026, with a similar date of value, must remain attached to the original appraisal dated August 12, 2026, with an effective date of value as of June 29, 2026, in order for the value opinions set forth herein to be considered valid. Based on continued development and construction at the subject, I have concluded that the subject's aggregate value as of August 12, 2026 is not less than the aggregate value estimate reported in the original appraisal report with a date of value of June 29, 2026. Overall, the project status as of August 12, 2026, supports an aggregate value estimate that is not less than reported in the original appraisal.

ASSUMPTIONS AND LIMITING CONDITIONS

The Certification of the appraiser(s) appearing in this report is subject to the following assumptions and limiting conditions.

1. The appraiser(s) assumes no responsibility for the legal description provided for matters pertaining to the legal or title considerations. Title is assumed to be good and marketable, and the property is appraised free and clear of any encumbrances, unless otherwise stated. It is assumed that the property is under responsible ownership and management.

2. Information, estimates, and opinions furnished to the appraiser(s) and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, the appraiser(s) give no warranty of the accuracy of such items furnished by others.

3. The appraiser(s) is not required to give testimony or appear in court in connection with this appraisal unless prior arrangements have been made.

4. The sketches, maps, plats, and exhibits in this report are included to assist the reader in visualizing the property. The appraiser(s) has made no survey of the property and assumes no responsibility in connection with such matters.

5. The appraiser(s) assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser(s) assumes no responsibility for such conditions or for engineering which might be required to discover such factors.

6. The appraiser(s) assumes the property in full compliance with all applicable federal, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the appraisal. The appraiser(s) assumes the property contains no hazardous materials or substances or for engineering which might be required to discover such factors.

7. The appraiser(s) assumes all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value opinions contained in the report is based.

8. The appraiser(s) assumes that the property complies with applicable zoning requirements, use regulations and other restrictions, unless a lack of conformity has been stated, defined, and considered in the appraisal report.

9. Any allocation of the total value opinion stated in this report between the site and improvements applies only under the stated program of use. The separate values allocated to the site and improvements may not be used in connection with any other appraisal and are invalid if so used. Any value opinions provided in the appraisal report apply to the entire property and any proration or division of the total into fractional interests will invalidate the value opinion unless such proration or division of interests has been stated in the report.

10. Disclosure of the contents of the appraisal report is governed by the Code of Professional Ethics of the Appraisal Institute and is subject to peer review.

ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

11. The appraiser(s) assumes that the site and improvements are contained within the boundaries or property lines of the property described and that there are no encroachments unless noted in this report.

12. If only preliminary plans and specifications were available for use in the preparation of this assignment, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and the appraiser(s) reserves the right to amend this appraisal if substantial deviations exist.

13. The dates of value to which the opinions expressed in this report apply are set forth in this report. The appraiser(s) assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.

14. This appraisal was prepared for the sole and exclusive use of the client for the intended use outlined in this report. Any party who is not the client or intended user identified in the appraisal or the engagement letter is not entitled to rely upon the contents of this appraisal without the express written consent of Smith & Associates, Inc. The appraiser assumes no obligation, liability, or accountability to any third party.

15. The Americans with Disabilities Act (ADA became effective January 26, 1992. The appraiser(s) have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative impact upon the value of the property. Since the appraiser(s) have no direct evidence relating to this issue, possible non-compliance was not considered in estimating the value of the property.

16. No part of the appraisal report (nor any copy of it) shall be used for any purpose by any party except the client without the previous written consent of the appraiser(s). No portion of the appraisal report may be reproduced. The report shall not be used for advertising, public relations, news, or other media without the consent of the appraiser(s).

17. Acceptance and/or use of this appraisal report by the client or any third party constitutes acceptance of the previously stated assumptions and limiting conditions.

18. Any estimate of the Insurable Replacement Costs, if included within the scope of work and presented herein, is based on figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from estimates noted in this report and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. It is highly recommended that the client obtains estimates from professionals experienced in providing insurance coverage. The appraiser(s) make no warranties regarding the accuracy of estimates for Insurable Replacement Costs noted in this report.

CERTIFICATION

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
9. I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the person signing this certification.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. As of the date of this report, I John E. Carrothers, MAI have completed the continuing education program for Designated Members of the Appraisal Institute.
13. The reported analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

John E. Carrothers, MAI
Certified General Real Estate Appraiser
CA License AG014187, Exp. 04/11/2027

John E. Carrothers, MAI

Certified General Real Estate Appraiser
California BREA Appraiser License No. AG014187

SUMMARY

Over thirty years of appraisal experience in Sacramento, Placer, Solano, Sutter, Yolo, Stanislaus, Contra Costa and Alameda Counties. Extensive experience focusing on the analysis of residential subdivisions over the past twenty years.

Property types valued and analyzed include the following:

- Single and Multi-Family Residential
- Vacant Land – Improved and Unimproved
- Commercial – Retail and Industrial
- Subdivision – Feasibility and Valuation

WORK HISTORY

1998 – Present	Managing Partner	Smith & Associates, Inc.
1991 – 1998	Staff Appraiser	Smith Denton Associates, Inc.
1990 – 1991	Staff Appraiser	Professional Appraisal Services, Inc.

EDUCATION

University of California, Davis, CA
Bachelor of Science

Appraisal Institute Courses
Real Estate Appraisal Principles • Valuation Procedures • Capitalization Theory and Techniques, A • Capitalization Theory and Techniques, B • Farm Valuation Seminar • Standards of Professional Practice, A and B • Real Estate Principles • Subdivision Analysis • Assessment Bond Mello Roos Seminar • Report Writing • Advanced Sale Comparison and Cost Approach • National USPAP Equivalent Course

PROFESSIONAL AFFILIATIONS

- Appraisal Institute, MAI

Business, Consumer Services & Housing Agency

BUREAU OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

John E. Carrothers

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

"Certified General Real Estate Appraiser"

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AG 014187

Effective Date: April 12, 2025
Date Expires: April 11, 2027

Angela Jemmott, Bureau Chief, BREA

3081078

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "CHAIN LINK"

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APPENDIX B-2

APPRAISAL REVIEW REPORT

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BBG
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Appraisal Review

Greenbriar Community Facilities District
No. 2018-03, Improvement Area #2
NWQ of Interstate 5 and State Highway 99
Sacramento, California 95835

Prepared For:
Ms. Claudia Lara, Debt Analyst
City of Sacramento
Office of the Treasurer
915 "I" Street, 3rd Floor
Sacramento, CA 95814

Report Date: August 19, 2026

BBG File No. 0126002386

BBG Client Manager:
Scott Beebe, MAI
sbeebe@bbgres.com
925-588-7641

August 19, 2026

Ms. Claudia Lara, Debt Analyst
City of Sacramento
Office of the Treasurer
915 "I" Street, 3rd Floor
Sacramento, CA 95814

Re: Appraisal Review
Greenbriar Community Facilities District No. 2018-03, Improvement Area #2
NWQ of Interstate 5 and State Highway 99
Sacramento, California 95835

Appraisal Prepared by John E. Carrothers, MAI
BBG File #0126002386

Dear Ms. Lara:

BBG is pleased to provide this appraisal review of the appraisal report prepared completed by John Carrothers, MAI of Smith & Associates pertaining to the Greenbriar Community Facilities District No. 2018-03, Improvement Area #2 commonly referred to as the CFD. The appraisal report date is August 12, 2026, with a date of value of June 29, 2026. An Update Appraisal Report (aka Bring Forward Letter), dated August 12, 2026, was also provided. The attached review report incorporates by reference the entire appraisal (198 pages), referred to as "the Report" as well as the Update Appraisal Report.

The purpose of the attached appraisal review is to provide my opinion as to the completeness, accuracy, adequacy, relevance, and reasonableness of salient aspects of the written appraisal report in compliance with Review Standards 3 and 4 of the Uniform Standards of Professional Appraisal Practice (USPAP 2024). I assessed the appraisal's compliance with Standards 1 and 2 of the USPAP and the Appraisal Standards for Land Secured Financing, published by the California Debt and Investment Advisory Commission (CDIAC).

Summary Observations and Conclusions

After my review of the Report, it is my opinion the report under review complies with Standards 1 and 2 of USPAP and the appraisal regulations issued in connection with CDIAC. Further, the market value opinions are consistent with the relevant market conditions and the market data presented in the report as of the date of value.

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My opinions are summarized as follows:

- The material under review is complete.
- The data used is adequate and relevant.
- The methods and techniques used are appropriate.
- The value opinions stated in the Report are adequately supported and are credible, given the data and analyses presented. However, I express no opinions of value of the subject properties.
- In my judgment, the Report complies with the Uniform Standards of Professional Appraisal Practice.

I limited my review work solely to a review of the Report. I did not gather any substantial additional data. I last inspected the subject property on August 13, 2026. Further, I did not complete any independent verification of the market data or market information.

Thank you for the opportunity to provide this appraisal review. Please contact me should you have questions.

Respectfully submitted,

BBG

Scott Beebe, MAI
Certified General Real Estate Appraiser
California License #AG015266

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TRANSMITTAL LETTER

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A – Certification Statement
B – Standard Assumptions and Limiting Conditions
C – Qualifications of Reviewer

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INTRODUCTION

REVIEWER IDENTIFICATION

Company:	BBG 1708 Q Street Sacramento, CA 95811
Reviewer:	Scott Beebe, MAI California Certified General Real Estate Appraiser, AG 015266 Expires February 10, 2027 916-949-7360 sbeebe@bbgres.com
Date of Appraisal Review:	August 19, 2026

CLIENT AND INTENDED UERS OF THE REVIEW:

Review Client:	Claudia Lara, City of Sacramento
Review Intended Users:	City of Sacramento, CFD finance team and prospective bond investors. No other users are intended.

INTENDED USE AND PURPOSE OF THE REVIEW

Intended Use:	The intended use of this appraisal review is to assist the client's reliance on the Report for underwriting the bond financing secured by the subject property described in the Report. No other uses are intended.
Purpose of the Review:	The purpose of the appraisal review is to develop and report a credible opinion of the quality of another appraiser's work while considering the completeness, accuracy, adequacy, relevance, and reasonableness of the conclusions in the Report. This review is to determine if the results of the work under review are credible for the intended users' intended use. I also assessed the appraisal's compliance with Standards 1 and 2 of the Uniform Standards of Professional Appraisal Practice (USPAP) and the appraisal regulations issued in connection with CDIAC. I

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inspected the subject property on August 13, 2026. Further, no independent verification of the market data or market information was made. This review report was completed and written in conformance with Standards 3 and 4 of USPAP, respectively.

APPRAISER

Company:	Smith & Associates 111 Woodmere Road, Suite 140 Folsom, CA 95630
Appraiser:	John E. Carrothers, MAI State Certified General Real Estate Appraiser, California AG 014187 Expiration April 11, 2025 916-357-5860 jcarrothers@smithassociatesinc.com

SUBJECT PROPERTY IDENTIFICATION

The subject property is located along the northwest quadrant of Interstate 5 and State Highway 99 in the Natomas community of the City of Sacramento. This project area encompasses a total land area of approximately 296.00 gross acres generally allocated among 127.1 acres identified for the development of 1,177 residential lots, 9.2 acres identified for the development of 331 multi-family residential units with the balance for commercial uses and non-revenue generating parcels. According to the Scope of Work, the analysis included only the 127.1 acres for development of 1,177 residential lots and homes. Values are not identified for the multi-family residential components or the commercial components.

Property Address:	NWQ of Interstate 5 and State Highway 99 Sacramento, CA 95835
Property Ownership:	Greenbriar Phase 2, LLC is the owner 547 lots. Lennar Homes of California, LLC is the owner of 191 lots and homes. There are 439 completed homes that are individually owned.
Land Area & Improvements:	The subject property includes 1,177 residential lots/homes. Site development is nearly completed for this project as of the effective date of value. Development has commenced as 439 homes are owned by individual buyers. The homes range in size from 1,640 to 3,037 SF. The proposed base pricing ranges from $540,077 to $761,129.

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Assessor's Parcel Numbers & Legal:

VILLAGE	APN	LEGAL	FINAL MAP
Village 1	201-1540-001..011	Lots 38..48	Greenbriar Phase 2, Village South
	201-1540-026..061	Lots 1..6, 22..50	Greenbriar Phase 2, Village 1A
	201-1600-001..017	Lots 7..20, 51..53	Greenbriar Phase 2, Village 1A
	201-1770-001..040	Lots 1..40	Greenbriar Phase 2, Village 1B
Village 2	201-1540-012..025	Lots 49..62	Greenbriar Phase 2, Village South
	201-1760-001..050, 059..065	Lots 1..75	Greenbriar Phase 2, Village 2
	201-1770-041..058		
Village 3	201-1520-001..011	Lots 1..11	Greenbriar Phase 2, Village South
Village 4	201-1720-001..068	Lots 1..68	Greenbriar Phase 2, Village 4
Village 5	201-1550-001..003	Lots 63..65	Greenbriar Phase 2, Village South
	201-1590-001..058	Lots 1..50	Greenbriar Phase 2, Village 5
Village 6	201-1550-016..019	Lots 78..81	Greenbriar Phase 2, Village South
	201-1640-001..050	Lots 1..50	Greenbriar Phase 2, Village 6
Village 7	201-1530-001..026	Lots 12..37	Greenbriar Phase 2, Village South
Village 8	201-1550-010..015	Lots 72..77	Greenbriar Phase 2, Village South
	201-1710-001..082	Lots 1..82	Greenbriar Phase 2, Village 8
Village 9	201-1550-005..009	Lots 67..71	Greenbriar Phase 2, Village South
	201-1710-085..132	Lots 1..48	Greenbriar Phase 2, Village 9
Village 10	201-1550-004	Lot 66	Greenbriar Phase 2, Village South
	201-1550-020..035	Lots 26..41	Greenbriar Phase 2, Village 10
	201-1630-001..042	Lots 1..25, 42..58	Greenbriar Phase 2, Village 10
Village 11	201-1520-012..014	Lots 82..84	Greenbriar Phase 2, Village South
	201-1700-063..103	Lots 1..41	Greenbriar Phase 2, Village 11
Village 12	201-1700-001..060	Lots 1..60	Greenbriar Phase 2, Village 12
Village 13	201-1780-001..050	Lots 1..50	Greenbriar Phase 2, Village 13
Village 14	201-1570-047..100	Lots 1..54	Greenbriar Phase 2, Village 14
Village 15	201-1790-001..029	Lots 1..29	Greenbriar Phase 2, Village 15
Village 16	201-1570-102..135	Lots 1..34	Greenbriar Phase 2, Village 16
Village 17	201-1570-001..046	Lots 1..46	Greenbriar Phase 2, Village 17 (Includes 2 Lots in Village 15)
Village 18	201-1580-001..059	Lots 1..59	Greenbriar Phase 2, Village 18
Village 19	201-1580-063..111	Lots 1..49	Greenbriar Phase 2, Village 19
Village 14/20	201-1490-038..108	Lots 1..27, 37..80	Greenbriar Phase 1, Village 14A
	201-1660-001..009	Lots 28..36	

The description above includes all of the taxable parcels within the boundaries of the Greenbriar Community Facilities District No. 2018-03, Improvement Area #2. In addition, there are non-revenue parcels included in the district.

APPRAISAL REPORT INFORMATION AND CONCLUSIONS

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Date of the Report:	August 12, 2026
Effective Date of Market Value:	June 29, 2026
Interest Appraised:	Fee simple estate
Report Type:	The appraisal report is identified as an Appraisal Report in accordance with Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice.
Valuation Approaches:	Sales Comparison Approach, Subdivision Development Method, Land Residual Analysis and Valuation of the individually owned homes based on closed transaction prices.
Market Value Descriptions:	The market values estimated are for the subject properties as of the date of value.
Opinions of Market Value:	<u>Ownership/ Description/ Value by Ownership</u> Individual Homeowners Closed, 439 homes: $283,415,500 Greenbriar Phase 2, LLC, 547 lots: $73,000,000 Lennar Homes of California, LLC, 191 lots and homes: $53,986,053 Aggregate Value of Appraised Properties: $410,401,553
Appraisal Client:	Ms. Claudia Lara, City of Sacramento
Appraisal Intended User:	City of Sacramento, CFD finance team and prospective bond investors.
Appraisal Intended Use:	The intended use of this report is to reasonably validate the estimated value-to-lien coverage for purposes for a land-secured bond financing. The appraisal is not intended for any other use or users.

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SCOPE OF WORK

The Client/Reviewer agreed upon Scope of Work for this review assignment outlined as follows:

- I read the submitted appraisal report in its entirety.
- I determined the report's compliance with Standards 1 and 2 of the Uniform Standards of Professional Appraisal Practice (USPAP) and compliance with CDIAC appraisal requirements.
- I developed opinions as to the completeness, accuracy, adequacy, relevance, and reasonableness of various salient aspects of the written report.
- I did not provide my own market value opinion but during the review period I did provide comments and questions based on the draft reports provided by the Client prepared by the appraiser.
- I determined the reliability of the market values reported in the appraisal based solely on the contents of the appraisal report under review and generally accepted appraisal methodology and valuation techniques.
- I inspected the subject property. I reviewed the market data. Further, no independent verification of the market data or market information was made.
- I completed this written review report in compliance with Standard 4 of the Uniform Standards of Professional Appraisal Practice (USPAP).

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APPRAISAL REVIEW CHECKLIST

INTRODUCTION AND FACTUAL DESCRIPTIONS		YES	NO	N/A
1.	Letter of transmittal accurately reflects the contents of the report?	X		
2.	Is the property adequately identified through legal description, parcel number(s), parcel map, etc.?	X		
3.	Does the appraisal correctly define and identify the real property interest appraised?	X		
4.	Are the dates of inspection, date of report and effective date of value stated? If applicable, are retrospective and prospective values properly identified per USPAP?	X		
5.	Does the appraisal provide a correct definition of market value and cite the source of the definition?	X		
6.	Are the intended use(s), client/intended user(s) and scope of work of the appraisal identified, including a description of the extent of collecting, confirming, and reporting data?	X		
7.	Are all applicable extraordinary assumptions and/or hypothetical conditions disclosed and presented in a clear and conspicuous manner in the report?	X		
8.	Is a statement of ownership history of the subject property provided, and is any listing, option, or pending contract disclosed and discussed?	X		
9.	Are the discussion and analyses of regional and neighborhood data and trends relevant and adequate considering the scope of the assignment?	X		

Comments:

The introduction and factual descriptions in the General Information section sufficiently present the subject identification, history, current ownership and sale history, the facilities and costs the City will finance by way of bonds issued on behalf of a CFD, and the purpose and use of the appraisal. The correct property rights appraised, and the market value definitions are provided. Additionally, a separate section reports the developer's marketing and development strategy (refer to report page 122).

The report provides a detailed Scope of Work section. The Report employs Extraordinary Assumptions (EAs) and Hypothetical Conditions (HC) (page 4 of report). Given the stated scope of work and the intended use, the assumptions and conditions are appropriate. I recommend that users of the appraisal carefully review the assumptions and conditions that are premises for the valuation.

The Regional and Neighborhood analyses are detailed and relevant. A history of the subject is included. The approved entitlements as of June 29, 2026, are reported and analyzed.

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SUBJECT PROPERTY DESCRIPTIONS	**YES**	**NO**	**N/A**
1. Is the site description adequate, including size, shape, frontage, drainage, and discussion of surrounding properties?	X		
2. Are easements, flood plain, wetlands, earthquake zone, and/or other encumbrances adequately identified and addressed?	X		
3. Are environmental hazards identified and addressed or standard disclaimer included?	X		
4. Are zoning and tax analysis adequately addressed?	X		
5. Is the description of improvements adequate, including photographs, site plan and drawings of improvements?	X		
6. Is improvement conformance with zoning considered?	X		

Comments: The appraisal included detailed description and analysis of the physical, legal, environmental characteristics of the site and improvements. This description as reported beginning on page 29 was adequately reported.

MARKET ANALYSIS AND HIGHEST AND BEST USE	**YES**	**NO**	**N/A**
1. Is the historical performance of the market presented and analyzed?	X		
2. Is the position (such as design of the project or the marketing efforts) of the subject property within the market considered?	X		
3. Is the level of market analysis compliant with the terms of the engagement and the size and complexity of the subject property?	X		
4. Does the appraisal follow the four criteria of highest and best use analysis?	X		
5. Is highest and best use as vacant analyzed?	X		
6. Is highest and best use as improved (proposed) analyzed?	X		
7. Are any probable physical, legal, or external changes considered, such as a pending change in zoning that may impact property value?	X		
8. Does the appraisal provide an adequate discussion of the potential for an expansion of, or changes to, the existing improvements?	X		

Comments: The appraisal beginning on page 105 included detailed market analysis including pricing, absorption, market capture, real estate supply and demand factors and trends. The subject pricing and absorption conclusions were consistent with the Market Study report prepared by The Gregory Group dated April 2026 (located in addenda of the appraisal).

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VALUATION METHODOLOGY	**YES**	**NO**	**N/A**
1. Are exclusions of one or more of the three traditional approaches to value properly disclosed?	**X**		
2. Is the rationale for the exclusion of one or more of the three traditional approaches to value reasonable?	**X**		

COST APPROACH	**YES**	**NO**	**N/A**
1. Are land sales current, comparable, and appropriately adjusted?			**X**
2. Is the land value conclusion logical and reasonable?			**X**
3. Is basis for the replacement cost estimate properly documented?			**X**
4. Does the estimated cost to complete proposed improvements include leasing expenses and/or holding cost during construction?			
5. Are all forms of accrued depreciation considered and supported?			**X**
6. Does the appraisal account for and adequately support entrepreneurial profit obtained from non-confidential or proprietary sources?			**X**
7. Is the cost approach conclusion logical and reasonable?			**X**

Comments: The report deemed the cost approach to not be applicable to the development of credible assignment results for the valuation analyses. Nevertheless, parts of the appraisal utilize cost estimates that have support and appear credible (supported by developer's budgets and costs, cost comparables, and a cost service) for the cost estimates for development of the land residuals/extraction analysis. The costs used appear reasonable and supported.

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SALES COMPARISON APPROACH (SCA)	YES	NO	N/A
1. Are the land sales current and reasonably comparable?	X		
2. Are the land sales sufficiently identified and the descriptions adequate?	X		
3. Is the appropriate unit of comparison analyzed?	X		
4. Is the reasoning and analysis employed adequate and are the sales properly adjusted?	X		
5. Is the final value conclusion of the sales comparison approach logical and reasonable?	X		

Comments SFR lots: The appraisal utilized seven land sale comparables to arrive at finished lot values. The quality of the comparable land sale data was good. The sales had unadjusted prices, ranging from $189,536 to $359,186 per lot. Appropriate adjustments were applied to the sales with final adjusted prices from $215,548 to $290,352 per lot with an average of $255,397 and a median of $265,500. A Benchmark Value of $230,000 per was concluded which included building permit fees. Refinements were applied to the Benchmark Value to arrive at finished lot values for each product type. The building fees were also deducted (page 157). These conclusions from this approach were as follows:

Shore - 135 Lots: These lots were valued at $183,000 per lot from this approach. This value is reasonable for their minimum lot size of 2,788 SF.

Lakelet - 113 Lots: These lots were valued at $192,000 per lot from this approach. This value is reasonable for their minimum lot size of 3,690 SF.

Watersyde - 83 Lots: These lots were valued at $194,000 per lot from this approach. This value is reasonable for their minimum lot size of 4,000 SF.

Wavmor – 129 Lots: These lots were valued at $200,000 per lot from this approach. This value is reasonable for their minimum lot size of 4,500 SF.

Crestvue -79 Lots: These lots were valued at $200,000 per lot from this approach. This value is reasonable for their minimum lot size of 4,675 SF.

Bleau -1087 Lots: These lots were valued at $205,000 per lot from this approach. This value is reasonable for their minimum lot size of 5,000 SF.

Drifton -78 Lots: These lots were valued at $210,000 per lot from this approach. This value is reasonable for their minimum lot size of 5,500 SF.

V14/20 – 80 Lots: These lots were valued at $170,000 per lot from this approach. This value is reasonable for their minimum lot size of 3,690 SF.

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INCOME APPROACH		YES	NO	N/A
1.	If Income Approach excluded, was proper justification provided?			X
2.	Is Income Approach methodology adequately summarized?	X		
3.	Is Subject Revenue analyzed and estimated?	X		
4.	Is Lot absorption analyzed and estimated?	X		
5.	Are remaining lot development construction costs analyzed and estimated?	X		
6.	Are Holding and Sales costs detailed and analyzed?	X		
7.	Is the Discount Rate and Profit supported and analyzed?	X		
8.	Were inputs to the discounted cash flow reasonable?	X		
9.	Were all calculations in Income Approach model mathematically correct?	X		
10.	Were appropriate deductions and discounts applied or accounted for in the analysis?	X		
11.	Is the final value estimates consistent with the data presented?	X		

Comments (SFR lots): An Extraction and Discounted Cash Flow analyses were performed to supplement the Sales Comparison Approach in the valuation of the finished lots. The inputs, quality of data and assumptions regarding the above-mentioned factors were adequately considered. The conclusions (page 176) from this approach were as follows:

Shore Lots: The Extraction and Discounted Cash Flow methods arrived at finished lot value of $192,000 per lot. This was reconciled with the Sales Comparison Approach $183,000 per lot) to arrive at a final lot value of $185,000.

Lakelet Lots: The Extraction and Discounted Cash Flow methods arrived at finished lot value of $189,000 per lot. This was reconciled with the Sales Comparison Approach $192,000 per lot) to arrive at a final lot value of $190,000.

Watersyde Lots: The Extraction and Discounted Cash Flow methods arrived at finished lot value of $200,000 per lot. This was reconciled with the Sales Comparison Approach $194,000 per lot) to arrive at a final lot value of $195,000.

Wavmor Lots: The Extraction and Discounted Cash Flow methods arrived at finished lot value of $185,000 per lot. This was reconciled with the Sales Comparison Approach $200,000 per lot) to arrive at a final lot value $195,000.

Crestvue Lots: The Extraction and Discounted Cash Flow methods arrived at finished lot value of $190,000 per lot. This was reconciled with the Sales Comparison Approach $200,000 per lot) to arrive at a final lot value of $200,000.

Bleau Lots: The Extraction and Discounted Cash Flow methods arrived at finished lot value of $200,000 per lot. This was reconciled with the Sales Comparison Approach $205,000 per lot) to arrive at a final lot value $205,000.

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Drifton Lots: The Extraction and Discounted Cash Flow methods arrived at finished lot value of $210,000 per lot. This was reconciled with the Sales Comparison Approach $210,000 per lot) to arrive at a final lot value of $210,000.

V14/20 Lots: The Extraction and Discounted Cash Flow methods arrived at finished lot value of $162,000 per lot. This was reconciled with the Sales Comparison Approach $170,000 per lot) to arrive at a final lot value of $165,000.

RECONCILIATION, FINAL VALUE CONCLUSIONS	**YES**	**NO**	**N/A**
1. Is the estimated exposure time disclosed and reasonable?	**X**		
2. Is the final value appropriately divided between realty and non-realty items? Is the impact of their inclusion/exclusion on the estimate of value discussed?	**X**		
3. Are final value estimates consistent with the data presented, and sufficient documentation included to assess the appraisal's logic, reasoning, judgment, and analysis?	**X**		
4. Is the as-is value appropriately analyzed?	**X**		

REVIEWER'S CONCLUSIONS

Summary Comments:

The appraisal appropriately valued the subject based on the intended use and methods peers would use and users of the service would expect.

The aggregate or cumulative conclusion of **$410,401,553** appears reasonably supported by the market data and analyses included within the appraisal.

The reported extraordinary assumptions applied in the appraisal were reasonable.

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VALUATION BY ENTITY

Market Value of Greenbriar Phase 2, LLC

This owner has 547 lots. The valuation of these lots was completed using a Discounted Cash Flow analysis. The analysis considered the retail value of the lots, remaining lot development construction costs, absorption of the lots, holding and selling costs and profit/discount rate. All of the inputs were well supported and reasonable. The indicated bulk value of this property is $73,000,000 as shown on Page 196.

Market Value of Lennar Homes, LLC

Lennar Homes of California LLC has 191 lots. Adjustments to the valuation included the completion of homes and permits paid. The following was concluded for Lennar Homes of California LLC (page 187):

Market Value (Lennar Homes of California, LLC)					
Project	**No. Lots**	**Lot Value**	**Land Component**	**Permits & Fees**	**Total Value**
Shor	18	$185,000	$3,330,000	$118,189	$3,448,189
Lakelet	18	$190,000	$3,420,000	$860,681	$4,280,681
Watersyde	27	$195,000	$5,265,000	$2,613,021	$7,878,021
Wavmor	23	$195,000	$4,485,000	$1,136,378	$5,621,378
Crestvue	27	$200,000	$5,400,000	$3,526,582	$8,926,582
Bleau	26	$205,000	$5,330,000	$760,380	$6,090,380
Drifton	32	$210,000	$6,720,000	$7,283,362	$14,003,362
Water's Edge	20	$165,000	$3,300,000	$437,460	$3,737,460
Total Value			$37,250,000	$16,736,053	$53,986,053

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Overall Value – 439 Closed Units

The value of the closed escrow units was based on the most recent transaction price (page 197). The cumulative values from these homes are shown as follows.

OVERALL VALUE - 439 CLOSED UNITS				
VILLAGE REFERENCE	**PRODUCT**	**TOTAL UNITS**	**UNITS CLOSED**	**AGGREGATE VALUE**
Village 1	SHOR	104	53	$29,649,500
Village 2	SHOR	89	14	$8,114,000
Village 3	WATERSYDE	11	9	$6,678,000
Village 4	LAKELET	68	9	$5,369,500
Village 5	LAKELET	61	60	$37,230,000
Village 6	WATERSYDE	54	54	$37,691,000
Village 7	CRESTVUE	26	21	$15,129,500
Village 8	WATERSYDE	88	13	$9,083,000
Village 9	CRESTVUE	53	5	$3,429,500
Village 10	CRESTVUE	59	43	$28,319,000
Village 11	LAKELET	44	3	$1,975,000
Village 12	BLEAU	60	12	$9,340,000
Village 13	BLEAU	50	0	$0
Village 14	WAVMOR	54	0	$0
Village 15	WAVMOR	31	2	$1,320,500
Village 16	WAVMOR	34	0	$0
Village 17	WAVMOR	44	39	$25,490,500
Village 18	DRIFTON	59	36	$28,796,000
Village 19	DRIFTON	49	0	$0
Village 14/20	WATER'S EDGE	139	66	$35,800,500
TOTALS		**1,177**	**439**	**$283,415,500**

UPDATE APPRAISAL REPORT

An Update Appraisal Report (aka Bring Forward Letter), dated August 12, 2026, was also provided. The purpose of this Update Appraisal Report was to ascertain whether the current estimate (as of August 12, 2026) of cumulative, or aggregate, value of the CFD is not less than the value derived in the Original Appraisal Report, with a date of value of June 29, 2026.

The appraiser concluded that the subject's aggregate value as of August 12, 2026, is not less than the aggregate value estimate reported in the original appraisal report with a date of value of June 29, 2026. Overall, the project status as of August 12, 2026, supported an aggregate value estimate that was not less than reported in the original appraisal.

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ADDITIONAL USPAP & FIRREA REPORTING REQUIRMENTS

		YES	NO	N/A
1.	Are general assumptions and limiting conditions reasonable?	X		
2.	Are the extraordinary assumptions and hypothetical conditions reasonable and prominently disclosed?	X		
3.	Is certification signed by appraiser(s) who prepared the report?	X		
4.	Are qualifications included in the report for all appraisers providing a significant contribution to the completion of the appraisal assignment?	X		
5.	Does the appraisal conform to generally accepted appraisal standards as evidenced by the USPAP and the appraisal regulations of CDIAC?	X		
6.	Is appraisal written with sufficient information and analysis to support the institution's decision to engage in the transaction?	X		
7.	Does the appraisal analyze and report appropriate deductions and discounts for proposed construction or renovation, partially leased buildings, non-market lease terms, and tract developments with unsold units?	X		
8.	Did state licensed or certified appraisers prepare the appraisal?	X		
9.	If information was unavailable, is that fact disclosed and explained in the report?	X		
10.	Are engagement instructions and other appraiser correspondence included in the report?	X		
11.	Are third party studies well supported, incorporated into the appraisal or are the conclusions of the third-party studies modified with supporting data by the appraiser to justify the changes?	X		

Comments: In my opinion, given the reasons put forth previously in this review, the appraisal report complies with USPAP and the CDIAC appraisal requirements.

This review is subject to the Assumptions and Limiting Conditions contained in this report. The reviewer's compensation is not contingent on an action or event result from the analysis, opinions, or conclusions in or the use of this report.

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Certification

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved with this assignment.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, the requirements of the Code of Professional Ethics, the Standards of Professional Practice of the Appraisal Institute, as well as the requirements of the state of Colorado.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. As of the date of this report, Scott Beebe, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
11. Scott Beebe, MAI, has not made a personal inspection of the property that is the subject of this report.
12. No one provided significant real property appraisal assistance to the person signing this certification.
13. Scott Beebe, MAI, has provided services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

Scott Beebe, MAI
Certified General Real Estate Appraiser
California License #AG01526

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STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

The following Standard Assumptions and Limiting Conditions ("Limiting Conditions") apply to the Appraisal and any use or reliance on the Appraisal, regardless of whether such use or reliance was known or authorized by BBG. Any such use or reliance is subject to and constitutes acceptance of these Limiting Conditions. Do not use, rely on or otherwise consider the Appraisal, if you do not accept these Limiting Conditions. If any Limiting Condition stated below is contrary to the terms and conditions stated in the appraisal services agreement between BBG and Client for the Appraisal, the terms and conditions in that agreement shall apply between BBG and Client as set forth in the agreement but only with respect to the specific Limiting Condition.

A. Definitions. In these Limiting Conditions:

1. "Appraisal" means the appraisal(s) other work product and related services performed in connection with the report in which these Limiting Conditions are included. Appraisal includes the report itself.

3. "Appraiser" means the appraiser(s) or analysts(s) performing any part of the Appraisal or signing an Appraisal.

4. "BBG" means BBG, Inc. and its successors, assigns, parents and subsidiaries (including BBG Assessments, LLC), as well as their respective Personnel.

5. "Client" means the party or parties identified expressly as client(s) in the Appraisal.

6. "Personnel" means any and all employees, officers, directors or independent contractors of a party.

B. Intended User(s) and Intended Use. The Appraisal provided by BBG is for the sole use and benefit of Client and any additional intended user(s), and only for the intended use, identified in the Appraisal. While other parties may receive copies of the Appraisal for informational purposes, disclosure requirements or other reasons (whether with BBG's consent or otherwise), such parties are not authorized by BBG to use or rely on the Appraisal.

C. Reliance on Information Furnished to BBG. BBG has relied on the accuracy and completeness of information furnished by Client or which Client has deemed to be reliable for purposes of BBG's analyses. BBG will not be liable for conclusions or analyses based on such information if it is later found to be incomplete or inaccurate.

D. Unauthorized Use or Publication. Unless otherwise stated in the Appraisal or in BBG's written appraisal services agreement for the Appraisal, the Appraisal may not be used in any offering memorandum or investment prospectus for bonds, equity interests or other investments, or for any crowd funding investments. Further, no part of the Appraisal may be published in any advertising materials, property listings, or securities filings or statements without BBG's prior written consent or be provided to any third-party who has not been identified by BBG as an intended user for such third-party's reliance. Any party, including Client, who publishes or uses an Appraisal without such authorization or who provides an Appraisal for such unauthorized use or reliance agrees to indemnify and hold BBG harmless from and against all damages, liabilities, losses, claims, causes of actions, expenses, and costs, including attorneys' fees, incurred in the defense of any claim arising from or in any way connected to the unauthorized use or publication.

E. Maximum Time Period for Legal Actions. Unless the time period is shorter under applicable law, any legal action or claim relating to the Appraisal shall be filed in court within two (2) years from the date of the Appraisal to which the claims or causes of action relate or, in the case of acts or conduct after delivery of an Appraisal, two (2) years from the date of the alleged acts or conduct. The time period stated in this section shall not be extended by any delay in the discovery or accrual of the underlying claims, causes of action or damages. The time period stated in this section shall apply to all non-criminal claims or causes of action of any type, except for intentional fraud or intentionally wrongful conduct.

F. Limitations of Liability and Damages. Professional standards, as well as applicable laws, regulations and guidelines, for the performance of appraisal services require that appraisers perform their services

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independently, impartially and objectively. The regular fees charged by BBG do not reflect the size of the transactions for which Client or intended users may be using BBG's services or the financial benefits that may accrue to Client or intended users in connection with their transactions. The limitations of liability in this section are designed to assure that BBG can render its services in compliance with applicable requirements and at reasonable cost. Any modification must be in writing and signed by the parties subject to the modification, which modification may include the imposition of a higher fee based on the scope and nature of the assignment and BBG's perceived risk.

1. Limitations of Liability. To the fullest extent permitted by applicable law, the maximum monetary liability of BBG to any party (regardless of whether such party's claimed use or reliance on an Appraisal was authorized by BBG) for any and all claims or causes of action relating to an Appraisal shall be limited to a sum equal to three (3) times the total compensation actually received by BBG for the Appraisal that is the subject of the claim(s) or cause(s) of action, up to a maximum limit of liability of $50,000. This limitation of liability shall be in the aggregate for all Personnel of BBG and shall extend to all types of claims and causes of action, whether in contract or tort, but exclude claims/causes of action for intentionally fraudulent or criminal conduct or intentionally caused injury.

2. No Special or Consequential Damages. BBG shall be not be liable to any party for special or consequential damages relating to any Appraisal, including, without limitation, loss of profits, impairment of capital, loan reserves, prospective business opportunities, or damages caused by loss of use of any funds or property, regardless of whether arising from negligence or breach of the Agreement or otherwise, and regardless of whether a party was advised or knew of the possibility of such damages.

If different limitations of liability are stated in the appraisal services agreement between BBG and Client for this Appraisal, those limitations shall apply between BBG and Client as set forth in the agreement.

G. Subpoenas and Testimony. In the event that BBG (or any of its Personnel) is compelled by subpoena or other legal or administrative process to provide testimony or produce documents relating to an Appraisal, whether in court, deposition, arbitration or any other proceeding, the party seeking such testimony or documents agrees to compensate BBG for the reasonable time incurred by its Personnel in connection with preparation for and provision of such testimony and/or documents at BBG's regular rates in effect at that time and to reimburse BBG's reasonable actual expenses.

H. Venue and Jurisdiction. Any dispute concerning the Appraisal or BBG's services will be governed by and construed in accordance with the domestic substantive laws of the State of Texas, without giving effect to its choice or conflict of law provisions. Any party claiming to have used, relied on or been injured by the Appraisal: (a) hereby irrevocably submits to the exclusive jurisdiction and venue of the state courts located in Dallas County, Texas (or, if but only if such court lacks jurisdiction, the United States District Court for the Northern District of Texas) for the purpose of any action relating to the Appraisal or BBG's services, (b) hereby waives and agrees not to assert any claim that he, she or it is not subject personally to the jurisdiction of the above-named courts or that any such action brought in the above-named courts should be dismissed on grounds of forum non conveniens. Notwithstanding the foregoing, a party may commence an action in a court other than the above-named courts solely for the purpose of enforcing an order or judgment issued by the above-named courts.

I. General Assumptions and Limiting Conditions of Appraisals. Unless otherwise stated within the report, the Appraisal has been performed and is subject to the following additional general assumptions and limiting conditions. The Appraisal is also subject to the assumptions, extraordinary assumptions, hypothetical conditions and limiting conditions that may be stated elsewhere in the applicable report.

1. Notwithstanding that the Appraisal may comment on, analyze or assume certain conditions, BBG shall have no monetary liability or responsibility for alleged claims or damages pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) the property's compliance with local, state or federal zoning, planning, building, disability access and environmental laws, regulations and standards; (c) building permits and planning approvals for improvements on the property; (d) structural or mechanical soundness or safety; (e) contamination, mold, pollution, storage tanks, animal infestations or other hazardous conditions

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affecting the property; and (f) other conditions and matters for which licensed real estate appraisers are not customarily deemed to have professional expertise.

2. The Appraiser has not conducted any engineering or architectural surveys in connection with the Appraisal. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the Appraiser or the Appraiser's staff or was obtained or taken from referenced sources and is considered reliable but is not guaranteed or warranted. BBG shall not be monetarily liable or responsible for or assume the costs of preparation or arrangement of geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
3. Unless otherwise stated in the report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment. Further, unless otherwise stated, it is assumed that there are no subsurface oil, gas or other mineral deposits or subsurface rights of value involved in the Appraisal, whether they are gas, liquid, or solid. Further, unless otherwise stated, it is assumed that there are no rights associated with extraction or exploration of such elements considered. Unless otherwise stated, it is also assumed that there are no air or development rights of value that may be transferred.
4. Any legal description or plats reported in the Appraisal are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings or other exhibits are included only to assist the intended user to better understand and visualize the subject property, the environs, and the competitive data. BBG has made no survey of the property as part of the Appraisal and assumes no monetary liability or responsibility in connection with such matters.
5. Title is assumed to be good and marketable, and in fee simple, unless otherwise stated in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as stated. Further, BBG assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way, except as stated.
6. The Appraisal is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the report; additionally, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report. Further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value opinion. Moreover, unless otherwise stated herein, it is assumed that there are no encroachments or violations of any zoning or other regulations affecting the subject property, that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there are no trespasses or encroachments.
7. The American Disabilities Act (ADA) became effective January 26, 1992. The Appraiser has not made a compliance survey or analysis of the property to determine whether it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative impact upon the value of the property. Since the Appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
8. No liability or responsibility is assumed for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the Appraisal.
9. It is assumed the subject property is not adversely affected by the potential of floods unless otherwise stated in the Appraisal. Further, it is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any existing or proposed buildings.
10. Unless otherwise stated within the Appraisal, the depiction of the physical condition of the improvements described therein is based on visual inspection. No monetary liability or responsibility is assumed for (a) the soundness of structural members since no engineering tests were conducted; (b) the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made; and (c)

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hidden, unapparent or masked property conditions or characteristics that were not clearly apparent during the Appraiser's inspection.

11. If building improvements are present on the site, it is assumed that no significant evidence of termite damage or infestation was observed during physical inspection, unless so stated in the Appraisal. Further, unless so stated in the Appraisal, no termite inspection report was provided to the Appraiser. No monetary liability or responsibility is assumed for hidden damages or infestation.
12. Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No monetary liability or responsibility is assumed for such conditions or for engineering which may be required to discover them.
13. BBG's Appraisers are not experts in determining the presence or absence of hazardous substances toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. BBG assumes no liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. Client is free to retain an expert on such matters in this field; however, Client retains such expert at Client's own discretion, and any costs and/or expenses associated with such retention are the responsibility of Client.
14. BBG is not an expert in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life (such as bald eagles, gophers, tortoises, etc.) that may be present on the property. BBG assumes no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species. It is assumed that no environmental impact studies were either requested or made in conjunction with this analysis, unless otherwise stated within the report.
15. If Client instructions to the Appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the inspection date of the Appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the subject property is consistent with the exterior conditions as observed and that other information relied upon is accurate.
16. If provided, the opinion of insurable replacement cost is included at the request of Client and has not been performed by a qualified insurance agent or risk management underwriter. This cost estimate should not be solely relied upon for insurable replacement cost purposes. Appraisers are not familiar with the definition of insurable replacement cost from the insurance provider, the local governmental underwriting regulations, or the types of insurance coverage available. These factors can impact cost estimates and are beyond the scope of the intended use of the Appraisal. BBG's Appraisers are not cost experts in cost estimating for insurance purposes.
17. The dollar amount of any value opinion in the Appraisal is based upon the purchasing power and price of the United States Dollar as of the effective date of value. Any Appraisal is based on market conditions existing as of the effective date.
18. BBG assumes no monetary liability or responsibility for any changes in economic or physical conditions which occur following the effective date of value within the Appraisal that would influence or potentially affect the analyses, opinions, or conclusions. Any subsequent changes are beyond the scope of the Appraisal.
19. Any value opinions reported or expressed apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value opinions, unless such proration or division of interests is set forth in the Appraisal. Any division of the land and improvement values stated herein is applicable only under the program of utilization shown. These separate valuations are invalidated for any other application.
20. Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are BBG's best estimate of current market thinking of what future trends will be. No warranty or representation is made that such projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future

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real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand. The forecasts, projections, or operating estimates contained in the Appraisal are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.

21. Any proposed or incomplete improvements included in the Appraisal are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
22. If the Appraisal has been prepared in a so-called "public non-disclosure" state, real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such a "non-disclosure" state, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the Appraiser may have relied on verification obtained and reported by appraisers or other persons outside of BBG. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the Appraisal and on interviews with market participants. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
23. Although the Appraiser has made reasonable efforts to verify material information and data set forth in the Appraisal, no responsibility is assumed for the accuracy of any information furnished the Appraiser either by the Client, borrowers or other parties. If for any reason, future investigation should prove any information or data to be in substantial variance with that presented or relied on in the Appraisal, the Appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or opinions of value.
24. The right is reserved by the Appraiser to make adjustments to the analyses, opinions, and conclusions set forth in the appraisal report as may be required by consideration of additional or more reliable data that may become available. No change to this report shall be made by anyone other than the Appraiser. The Appraiser shall have no monetary liability or responsibility for any unauthorized change(s) to the report.
25. The submission of the Appraisal constitutes completion of the services authorized and agreed upon.

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Scott Beebe, MAI
Senior Managing Director
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PROFILE

Scott Beebe is a Senior Managing Director at BBG in the Sacramento office. Mr. Beebe has over 30 years of experience in the valuation and analysis of commercial real estate including multi-family, retail, industrial, office, mixed-use and development land. Prior to BBG, Scott was one of the founding partners of Integra Realty Resources in 1999. Specialized property types include all types of lodging facilities, affordable housing, senior apartment communities, sports and health club facilities, golf course properties, automobile dealerships, manufactured home parks, self-storage facilities, regional malls and power centers and others.

Mr. Beebe has provided valuation and consulting services for condemnation purposes, estate, financing, equity participation and due diligence support. Specialized services include portfolio valuations, institutional-grade property valuations, market feasibility studies and acquisition/disposition counseling. Mr. Beebe has testified as an expert witness in superior and municipal courts. Clients served include life insurance companies, pension funds and pension fund advisors, banks and financial institutions, conduits, developers and investors, law firms, businesses/ corporations and government.

PROFESSIONAL AFFILIATIONS & LICENCES

Appraisal Institute, Member (MAI)
Lambda Alpha International – Honorary Land Economics Society

General Certified Appraiser:

State of California (License # AG 015266)

EDUCATION

B.B.A. Degree, Business Administration, University of Texas, Austin, Texas, 1988

Successfully completed numerous real estate related courses and seminars sponsored by the Appraisal Institute, accredited universities and others.

Currently certified by the Appraisal Institute's voluntary program of continuing education for its designated members.

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APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

[Closing Date]

City Council
City of Sacramento
915 I Street
Sacramento, California 95814

OPINION: $_____ City of Sacramento
Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2 Special Tax Bonds, Series 2026

Members of the City Council:

We have acted as bond counsel to the City of Sacramento (the "City") in connection with the issuance by the City of the special tax bonds captioned above (the "Bonds"). In such capacity, we have examined such law and such certified proceedings, certifications, opinions and other documents as we have deemed necessary to render this opinion.

The Bonds are issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being sections 53311 et seq. of the California Government Code (the "Act"), a resolution of the City Council of the City adopted on September 29, 2026 (the "Resolution"), and a Master Indenture, dated as of December 1, 2024, as amended and supplemented by a First Supplemental Indenture, dated as of December 1, 2024 and a Second Supplemental Indenture, dated as of October 1, 2026 (collectively, the "Indenture"), by and between the City and U.S. Bank Trust Company, National Association, as trustee. Under the Indenture, the City has pledged certain revenues (the "Net Special Tax Revenues") for the payment of principal, premium (if any) and interest on the Bonds when due.

Regarding questions of fact material to our opinion, we have relied on representations of the City contained in the Indenture, and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation. Regarding certain questions of law material to our opinion, we have assumed the correctness of certain legal conclusions contained in the written opinions of the city attorney to the City, and others, without undertaking to verify the same by independent investigation.

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

1. The City is a charter city, duly organized and existing under the Constitution of the State of California, with the power to adopt the Resolution, enter into the Indenture and perform the agreements on its part contained therein, and issue the Bonds.

2. The Indenture has been duly authorized, executed and delivered by the City, and constitutes a legal, valid and binding obligation of the City enforceable against the City in accordance with its terms.

3. The Indenture creates a valid lien on the Net Special Tax Revenues and other funds pledged by the Indenture for the security of the Bonds.

4. The Bonds have been duly authorized, executed and delivered by the City, and are valid and binding limited obligations of the City, payable solely from the Net Special Tax Revenues and other sources provided therefor in the Indenture.

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The City has covenanted to comply with each of such requirements. Failure to comply with certain of such requirements may cause the inclusion of such interest in gross income for federal income tax purposes to be retroactive to the date of delivery of the Bonds.

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

It should be noted that interest on the Bonds may be subject to the corporate alternative minimum tax. We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Moreover, our opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or any court; rather, our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions, and any assumptions expressed herein, and in reliance upon the representations, and covenants referenced above. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

APPENDIX D

GENERAL INFORMATION ABOUT THE CITY OF SACRAMENTO AND THE COUNTY OF SACRAMENTO

The following information is included only for the purpose of supplying general information regarding the City of Sacramento (the "City") and the County of Sacramento (the "County"). This information is provided only for general informational purposes and provides prospective investors limited information about the City and the County and their economic base. The Bonds are not a debt of the County or the State or any of its political subdivisions, and the County, and the State and its political subdivisions are not liable therefor. The Bonds are special limited obligations of the City payable solely from the Net Special Tax Revenues (as defined in the Official Statement) and other amounts as set forth in the Indenture.

General

The City is located at the confluence of the Sacramento and American Rivers in the south-central portion of the Sacramento Valley, a part of the State's Central Valley. Although the City is approximately 75 air miles northeast of San Francisco, its temperature range is more extreme than that of most Northern California coastal cities, ranging from a daily average of 45 degrees Fahrenheit in January to 85 degrees Fahrenheit in July. Average elevation of the City is 30 feet above sea level.

Population

The following table lists population figures for the City, the County and the State as of January 1 for 2022 through 2026.

CITY AND COUNTY OF SACRAMENTO
Population Estimates

Calendar Year	*City of Sacramento*	*County of Sacramento*	*State of California*
2022	519,288	1,580,060	39,159,480
2023	552,152	1,583,863	39,167,274
2024	527,885	1,600,332	39,446,835
2025	532,956	1,619,023	39,646,907
2026	539,765	1,628,349	39,592,978

Source: State Department of Finance estimates (as of January 1).

Industry and Employment

The unemployment rate in the Sacramento—Arden-Arcade—Roseville, CA Metropolitan Statistical Area ("Sacramento MSA"), which includes Sacramento, Placer, El Dorado, and Yolo Counties, was 5.0% in 2025. The table below provides information about employment rates and employment by industry type for the Sacramento MSA for calendar years 2021 through 2025. As of June 2026, the unemployment rate in the Sacramento MSA was 4.8%.

SACRAMENTO MSA
Civilian Labor Force, Employment and Unemployment
Calendar Years 2021 through 2025
Annual Averages

	2021	*2022*	*2023*	*2024*	*2025*
Civilian Labor Force [1]	1,129,300	1,142,600	1,166,200	1,187,700	1,206,600
Employment	1,057,700	1,099,500	1,117,200	1,132,300	1,146,600
Unemployment	71,600	43,100	49,000	55,400	60,000
Unemployment Rate	6.3%	3.8%	4.2%	4.7%	5.0%
Wage and Salary Employment [2]					
Total Farm	9,000	8,600	9,000	8,700	8,600
Minin and Lodging	500	500	500	400	400
Construction	74,900	77,100	74,900	76,600	74,700
Manufacturing	37,700	40,600	40,600	39,900	39,000
Wholesale Trade	26,900	28,300	28,400	27,800	26,600
Retail Trade	100,600	100,300	98,900	97,600	98,300
Transportation, Warehousing and Utilities	37,500	40,800	41,700	41,500	41,900
Information	10,100	10,500	10,000	9,300	8,800
Finance and Insurance	34,100	33,000	29,900	28,700	28,300
Real Estate and Rental and Leasing	17,700	18,800	18,200	17,700	17,400
Professional and Business Services	137,200	139,800	136,000	135,500	134,700
Educational and Health Services	168,800	175,600	187,300	201,000	215,100
Leisure and Hospitality	93,600	108,700	112,200	110,400	110,500
Other Services	33,300	36,100	38,200	39,000	38,600
Federal Government	14,500	14,400	14,500	14,500	14,100
State Government	127,300	129,800	134,700	142,000	141,500
Local Government	98,400	102,700	107,400	109,400	111,400
Total, All Industries	1,021,900	1,065,500	1,082,300	1,100,000	1,109,800

[1] Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

[2] Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

Source: State of California Employment Development Department.

Major Employers

The following table shows the largest employers located in the County as of fiscal year 2025.

COUNTY OF SACRAMENTO
PRINCIPAL EMPLOYERS
As of June 30, 2025

Rank	*Name of Company*	*Number of Employees*	*Percentage of Total City Employment*
1.	UC Davis Health System	16,617	2.10%
2.	Kaiser Permanente	12,624	1.59
3.	Sutter/California Health Services	10,129	1.28
4.	Dignity/Mercy Healthcare	7,353	0.93
5.	Apple Inc.	5,000	0.63
6.	Intel Corporation	4,000	0.63
7.	Raley's Inc./Bel Air	2,519	0.32
8.	Siemens Mobility Inc.	2,500	0.32
9.	VSP Vision	1,950	0.25
10.	Safeway	1,854	0.23

Source: County of Sacramento Annual Comprehensive Financial Report for the year ending June 30, 2025.

The following table shows the largest employers located in the City as of fiscal year 2025.

CITY OF SACRAMENTO
PRINCIPAL EMPLOYERS
As of June 30, 2025

Rank	*Name of Company*	*Number of Employees*	*Percentage of Total City Employment*
1.	State of California	142,912	19.18%
2.	University of California, Davis	22,547	3.03
3.	Kaiser Permanente	18,903	2.54
4.	Sutter Health	17,500	2.35
5.	UC Davis Health	17,195	2.31
6.	U.S. Government	14,273	1.92
7.	Sacramento County	13,653	1.83
8.	Dignity Health	8,356	1.12
9.	San Juan Unified School District	5,499	0.74
10.	City of Sacramento	5,030	0.68

Source: City of Sacramento Annual Comprehensive Financial Report for the year ending June 30, 2025.

Personal Income

Personal Income is the income that is received by all persons from all sources. It is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance.

The personal income of an area is the income that is received by, or on behalf of, all the individuals who live in the area; therefore, the estimates of personal income are presented by the place of residence of the income recipients.

The following table summarizes the personal income for the County of Sacramento, the State and the United States for the period 2020 through 2024.

COUNTY OF SACRAMENTO
Personal Income
2020 through 2024

Year	*Sacramento County*	*California*	*United States*
2020	$ 91,355,811	$2,770,488,779	$19,613,059,000
2021	98,181,711	3,019,215,724	21,484,168,000
2022	99,000,141	3,021,645,501	22,144,814,000
2023	104,260,801	3,182,779,295	23,577,208,000
2024	112,291,560	3,400,237,317	24,897,613,000

Note: Dollars in Thousands.
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The following table summarizes per capita personal income for the County of Sacramento, the State and the United States for 2020-2024. This measure of income is calculated as the personal income of the residents of the area divided by the resident population of the area.

PER CAPITA PERSONAL INCOME
County of Sacramento, State of California and the United States
2020 Through 2024

Year	*Sacramento County*	*California*	*United States*
2020	$57,575	$70,100	$59,151
2021	61,795	77,134	64,692
2022	62,314	77,196	66,298
2023	65,388	81,196	70,002
2024	69,693	86,232	73,204

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Commercial Activity

A summary of historic taxable sales within the City for 2021-2025 is shown in the following table.

CITY OF SACRAMENTO
Taxable Transactions
(dollars in thousands)

	Retail Stores		*Total All Outlets*	
	Number of Permits	***Taxable Transactions***	***Number of Permits***	***Taxable Transactions***
2021	42,214	$5,436,802	68,269	$8,161,210
2022	42,516	5,763,861	69,652	9,054,662
2023	41,680	5,683,785	69,235	8,815,975
2024	42,336	5,690,649	70,706	8,613,743
2025	43,067	5,588,067	72,873	8,553,080

Source: State Board of Equalization.

A summary of historic taxable sales within the County for 2021-2025 is shown in the following table.

COUNTY OF SACRAMENTO
Taxable Transactions
(dollars in thousands)

	Retail Stores		*Total All Outlets*	
	Number of Permits	***Taxable Transactions***	***Number of Permits***	***Taxable Transactions***
2021	107,672	$23,795,032	175,501	$33,918,020
2022	107,173	24,679,703	176,657	36,511,260
2023	104,126	24,289,157	173,487	35,778,877
2024	105,077	24,776,205	176,278	36,004,024
2025	106,592	25,166,105	180,534	36,620,271

Source: State Board of Equalization.

Building and Construction

Provided below are the building permits and valuations for the City and the County for calendar years 2020 through 2024.

CITY OF SACRAMENTO
Total Building Permit Valuations
(valuations in thousands)

	2020	*2021*	*2022*	*2023*	*2024*
Permit Valuation					
New Single-family	$ 254,127.0	$ 359,957.8	$ 278,041.4	$ 305,689.5	$ 188,961.1
New Multi-family	465,623.0	284,928.5	211,378.2	199,279.2	205,812.0
Res. Alterations/Additions	174,415.1	171,615.1	151,297.8	164,471.7	98,277.0
Total Residential	$ 894,165.1	$ 816,501.4	$ 640,717.4	$ 669,440.4	$ 493,050.1
New Commercial	$ 154,484.2	$ 152,871.0	$ 73,271.9	$ 170,884.5	$ 5,905.6
New Industrial	31,155.0	83,171.4	11,349.9	-	-
New Other	302,114.6	55,183.7	40,926.1	139,361.0	27,214.8
Com. Alterations/Additions	230,448.0	163,431.5	177,804.2	371,033.1	139,817.3
Total Nonresidential	$ 718,201.8	$ 454,657.6	$ 303,352.1	$ 681,278.6	$ 172,937.7
New Dwelling Units					
Single-Family	956	1,150	952	951	597
Multiple Family	2,855	1,193	1,619	2,682	1,330
TOTAL	3,811	2,343	2,571	3,633	1,897

Source: Construction Industry Research Board, Building Permit Summary.

COUNTY OF SACRAMENTO
Total Building Permit Valuations
(valuations in thousands)

	2020	*2021*	*2022*	*2023*	*2024*
Permit Valuation					
New Single-family	$ 1,088,390.6	$ 1,310,379.5	$ 1,183,213.4	$ 1,408,893.4	$ 1,642,986.8
New Multi-family	467,418.7	323,462.5	413,368.8	436,365.8	354,365.0
Res. Alterations/Additions	262,864.6	276,570.3	373,409.6	332,233.2	295,276.6
Total Residential	$ 1,818,673.9	$ 1,910,412.3	$ 1,969,991.8	$ 2,177,492.4	$ 2,292,628.4
New Commercial	$ 411,058.0	$ 152,871.0	$ 203,314.1	$ 256,310.9	$ 207,114.0
New Industrial	31,155.0	83,171.4	38,163.3	-	79,419.0
New Other	113,793.0	150,008.7	220,339.3	294,989.6	346,229.4
Com. Alterations/Additions	335,458.0	320,3447.6	432,950.0	569,570.4	530,220.9
Total Nonresidential	$ 891,464.0	$ 3,589,498.7	$ 894,766.7	$ 1,120,870.9	$ 1,162,983.3
New Dwelling Units					
Single-Family	3,588	4,205	3,832	4,181	4,892
Multiple Family	2,868	2,266	3,419	6,290	2,183
TOTAL	6,456	6,471	7,251	10,471	7,075

Source: Construction Industry Research Board, Building Permit Summary.

Transportation

Sacramento's strategic location and broad transportation network have contributed to the City's economic growth. The City is traversed by the main east-west and north-south freeways serving northern and central California. Interstate 80 connects Sacramento with the San Francisco Bay Area, Reno, Nevada, and points east. U.S. 50 carries traffic from Sacramento to the Lake Tahoe area. Interstate 5 is the main north-south route through the interior of California, running from Mexico to Canada. State Route 99 parallels Interstate 5 through central California and passes through Sacramento.

The Union Pacific Railroad, a transcontinental line, has junctions in Sacramento and is connected to the Burlington Northern Santa Fe Railway via the Central California Traction Company. Passenger rail service is provided by AMTRAK. Bus lines offering intercity as well as local service include Greyhound and the Sacramento Regional Transit District. The Sacramento Regional Transit District also provides light-rail service within the City. The Port of Sacramento, located 79 nautical miles northeast of San Francisco, provides direct ocean-freight service to all major United States and world ports. Via a deep-water channel, ships can reach Sacramento from San Francisco in less than eight hours. The major rail links serving Sacramento connect with the port, and Interstate 80 and Interstate 5 are immediately adjacent to it.

Trucking services are offered through facilities of interstate common carriers operating terminals in the area and by contract carriers of general commodities. Greyhound Bus Lines also has passenger and package-service stations in the City.

Sacramento International Airport, about 12 miles northwest of the City's downtown, is served by 13 major carriers and 1 commuter carrier. Sacramento Executive Airport, about 6 miles south of the City's downtown, is a full-service, 540-acre facility serving general aviation and providing a wide array of facilities and services.

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APPENDIX E

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a brief summary of certain provisions of the Indenture which are not described elsewhere in this Official Statement. This summary is not intended to be definitive, and reference is made to the complete copy of the Indenture for the terms thereof.

Definitions

"Accountant's Report" means a report signed by an Independent Certified Public Accountant.

"Acquisition and Construction Fund" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2, Special Tax Bonds Acquisition and Construction Fund established pursuant to the Indenture (to be maintained by the Treasurer).

"Act" means collectively the Mello-Roos Community Facilities Act of 1982, as amended (being Sections 53311 et seq. of the Government Code of the State of California), and all laws amendatory thereof or supplemental thereto.

"Authorization" means the maximum principal amount of bonded indebtedness authorized for Improvement Area No. 2.

"Bond Redemption Fund" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2, Special Tax Bonds Bond Redemption Fund established pursuant to the Indenture (to be maintained by the Trustee).

"Bond Reserve Fund" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2, Special Tax Bonds Bond Reserve Fund established pursuant to the Indenture (to be maintained by the Trustee).

"Bond Year" means the twelve-month period ending on September 1 of each year; provided, that the first Bond Year shall commence on the date of the execution, authentication and initial delivery of the first Series issued under the Indenture.

"Bonds" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2 Special Tax Bonds at any time Outstanding that are executed, authenticated and delivered in accordance with the provisions of the Indenture. "Serial Bonds" means Bonds for which no Sinking Fund Account Payments are established. "Term Bonds" means Bonds which are redeemable or payable on or before their specified maturity date or dates from Sinking Fund Account Payments established for the purpose of redeeming or paying such Bonds on or before their specified maturity date or dates.

"Business Day" means any day (other than a Saturday or a Sunday) on which the Trustee is open for business at its Principal Corporate Trust Office.

"Certificate of the City" means an instrument in writing signed by the City Manager or the Treasurer, or by any other officer of the City duly authorized by the City Council for that purpose.

"City" means the City of Sacramento, a California charter city and municipal corporation.

"City Council" means the City Council of the City.

"City Clerk" means the City Clerk of the City.

"City Manager" means the City Manager of the City.

"Code" means the Internal Revenue Code of 1986 and all regulations of the United States Department of the Treasury issued thereunder from time to time to the extent that such regulations are, at the time, applicable and in effect, and in this regard reference to any particular section of the Code shall include reference to any successor to such section of the Code.

"Community Facilities District" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements), a community facilities district duly organized and existing in the City under and by virtue of the Act.

"Community Facilities Fund" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2, Community Facilities Fund established pursuant to the Indenture (to be maintained by the Treasurer).

"Costs of Issuance" means, with respect to any Series, all costs and expenses payable by or reimbursable to the City that are related to the authorization, sale, execution, authentication and initial delivery of such Series or the Community Facilities District proceedings under the Act, including, but not limited to, costs of preparation and reproduction of documents, rating agency fees, fees and charges of the Trustee (including fees and expenses of its counsel), legal fees and charges and fees and charges of other consultants and professionals, together with all costs for the preparation of the Bonds of such Series, and any other cost or expense in connection with the authorization, sale, execution, authentication and initial delivery of such Series.

"Costs of Issuance Fund" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2, Special Tax Bonds Costs of Issuance Fund established pursuant to the Indenture (to be maintained by the Trustee).

"Debt Service" means, for any Bond Year, the sum of (1) the interest payable during such Bond Year on all Outstanding Bonds, assuming that all Outstanding Serial Bonds are retired as scheduled and that all Outstanding Term Bonds are redeemed or paid as scheduled at the times of and in amounts equal to the sum of all Sinking Fund Account Payments (except to the extent that such interest is to be paid from the proceeds of sale of any Bonds), plus (2) the principal amount of all Outstanding Serial Bonds maturing by their terms in such Bond Year, plus (3) the Sinking Fund Account Payments required to be deposited in the Sinking Fund Account in such Bond Year.

"Event of Default" means an event described as such in the Indenture.

"Expense Fund" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2, Special Tax Bonds Expense Fund established pursuant to the Indenture (to be maintained by the Treasurer).

"Expenses" means all expenses paid or incurred by the City for the cost of acquiring, planning, designing, inspecting or constructing the Facilities or the facilities to be financed with the Fees, including the cost of environmental evaluations, and all costs associated with the determination of the amount of the Special Tax, the levy and collection of the Special Tax and the payment of the Special Tax (including, but not limited to, the costs and expenses associated with any foreclosure-related actions or proceedings), together with all costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District, and any other expenses incidental to the acquisition, construction, completion and inspection of the Facilities and the facilities to be financed with the Fees; all as determined in accordance with Generally Accepted Accounting Principles.

"Facilities" means the public facilities authorized to be acquired or constructed for the Community Facilities District under the Act.

"Federal Securities" means (a) any securities now or hereafter authorized both the interest on and principal of which are guaranteed by the full faith and credit of the United States of America, and (b) any of the following obligations of federal agencies not guaranteed by the full faith and credit of the United States of America: (1) participation certificates or senior debt obligations of the Federal Home Loan Mortgage Corporation, (2) bonds or debentures of the Federal Home Loan Bank Board established under the Federal Home Loan Bank Act and bonds of any federal home loan bank established under such act, and (3) stocks, bonds, debentures, participations and other obligations of or issued by the Federal National Mortgage Association, the Student Loan Marketing Association, the Government National Mortgage Association and the Federal Home Loan Mortgage Corporation, as and to the extent that such securities or obligations are eligible for the legal investment of City funds, together with any repurchase agreements which are secured by any of such securities or obligations that have a fair market value (determined at least daily) at least equal to one hundred two percent (102%) of the amount invested in the repurchase agreement, are in the possession of the Trustee or a third party acting solely as custodian for the Trustee who holds a perfected first lien therein, and are free from all third-party claims.

"Fees" means the governmental fees authorized to be financed for or through the Community Facilities District under the Act.

"Fiscal Year" means the twelve-month period terminating on June 30 of each year, or any other annual accounting period hereafter selected and designated by the City as its Fiscal Year in accordance with applicable law.

"Fitch" means Fitch, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors or assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency selected by the City.

"Generally Accepted Accounting Principles" means the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor.

"Holder" means any person who shall be the registered owner of any Outstanding Bond, as shown on the registration books maintained by the Trustee pursuant to the Indenture.

"Improvement Area No. 2" means Improvement Area No. 2 of the Community Facilities District.

"Indenture" means the Master Indenture and all Supplemental Indentures.

"Independent Certified Public Accountant" means any nationally recognized certified public accountant or firm of such accountants, appointed and paid by the City, and who, or each of whom –

(1) is in fact independent and not under the domination of the City;

(2) does not have a substantial financial interest, direct or indirect, in the operations of the City; and

(3) is not connected with the City as an officer or employee of the City, but who may be regularly retained to audit the accounting records of and make reports thereon to the City.

"Legal Investments" means any securities in which funds of the City may be legally invested in accordance with the applicable law in effect at the time of such investment and in accordance with the then current investment policy of the City (as established by the City Council).

"MAI" means the designation assigned by the Appraisal Institute of professionals who adhere to ethical professional practice, continuing education, and best practices and industry trends with respect to real property valuation.

"Master Indenture" means the Master Indenture, between the City and the Trustee entered into under and pursuant to the Act.

"Maximum Annual Debt Service" means, as of any date of calculation, the largest Debt Service in any Bond Year during the period from the date of such calculation through the final maturity date of all Outstanding Bonds.

"Mayor" means the Mayor of the City.

"Moody's" means Moody's Investors Service, a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors or assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the City.

"Net Special Tax Revenues" means the proceeds of the Special Tax, less the Priority Administrative Expenses.

"Opinion of Counsel" means a written opinion of counsel (including, without limitation, counsel for the City) retained by the City.

"Outstanding," when used as of any particular time with reference to Bonds, means (subject to the provisions of the Indenture) all Bonds except --

Bonds cancelled and destroyed by the Trustee or delivered to the Trustee for cancellation and destruction;

Bonds paid or deemed to have been paid within the meaning of the Indenture; and

Bonds in lieu of or in substitution for which other Bonds shall have been executed by the City and authenticated and delivered by the Trustee pursuant to the Indenture.

"Principal Corporate Trust Office" means the corporate trust office of the Trustee in San Francisco, California, at which at any particular time its corporate trust business is being administered, except that with respect to presentation of Bonds for registration, payment, redemption, transfer or exchange, such term shall mean the corporate trust operations office of the Trustee in St. Paul, Minnesota, or such other office designated by the Trustee from time to time as its Principal Corporate Trust Office.

"Priority Administrative Expenses" means (i) for Fiscal Year 2025-26, $20,000, and (ii) for each subsequent Fiscal Year, an amount equal to the preceding Fiscal Year's Priority Administrative Expenses plus 3% of such amount.

"Rebate Fund" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2, Special Tax Bonds Rebate Fund established pursuant to the Indenture (to be maintained by the Treasurer).

"Required Bond Reserve" means, as of any date of calculation, with respect to any Series of Bonds (unless otherwise specified in a Supplemental Indenture, including to create a single parity reserve fund for multiple Series of Bonds), the least of (a) 10% of the principal amount of the applicable Series of Bonds, (b) Maximum Annual Debt Service with respect to the applicable Series of Bonds, and (c) 125% of the average

annual Debt Service with respect to the applicable Series of Bonds, all as determined by the City under the Code and specified in writing to the Trustee; provided, that

(1) if a parity reserve fund for multiple Series of Bonds is established, references to the applicable Series of Bonds shall mean all Bonds covered by such parity reserve fund;

(2) such requirement (or any portion thereof) may be satisfied by the provision of one or more policies of municipal bond insurance or surety bonds issued by a municipal bond insurer or by a letter of credit issued by a bank, the obligations insured by which insurer or issued by which bank, as the case may be, have at least one rating at the time of issuance of such policy or surety bond or letter of credit equal to "AA" or higher assigned by Fitch or "Aa" or higher assigned by Moody's or "AA" or higher assigned by S&P, in each case without regard to any numerical modifier or plus or minus sign;

(3) the amount of the Required Bond Reserve shall not increase at any time except (potentially) upon the issuance of a new Series of Bonds; and

(4) with respect to the issuance of any issue of Bonds, if the amount on deposit in the Bond Reserve Fund or other applicable reserve fund for a Series of Bonds would have to be increased by an amount greater than ten percent (10%) of the stated principal amount of such issue of Bonds (or, if the issue has more than a de minimis amount of original issue discount or premium, of the issue price of such issue of Bonds) then the Required Bond Reserve shall be such lesser amount as is determined by a deposit of such 10%.

"S&P" means S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, a corporation duly organized and existing under and by virtue of the laws of the State of New York, and its successors or assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "S&P" shall be deemed to refer to any other nationally recognized securities rating agency selected by the City.

"Series" means any series of the Bonds authorized, executed and authenticated pursuant hereto and pursuant to one or more Supplemental Indentures as constituting a single series and delivered on initial issuance in a simultaneous transaction pursuant to the Indenture, and any Bonds thereafter executed, authenticated and delivered in lieu thereof or in substitution therefor pursuant to the Indenture.

"Series 2024 Bonds" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2 Special Tax Bonds, Series 2024.

"Series 2026 Bonds" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2 Special Tax Bonds, Series 2026.

"Sinking Fund Account" means the account in the Bond Redemption Fund referred to by that name established pursuant to the Indenture.

"Sinking Fund Account Payments" means the payments required by all Supplemental Indentures to be deposited in the Sinking Fund Account for the payment of the Term Bonds.

"Special Tax" means the special tax authorized to be levied and collected annually on all Taxable Land in Improvement Area No. 2 in accordance with the Special Tax Formula under and pursuant to the Act.

"Special Tax Formula" means the Second Amended and Restated Rate and Method of Apportionment of Special Tax for Improvement Area No. 2, approved at the special election of qualified electors held in Improvement Area No. 2, and as may be further amended or supplemented in accordance with the Act.

"Special Tax Fund" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2, Special Tax Bonds Special Tax Fund established pursuant to the Indenture (to be maintained by the Treasurer).

"Supplemental Indenture" means any indenture then in full force and effect that has been made and entered into by the City and the Trustee, amendatory of or supplemental hereto; but only to the extent that such Supplemental Indenture is specifically authorized under the Indenture.

"Tax Certificate" means any certificate(s) delivered upon the original issuance of a Series relating to Section 148 of the Code, or any functionally similar replacement certificate.

"Taxable Land" means all land within Improvement Area No. 2 taxable under the Act in accordance with the proceedings for the authorization of the issuance of the Bonds and the levy and collection of the Special Tax.

"Treasurer" means the City Treasurer of the City.

"Trustee" means U.S. Bank Trust Company, National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States of America and authorized to accept and execute trusts of the character in the Indenture set forth, at its Principal Corporate Trust Office, and its successors or assigns, or any other bank or trust company having a corporate trust office in San Francisco, California which may at any time be substituted in its place as provided in the Indenture.

"Undeveloped Property" means all parcels of Taxable Land for which a building permit has not been issued.

"Written Request of the City" means an instrument in writing signed by the City Manager or the Treasurer, or by any other officer of the City duly authorized by the City Council for that purpose.

General Provisions of Series 2024 Bonds; Redemption

General provisions of the Series 2024 Bonds, including terms of payment and redemption, are set forth in the main body of the Official Statement.

All Sinking Fund Account Payments for the Series 2024 Bonds that are term bonds shall be deposited in the Sinking Fund Account. All money in the Sinking Fund Account representing such Sinking Fund Account Payments shall be used and withdrawn by the Trustee (upon receipt of a Written Request of the City) at any time for the purchase of such Series 2024 Bonds at public or private sale as and when and at such prices (including brokerage and other charges) as the City may in its discretion determine, but not to exceed the principal amount of such Series 2024 Bonds.

Transfer and Exchange of Bonds

The Trustee will keep at its Principal Corporate Trust Office sufficient books for the transfer and exchange of the Bonds, which books shall at all times during normal business hours with reasonable prior notice be open to inspection by the City or by any Holder. Any Bond may, in accordance with its terms, be transferred or exchanged on such books by the person in whose name it is registered, in person or by his duly authorized attorney, upon payment by the Holder requesting such transfer or exchange of any tax or other governmental charge required to be paid with respect to such transfer or exchange and upon surrender of such Bond for cancellation accompanied by delivery of a duly executed written instrument of transfer or exchange in a form acceptable to the Trustee. Whenever any Bond or Bonds shall be surrendered for transfer or exchange, the City shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds of the same Series and maturity date and of authorized denominations for the same aggregate principal amount, except that neither the City nor the Trustee shall be required (i) to transfer or exchange any Bonds of any

Series during the fifteen-day period prior to the selection of any Bonds of such Series for redemption under the Indenture, or (ii) to transfer or exchange any Bond which has been selected for redemption in whole or in part, except the unredeemed portion of such Bond selected for redemption in part, from and after the day that such Bond has been selected for redemption in whole or in part under the Indenture.

The City and the Trustee may deem and treat the registered owner of any Bond as the absolute owner of such Bond for all purposes hereof, whether such Bond shall be overdue or not, and neither the City nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on such Bond shall be made only to the registered owner thereof at the close of business as the 15th day of the month next preceding each interest payment date and payment of the principal of and redemption premium, if any, on such Bond shall be made only to the registered owner thereof, which payments shall be valid and effectual to satisfy and discharge the liability on such Bond to the extent of the sum or sums so paid.

Mutilated, Destroyed, Stolen or Lost Bonds

In case any Bond shall become mutilated in respect of the body of such Bond or shall be believed by the Trustee to have been destroyed, stolen or lost, upon proof of ownership satisfactory to the Trustee and upon the surrender of such mutilated Bond at the Principal Corporate Trust Office of the Trustee, or upon the receipt of evidence satisfactory to the Trustee of such destruction, theft or loss and upon receipt of indemnity satisfactory to the Trustee, and also upon payment of all expenses incurred by the City and the Trustee in the premises, the City shall execute and the Trustee shall authenticate and deliver at its Principal Corporate Trust Office a new Bond or Bonds of the same Series and maturity date for the same aggregate principal amount of like tenor and date and bearing such numbers and notations as the Trustee shall determine in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for the Bond so destroyed, stolen or lost.

If any such destroyed, stolen or lost Bond shall have matured or shall have been called for redemption, payment of the amount due thereon may be made by the Trustee upon receipt of like proof, indemnity and payment of expenses.

Any replacement Bonds issued pursuant to the Indenture shall be entitled to equal and proportionate benefits with all other Bonds issued under the Indenture, and the City and the Trustee shall not be required to treat both the original Bond and any replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued under the Indenture or for the purpose of determining any percentage of Bonds Outstanding, but both the original and the replacement Bond shall be treated as one and the same.

Temporary Bonds

Any Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery, which temporary Bonds shall be printed, lithographed or typewritten, shall be of such denominations as may be determined by the City, shall be issued in fully registered form, shall contain such reference to any of the provisions of the Indenture as may be appropriate and shall be executed by the City upon the same conditions and in substantially the same manner as the definitive Bonds. If the City issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds may be surrendered in exchange therefor at the Principal Corporate Trust Office of the Trustee, and the Trustee shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations of the same Series and maturity date or dates, and until so exchanged, the temporary Bonds shall be entitled to the same benefits as definitive Bonds.

Security for the Bonds

Provisions regarding the security for the Bonds are set forth in the main body of the Official Statement.

Allocation of Money in the Special Tax Fund

All money in the Special Tax Fund shall be set aside by the Treasurer in the following respective funds and accounts (each of which funds and accounts the City agrees and covenants to maintain with the Treasurer or the Trustee, as the case may be, so long as any Bonds are Outstanding) in the following order of priority, and all money in each of such funds and accounts shall be applied, used and withdrawn only for the purposes authorized in the Indenture, namely:

(1) Priority Administrative Expenses to Expense Fund (maintained by Treasurer). Promptly after the receipt of any proceeds of the Special Tax in a Fiscal Year, the Treasurer shall, from the money in the Special Tax Fund, transfer to and deposit in the Expense Fund a sum equal to the Priority Administrative Expenses for such Fiscal Year.

(2) Bond Redemption Fund (maintained by the Trustee). At least one Business Day Prior to the first day in each March and September, the Treasurer shall, from the then remaining money in the Special Tax Fund, transfer to the Trustee for deposit in the Bond Redemption Fund an amount of money equal to the aggregate amount of interest becoming due and payable on all Outstanding Bonds on such March 1 or September 1, as the case may be, and at least one Business Day prior to the first day in September 1 in each year, the Treasurer shall, from the then remaining money in the Special Tax Fund, transfer to the Trustee for deposit in the Bond Redemption Fund an amount of money equal to the aggregate amount of principal becoming due and payable on all Outstanding Serial Bonds on such September 1 plus the Sinking Fund Account Payments required to be made on such September 1 into the Sinking Fund Account; provided, that all of the aforesaid payments shall be made without priority of any payment over any other payment, and in the event that the money in the Bond Redemption Fund on any March 1 or September 1 is not equal to the amount of interest becoming due on all Bonds on such date, or in the event that the money in the Bond Redemption Fund on any September 1 is not equal to the amount of principal of the Bonds becoming due on such date plus the amount of the Sinking Fund Account Payments becoming due on such date, as the case may be, then such money shall be applied pro rata in such proportion as such interest and principal and Sinking Fund Account Payments bear to each other; and provided further, that no deposit need be made into the Bond Redemption Fund if the amount of money contained therein is at least equal to the amount required by the terms of this paragraph to be deposited therein at the times and in the amounts provided.

All money in the Bond Redemption Fund shall be used and withdrawn by the Trustee solely to pay the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity) plus the principal of and redemption premiums, if any, on the Bonds as they shall mature or upon the prior redemption thereof, except that any money in the Sinking Fund Account shall be used only to purchase or redeem or retire Term Bonds and any money deposited in the Bond Redemption Fund from the proceeds of a Series of Bonds to be used to pay interest on that Series of Bonds, subject to the terms of the Supplemental Indenture providing for the issuance of such Series of Bonds, shall be used only to pay interest on that Series of Bonds.

(3) Bond Reserve Fund and Other Reserve Funds (if applicable) (maintained by the Trustee). On or before the first (1st) day in September in each year, the Treasurer shall, from the then remaining money in the Special Tax Fund, transfer to the Trustee for deposit in the Bond Reserve Fund and any other reserve fund established for a Series of Bonds, on a pro rata basis, such amount of money as shall be required to restore the Bond Reserve Fund or other reserve fund, as applicable, to an amount equal to the Required Bond Reserve for each Series of Bonds secured thereby. Investments held in the Bond Reserve Fund and any other reserve fund established for a Series of Bonds shall be valued on or before September 1 of each year at the face value thereof if such investments mature within twelve (12) months from the date of valuation, or if such investments mature more than twelve (12) months after the date of valuation, at the price at which such investments are redeemable by the holder at his or her option, if so redeemable, or if not so redeemable, at the par value of such investments; provided, that no deposit need be made into the Bond Reserve Fund or any

other reserve fund established for a Series of Bonds if the amount contained therein is at least equal to the Required Bond Reserve for each Series of Bonds secured thereby.

All money in the Bond Reserve Fund and any other reserve fund established for a Series of Bonds shall be used and withdrawn by the Trustee solely for the purpose of (i) paying the interest on or principal of each Series of Bonds secured thereby, as applicable, in the event there is insufficient money in the Bond Redemption Fund available for this purpose; (ii) reinstating the amount available under any municipal bond insurance policy, surety bond, or letter of credit held in satisfaction of all or a portion of the Required Bond Reserve; or (iii) retiring Bonds, in whole or in part, to the extent that the amount on deposit therein exceeds the Required Bond Reserve due to a redemption or defeasance of Bonds; provided, that if as a result of any of the valuations required by the first paragraph of this Section 5.02(3) it is determined that the amount of money in the Bond Reserve Fund or any other reserve fund established for a Series of Bonds exceeds the Required Bond Reserve for each Series of Bonds secured thereby, the Trustee shall withdraw the amount of money representing such excess from such fund and shall deposit such amount of money in the Bond Redemption Fund.

(4) Expense Fund (maintained by the Treasurer). On September 1 in each year, the Treasurer shall, from the then remaining money in the Special Tax Fund, transfer to and deposit in the Expense Fund a sum equal to the amount required by the City for the payment of budgeted Expenses during the twelve-month period beginning on such date, or to reimburse the City for the payment of unbudgeted Expenses during the prior twelve-month period, in either case, to the extent such Expenses were not already funded or reimbursed by Priority Administrative Expenses. All money in the Expense Fund shall be used and withdrawn by the Treasurer only for transfer to or for the account of the City to pay budgeted Expenses as herein provided, or to reimburse the City for the payment of unbudgeted Expenses as herein provided, or to pay interest on or principal of or redemption premiums, if any, on the Bonds in the event that no other money is available therefor.

All money remaining in the Special Tax Fund on September 1 of each year, after transferring all of the sums required to be transferred therefrom on or prior to such date by the provisions of clauses (1), (2), (3) and (4), shall be withdrawn from the Special Tax Fund by the Treasurer for and deposited in the Community Facilities Fund, which fund the City hereby agrees and covenants to maintain with the Treasurer so long as any Bonds are Outstanding, and all money in the Community Facilities Fund shall be used and withdrawn by the City solely for the benefit of the Community Facilities District in accordance with the Act; provided, that the Treasurer shall not make any such withdrawal of money in the Special Tax Fund if and when (to the Treasurer's actual knowledge) an Event of Default is then existing under the Indenture.

Bond Reserve Fund

Provisions regarding the Bond Reserve Fund are set forth in the main body of the Official Statement.

Issuance of Parity Bonds

Provisions regarding the issuance of Parity Bonds are set forth in the main body of the Official Statement.

Certain Covenants of the City

Certain covenants of the City are set forth in the main body of the Official Statement. In addition:

Punctual Payment and Performance. The City will punctually pay the interest on and principal of and redemption premium, if any, to become due on every Bond issued under the Indenture in strict conformity with the terms of the Act and the Indenture and of the Bonds, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained in the Master Indenture and in all Supplemental Indentures and in the Bonds required to be observed and performed by it.

Against Indebtedness and Encumbrances. The City will not issue any evidences of indebtedness payable from the proceeds of the Net Special Tax Revenues except as provided in the Indenture, and will not create, nor permit the creation of, any pledge, lien, charge or other encumbrance upon any money in the Special Tax Fund other than as provided in the Indenture; provided, that the City may at any time, or from time to time, issue evidences of indebtedness for any lawful purpose of the Community Facilities District which are payable from any money in the Community Facilities Fund as may from time to time be deposited therein (as provided in the Indenture) so long as any payments due under the Indenture shall be subordinate in all respects to the use of the proceeds of the Special Tax as provided in the Indenture.

Against Federal Income Taxation. The City will not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest on the Bonds pursuant to Section 103 of the Code, and specifically the City will not directly or indirectly use or make any use of the proceeds of the Bonds or any other funds of the City or take or omit to take any action that would cause the Bonds to be "arbitrage bonds" subject to federal income taxation by reason of Section 148 of the Code or "private activity bonds" subject to federal income taxation by reason of Section 141(a) of the Code or obligations subject to federal income taxation because they are "federally guaranteed" as provided in Section 149(b) of the Code; and to that end the City, with respect to the proceeds of the Bonds and such other funds, will comply with all requirements of such sections of the Code; provided, that if the City shall obtain an opinion of nationally recognized bond counsel to the effect that any action required under this provision is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest on the Bonds pursuant to Section 103 of the Code, the City may rely conclusively on such opinion in complying with the provisions hereof. In the event that at any time the City is of the opinion that for purposes of this provision it is necessary to restrict or limit the yield on the investment of any money held by the Treasurer under the Indenture or otherwise the City shall so instruct the Treasurer in writing, and the Treasurer shall take such action as may be necessary in accordance with such instructions.

Without limiting the generality of the foregoing, the City will pay from time to time all amounts required to be rebated to the United States of America pursuant to Section 148(f) of the Code and all regulations of the United States Department of the Treasury issued thereunder to the extent that such regulations are, at the time, applicable and in effect, which obligation shall survive payment in full or defeasance of the Bonds, and to that end, there is hereby established in the treasury of the City a fund to be known as the Rebate Fund, to be held in trust and administered by the Treasurer. The City will comply with the provisions of each Tax Certificate with respect to making deposits in the Rebate Fund, and all money held in the Rebate Fund is pledged to provide payments to the United States of America as provided in the Indenture and in each Tax Certificate and no other person shall have claim to such money except as provided in each Tax Certificate.

In connection with the issuance of a Series of Bonds, the City may exclude the application of the foregoing covenants to such Series of Bonds.

Payment of Claims. The City will pay and discharge any and all lawful claims which, if unpaid, might become payable from the proceeds of the Net Special Tax Revenues or any part thereof or upon any funds in the hands of the Treasurer or the Trustee allocated to the payment of the interest on or principal of or redemption premiums, if any, on the Bonds, or which might impair the security of the Bonds.

Accounting Records and Other Reports. The City will keep, or in the case of transactions made by the Trustee it will cause the Trustee to keep, appropriate accounting records in which complete and correct entries shall be made of all transactions relating to the receipt, investment, disbursement, allocation and application of the proceeds of the Special Tax and of the proceeds of the Bonds, which accounting records shall at all times during normal business hours with reasonable prior notice be subject to the inspection of any Holder (or his representative authorized in writing). The City will prepare annually not later than October 30 of each year (commencing in the year 2025) and file with the California Debt and Investment Advisory Commission by mail, postage prepaid, or any other method approved by the California Debt and Investment

Advisory Commission all information required to be filed pursuant to Section 53359.5(b) of the Act. Additionally, the City will notify the California Debt and Investment Advisory Commission by mail, postage prepaid, or any other method approved by the California Debt and Investment Advisory Commission, within ten (10) days if the Trustee fails to pay any interest on or principal of any of the Bonds on any scheduled payment date or if funds are withdrawn from the Bond Reserve Fund or any other reserve fund established for a Series of Bonds to pay any interest on or principal of any Series of Bonds.

Protection of Security and Rights of Holders. The City will preserve and protect the security of the Bonds and the rights of the Holders and will warrant and defend their rights against all claims and demands of all persons.

Levy and Collection of Special Tax; Foreclosure of Special Tax Lien; Continuing Disclosure. These provisions are summarized in the main body of the Official Statement.

Further Assurances. The City will adopt, deliver, execute, make and file any and all further assurances, instruments and resolutions as may be reasonably necessary or proper to carry out the intention or to facilitate the performance under the Indenture and for the better assuring and confirming unto the Holders of the rights and benefits provided therein, including without limitation the filing of all financing statements, agreements, instruments or other documents in the forms and in the locations necessary to perfect and protect, and to continue the perfection of, the pledge of the Net Special Tax Revenues provided in the Indenture to the fullest extent possible under applicable law of the State of California.

The Trustee

U.S. Bank Trust Company, National Association, at its Principal Corporate Trust Office, is appointed Trustee for the purpose of receiving all money which the City is required to transfer to it under the Indenture and for applying and using such money as provided for the purpose of paying the interest on and principal of and redemption premiums, if any, on the Bonds. The City agrees that it will at all times maintain a Trustee having a Principal Corporate Trust Office in San Francisco or Los Angeles, California.

The City may remove the Trustee initially appointed and any successor thereto and may appoint a successor or successors thereto by an instrument in writing; provided, that any such successor shall be a bank or trust company doing business and having a corporate trust office in San Francisco or Los Angeles, California, having a combined capital (exclusive of borrowed capital) and surplus of at least $100,000,000 and subject to supervision or examination by a federal or state banking authority, and if such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this provision the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Trustee may at any time resign by giving written notice of such resignation to the City and by giving notice of such resignation by mail pursuant to the Indenture to the Holders, and upon receiving such notice of resignation, the City shall promptly appoint a successor Trustee by an instrument in writing having the qualifications required hereby. Any resignation or removal of a Trustee and appointment of a successor Trustee shall become effective only upon the acceptance of appointment by the successor Trustee. If within 30 days after notice of the removal or resignation of the Trustee no successor Trustee shall have been appointed by the City and shall have accepted such appointment, the removed or resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Trustee having the qualifications required hereby.

Notwithstanding anything to the contrary contained in the Indenture, any corporation or association into which the Trustee may be merged or with which it may be consolidated, or any corporation or association resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation or association succeeding to the corporate trust business of the Trustee, shall be the successor of the Trustee without the execution or filing of any paper or any further act on the part of any of the parties.

The Trustee is authorized to pay interest on the Bonds due on or before the maturity or prior redemption thereof to the Holders as their names appear at the close of business as of the 15th day of the month next preceding each interest payment date on the registration books required to be kept by it pursuant to the Indenture as the registered owners thereof, such interest to be paid by check mailed by first class mail to the Holders at their addresses appearing on such books (except that in the case of a Holder of $1,000,000 or more in principal amount of Outstanding Bonds, payment shall be made at such Holder's option by wire transfer of immediately available funds to an account in a bank or trust company or savings bank that is a member of the Federal Reserve System and that is located in the United States of America according to written instructions provided by such Holder to the Trustee at least 15 days before such interest payment date) and to pay to the Holders the principal of and redemption premiums, if any, on the Bonds upon presentation and surrender of the Bonds to the Trustee at maturity or on redemption prior to maturity. The Trustee shall cancel and destroy all Bonds paid by it at maturity or on redemption prior to maturity and all Bonds surrendered to it by the City, and shall (if requested by the City) deliver to the City a certificate of such destruction, and the Trustee shall keep accurate records of all Bonds cancelled and destroyed by it. All money held by or on behalf of the Trustee for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds, whether at maturity or upon prior redemption, shall be held in trust for the account of the Holders, and the Trustee shall not be required to pay Holders or the City any interest on, or be liable to the City, the Holders or any other person for any interest earned on, any money so held.

The City shall from time to time, subject to any agreement between the City and the Trustee then in force, pay the Trustee compensation for its services, reimburse the Trustee for all its advances and expenditures, including but not limited to advances to and fees and expenses of independent accountants, counsel and engineers or other experts employed by it in the exercise and performance of its rights and obligations under the Indenture, and indemnify and save the Trustee harmless against loss, expenses, costs, claims and liabilities (including without limitation those of its attorneys and agents) not arising from its own negligence or willful misconduct, as finally adjudicated by a court of competent jurisdiction, which it may incur in the exercise and performance of its rights and obligations under the Indenture, which obligation shall survive the resignation or removal of any Trustee or the defeasance of the Bonds.

Except during the continuance of an Event of Default, the Trustee undertakes to perform only such duties as are specifically set forth in the Indenture, and no implied covenants, duties or obligations shall be read into this Indenture against the Trustee. If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise in the conduct of its own affairs.

Liability of Trustee

The recitals of facts, agreements and covenants contained in the Indenture and in the Bonds shall be taken as statements, agreements and covenants of the City, and the Trustee does not assume any responsibility for the correctness of the same and does not make any representation as to the sufficiency or validity hereof or of the Bonds or of the Special Tax, or as to the financial or technical feasibility of the acquisition and construction of any of the Facilities and the financing of the Fees, and shall not incur any responsibility in respect thereof other than in connection with the rights and obligations expressly assigned to or imposed upon it herein or in the Bonds, and shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct, as finally adjudicated by a court of competent jurisdiction. The Trustee shall not be liable for any reasonable error of judgment made in good faith, unless it is proven that the Trustee was negligent in ascertaining the pertinent facts, and no provision hereof shall require the Trustee to expend or risk its own funds or otherwise incur any liability for the performance of its duties hereunder, or in the exercise of any of its rights or powers under the Indenture.

The Trustee shall not be considered in breach of or in default in its obligations under the Indenture or progress in respect thereto in the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts

of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to the Indenture and delivered using Electronic Means. The permissive right of the Trustee to do things enumerated in the Indenture shall not be construed as a duty and it shall not be answerable for other than its negligence or willful misconduct. All immunities, indemnifications and releases from liability granted to the Trustee will extend to the directors, employees, officers and agents thereof. The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by the Indenture at the request, order or direction of any of the registered owners pursuant to the provisions of this Indenture unless such registered owners shall have offered to the Trustee security or indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities which may be incurred therein or thereby. The Trustee shall have no duty to review, verify or analyze any financial statements furnished to it by the City and shall hold such financial statements solely as a repository for Owners of the Bonds. The Trustee shall not be deemed to have notice of any information contained therein or any Event of Default that may be disclosed therein in any manner. In no event shall the Trustee be responsible or liable for punitive damages of any kind whatsoever.

Notice to the Trustee

The Trustee shall perform only those duties expressly set forth in the Indenture, and no implied duties or obligations shall be read in the Indenture against the Trustee. The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

The Trustee shall be protected in acting upon any Bond, certificate, consent, notice, opinion, report, request, resolution or other document or paper believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, including, without limitation, counsel to the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection with respect to any action taken or suffered under the Indenture in good faith and in accordance therewith. The Trustee shall not be deemed to have knowledge of any default or Event of Default unless and until an officer at its Principal Corporate Trust Office responsible for the administration of its obligations under the Indenture shall have actual knowledge thereof or the Trustee shall have received written notice thereof at its Principal Corporate Trust Office.

Whenever in the administration of its rights and obligations under the Indenture the Trustee shall deem it necessary or desirable that a matter be established or proved prior to taking or suffering any action under the Indenture, such matter (unless other evidence in respect thereof be in the Indenture specifically prescribed) may, in the absence of bad faith on the part of the Trustee, be deemed to be conclusively established or proved by a Certificate of the City or an Accountant's Report, which shall be full warrant to the Trustee for any action taken or suffered under the provisions hereof upon the faith thereof, and on which the Trustee may conclusively rely, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

Deposit and Investment of Moneys

All money held by the Treasurer in any fund established in the Indenture shall be invested in Legal Investments or in any other lawful investment for City funds, which by its terms matures prior to the date on which such money is required to be paid out. All money held by the Trustee in any fund established in the

Indenture shall be invested by the Trustee pursuant to a Written Request of the City received by the Trustee at least 2 days before making any such investment in those Legal Investments specified in such Written Request of the City that mature not later than the date on which it is estimated that such money will be required to be paid out, and the Trustee may conclusively rely that any investment specified in such Written Request of the City is a Legal Investment; provided, that in the absence of receipt of any such Written Request of the City, the Trustee shall, to the extent practicable, invest such money in units of a taxable government money-market portfolio composed of or secured by Federal Securities.

The Trustee (or any of its affiliates) may act as principal or agent or as sponsor, advisor or manager in connection with the making of any investment by the Trustee and may impose its customary charges therefor, and the Trustee shall not be responsible for any loss suffered in connection with any investment made in accordance with the Indenture. In making any valuations, the Trustee may utilize computerized securities pricing services that may be available to it, including those available through its regular accounting system and rely thereon.

The City acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law; provided, that the Trustee will furnish the City periodic cash transaction statements which shall include details for all investment transactions made by the Trustee under the Indenture.

All interest received on any such money so deposited or invested which exceeds the requirements of the fund from which such money was deposited or invested shall (subject to the requirements of the Indenture) be deposited in the Bond Redemption Fund. All losses on any such money so deposited or invested shall be borne by the fund from which the deposit or investment was made.

Amendment or Supplement to Indenture with Consent of Holders

The Master Indenture and the rights and obligations of the City and of the Holders may be amended or supplemented at any time by the execution and delivery of a Supplemental Indenture by the City and the Trustee, which Supplemental Indenture shall become binding when the written consents of the Holders of a majority in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in the Indenture, shall have been filed with the Trustee; provided, that no such amendment or supplement shall (1) extend the maturity of or reduce the interest rate on or otherwise alter or impair the obligation of the City to pay the interest on or principal of or Sinking Fund Account Payment for or redemption premium, if any, on any Bond at the time and place and at the rate and in the currency and from the funds provided in the Indenture without the written consent of the Holder of such Bond, or (2) permit the issuance by the City of any obligations payable from the proceeds of the Net Special Tax Revenues on a parity with the Bonds other than as provided in the Indenture, or jeopardize the ability of the City to levy and collect the Special Tax, or (3) reduce the percentage of Bonds required for the written consent to any such amendment or supplement, or (4) modify any rights or obligations of the Trustee without its prior written assent thereto.

The written consent of the Holders of a Series of Bonds may be effected (a) through a consent by the underwriter of such Series of Bonds at the time of the issuance of such Series of Bonds and (b) through a provision of a Supplemental Indenture that deems any Holder purchasing such Series of Bonds to consent for purposes of the Indenture by virtue of its purchase of such Series of Bonds.

Amendment of Supplement Without Consent of Holders

The Master Indenture and the rights and obligations of the City and of the Holders may also be amended or supplemented at any time by the execution and delivery of a Supplemental Indenture by the City and the Trustee, which Supplemental Indenture shall become binding upon execution without the prior written consent of any Holders, but only for any one or more of the following purposes –

(i) To add to the agreements and covenants required in the Indenture to be performed by the City other agreements and covenants thereafter to be performed by the City which shall not (in the opinion of the City) adversely affect the interests of the Holders, or to surrender any right or power reserved in the Indenture to or conferred in the Indenture upon the City which shall not (in the opinion of the City) materially adversely affect the interests of the Holders;

(ii) To make such provisions for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained in the Indenture or in regard to questions arising under the Indenture which the City may deem desirable or necessary and which shall not (in the opinion of the City) materially adversely affect the interests of the Holders;

(iii) To authorize the issuance under the Act and the Indenture of a Series and to provide the conditions and terms under which such Series may be issued, subject to and in accordance with the provisions of the Indenture;

(iv) To authorize the issuance under and subject to the Act of any refunding bonds for any of the Bonds and to provide the conditions and terms under which such refunding bonds may be issued, subject to and in accordance with the provisions of the Indenture;

(v) To make such additions, deletions or modifications as may be necessary or appropriate to insure compliance with Section 148(f) of the Code relating to the required rebate of excess investment earnings to the United States of America, or otherwise as may be necessary to insure the exclusion from gross income for purposes of federal income taxation of the interest on the Bonds or the exemption of such interest from State of California personal income taxes;

(vi) To make such additions, deletions or modifications as may be necessary or appropriate to maintain any then current rating on the Bonds;

(vii) To permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by that act or similar federal statute and which shall not (in the opinion of the City) materially adversely affect the interests of the Holders; and

(viii) For any other purpose that does not (in the opinion of the City) materially adversely affect the interests of the Holders.

Disqualified Bonds

Bonds owned or held for the account of the City shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided for in the Indenture, and shall not be entitled to consent to or take any other action provided for in the Indenture.

Endorsement or Replacement of Bonds After Amendment

After the effective date of any action taken as in the Indenture provided, the City may determine that the Bonds may bear a notation by endorsement in form approved by it as to such action, and in that case upon demand of the Holder of any Bond Outstanding on such effective date and presentation of his Bond for such purpose at the Principal Corporate Trust Office of the Trustee a suitable notation as to such action shall be made on such Bond. If the City shall so determine, new Bonds so modified as, in the opinion of the City, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Holder of any Bond Outstanding on such effective date such new Bonds shall, upon surrender of such Outstanding Bonds, be exchanged at the Principal Corporate Trust Office of the Trustee, without cost to each Holder, for Bonds then Outstanding.

Amendment by Mutual Consent

The provisions of the Indenture shall not prevent any Holder from accepting any amendment or supplement as to any particular Bonds held by him; provided, that due notation thereof is made on such Bonds.

Events of Default and Remedies

If one or more of the following events ("Events of Default") shall happen, that is to say –

(a) if default shall be made by the City in the due and punctual payment of any interest on or principal of or Sinking Fund Account Payment for any of the Bonds when and as the same shall become due and payable, whether at maturity, by proceedings for redemption or otherwise;

(b) if default shall be made by the City in the observance or performance of any of the other agreements or covenants contained in the Indenture required to be observed or performed by it, and such default shall have continued for a period of 30 days after the City shall have been given notice in writing of such default by the Trustee; or

(c) if the City shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the City seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the City or of the whole or any substantial part of its property;

then in each and every such case during the continuance of such Event of Default, the Trustee may take the following remedial steps –

(a) by mandamus or other suit or proceeding at law or in equity to compel the City Council or the City or any of the officers or employees of the City to perform each and every term, provision and covenant contained in the Indenture and in the Bonds and carry out their duties under the Act and the agreements and covenants with the Holders contained in the Indenture;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Holders; or

(c) by suit in equity upon the nonpayment of the Bonds to require the City Council or the City or its officers and employees to account as the trustee of an express trust.

Application of Proceeds of Special Tax After Event of Default

If an Event of Default shall occur and be continuing, all proceeds of the Special Tax thereafter received by the City shall be immediately transferred to the Trustee and the Trustee shall apply all proceeds of the Special Tax and any other funds thereafter received by the Trustee under any of the provisions of the Indenture as follows and in the following order:

(a) To the City, an amount equal to the Priority Administrative Expenses for the applicable Fiscal Year.

(b) To the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Holders of the Bonds, including the costs and expenses of the Trustee and the Holders in declaring such Event of Default, and payment of reasonable fees and expenses of the Trustee (including

reasonable fees and disbursements of its counsel and other agents) incurred in and about the performance of its powers and duties under the Indenture.

(c) To the payment of the principal of and interest and premium, if any, then due on the Bonds (upon presentation of the Bonds to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof if fully paid) subject to the provisions of the Indenture, as follows:

First: to the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: to the payment to the persons entitled thereto of the unpaid principal (including Sinking Fund Account Payments) of and redemption premium, if any, on the Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, with interest on the overdue principal at the rate borne by the respective Bonds, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal of and premium, if any, due on such date to the persons entitled thereto, without any discrimination or preference.

(d) Any remaining amounts shall be transferred by the Trustee to the City for deposit in the Special Tax Fund.

Trustee to Represent Holders

The Trustee is hereby irrevocably appointed (and the successive respective Holders of the Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Holders of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Holders under the provisions of the Bonds, the Indenture, the Act and applicable provisions of any other law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Trustee to represent the Holders, the Trustee in its discretion may, and upon the written request of the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of such Holders by such appropriate action, suit, mandamus or other proceedings as it shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained in the Indenture, or in aid of the execution of any power granted in the Indenture, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Trustee or in such Holders under the Indenture, the Act or any other law; and upon instituting such proceeding, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the Net Special Tax Revenues and other amounts pledged under the Indenture, pending such proceedings. All rights of action under the Indenture or the Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of all the Holders of such Bonds, subject to the provisions of the Indenture.

Holders' Direction of Proceedings

Anything in the Indenture to the contrary notwithstanding, the Holders of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, and upon indemnifying the Trustee to its satisfaction therefor, to direct the method of conducting all remedial proceedings taken by the Trustee under the Indenture, provided that such direction shall not be otherwise than in accordance with law and the

provisions of the Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Holders not parties to such direction.

Limitation on Owner's Right to Sue

No Holder of any Bond shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under the Indenture, the Act or any other applicable law with respect to such Bond, unless (1) such Holder shall have given to the Trustee written notice of the occurrence of an Event of Default; (2) the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (3) such Holder or said Holders shall have tendered to the Trustee indemnity satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request; and (4) the Trustee shall have refused or omitted to comply with such request for a period of 60 days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Holder of Bonds of any remedy under the Indenture or under law; it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by such Holder's or Holders' action to affect, disturb or prejudice the security of the Indenture or the rights of any other Holders of Bonds, or to enforce any right under the Indenture, the Act or other applicable law with respect to the Bonds, except in the manner provided in the Indenture, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner provided in the Indenture and for the benefit and protection of all Holders of the Outstanding Bonds, subject to the provisions of the Indenture.

Absolute Obligation of the City

Nothing in the Indenture, or in the Bonds, contained shall affect or impair the obligation of the City, which is absolute and unconditional, to pay the principal of and redemption premium, if any, and interest on the Bonds to the respective Holders of the Bonds at their respective dates of maturity, or upon call for redemption, as in the Indenture provided, but only out of the proceeds of the Net Special Tax Revenues and other amounts pledged therefor in the Indenture, and not otherwise, or affect or impair the right of such Holders, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bonds.

Termination of Proceedings

In case any proceedings taken by the Trustee or any one or more Holders on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or the Holders, then in every such case the City, the Trustee and the Holders, subject to any determination in such proceedings, shall be restored to their former positions and rights under the Indenture, severally and respectively, and all rights, remedies, powers and duties of the City, the Trustee and the Holders shall continue as though no such proceedings had been taken.

Remedies Not Exclusive

No remedy conferred upon or reserved to the Trustee or to the Holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given under the Indenture or now or hereafter existing at law or in equity or otherwise.

No Waiver of Default

No delay or omission of the Trustee or of any Holder of the Bonds to exercise any right or power arising upon the occurrence of any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by the Indenture to the Trustee or to the Holders of the Bonds may be exercised from time to time and as often as may be deemed expedient.

Discharge of Bonds

If the City shall pay or cause to be paid or there shall otherwise be paid to the Holders of all Outstanding Bonds the interest thereon and the principal thereof and the redemption premiums, if any, thereon at the times and in the manner stipulated therein and in the Indenture, then all agreements, covenants and other obligations of the City to the Holders of such Bonds under the Indenture shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the City all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the City for deposit in the Community Facilities Fund all money or securities held by it pursuant hereto which are not required for the payment of the interest on and principal of and redemption premiums, if any, on such Bonds.

Any Outstanding Bonds shall on the maturity date or redemption date thereof be deemed to have been paid within the meaning of and with the effect expressed above if there shall be on deposit with the Trustee money which is sufficient to pay the interest due on such Bonds on such date and the principal and redemption premiums, if any, due on such Bonds on such date.

Any Outstanding Bonds shall prior to the maturity date or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed above if (1) in case any of such Bonds are to be redeemed on any date prior to their maturity date, notice of redemption shall have been given as provided in the Indenture or provision satisfactory to the Trustee shall have been made for the giving of such notice, (2) there shall have been deposited with an escrow agent or the Trustee either (x) money in an amount which shall be sufficient to pay when due the interest to become due on such Bonds on and prior to the maturity dates or redemption dates thereof, as the case may be, and the principal of and redemption premiums, if any, on such Bonds on and prior to the maturity dates or the redemption dates thereof, as the case may be or (y) Federal Securities which are not subject to redemption except by the holder thereof prior to maturity (including any Federal Securities issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), the interest on and principal of which when paid will provide money which, together with the money, if any, deposited with such escrow agent or the Trustee at the same time, shall be sufficient to pay when due the interest to become due on such Bonds on and prior to the maturity dates or redemption dates thereof, as the case may be, and the principal of and redemption premiums, if any, on such Bonds on and prior to the maturity dates or the redemption dates thereof, as the case may be, as evidenced by an Accountant's Report on file with the City and the Trustee in the case of a deposit pursuant to clause (y), and (3) in the event such Bonds are not by their terms subject to redemption within the next succeeding 60 days, the City shall have instructed the Trustee to mail pursuant to the Indenture a notice to the Holders of such Bonds that the deposit required by clause (2) above has been made with such escrow agent or the Trustee and that such Bonds are deemed to have been paid in accordance with this provision and stating the maturity dates or redemption dates, as the case may be, upon which money will be available for the payment of the principal of and redemption premiums, if any, on such Bonds.

Unclaimed Money

Anything contained in the Indenture to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of any of the Bonds or any interest thereon which remains unclaimed for 2 years after the date when such Bonds or interest thereon have become due and payable, either at their stated maturity dates or by call for redemption prior to maturity, if such money was held by the Trustee on such date, or for 2 years after the date of deposit of such money if deposited with the Trustee after the date when such Bonds or interest thereon became due and payable, shall be repaid by the Trustee to the City as its absolute

property free from trust for deposit in the Community Facilities Fund and for use in accordance with the Act, and the Trustee shall thereupon be released and discharged with respect thereto and the Holders shall look only to the City for the payment of such Bonds and interest thereon; provided, that before the Trustee shall be required to make any such repayment the City shall mail pursuant to the Indenture a notice to the Holders of all Outstanding Bonds that such money remains unclaimed and that after a date named in such notice, which date shall not be less than 30 days after the date of the mailing of such notice, the balance of such money then unclaimed will be returned to the City for deposit in the Community Facilities Fund.

Benefits Limited to Parties

Nothing contained in the Indenture, express or implied, is intended to give to any entity or person other than the City Council, the City, the Treasurer, the Trustee and the Holders any right, remedy or claim under or by reason hereof, and any agreement or covenant required to be performed by or on behalf of the City Council or the City or any officer or employee thereof shall be for the sole and exclusive benefit of the Trustee and the Holders.

Successor is Deemed Included in All References to Predecessor

Whenever either the City Council or the City or any officer or employee thereof is named or referred to in the Indenture, such reference shall be deemed to include the successor to the powers, duties and functions with respect to the administration, control and management of the Community Facilities District and the Facilities and the Fees that are presently vested in the City Council or the City or such officer or employee, and all agreements and covenants required to be performed by or on behalf of the City Council or the City or any officer or employee thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Execution of Documents by Holders

Any declaration, request, consent or other instrument which is permitted or required in the Indenture to be executed by Holders may be in one or more instruments of similar tenor, and may be executed by Holders in person or by their attorneys duly authorized in writing. The fact and date of the execution by any Holder or his attorney of any declaration, request, consent or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request, consent or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness to such execution duly sworn to before such notary public or other officer. The ownership of Bonds and the amount, maturity, number and date of holding the same shall be provided by the registration books required to be kept by the Trustee pursuant to the Indenture.

Any declaration, request, consent or other instrument or writing of the Holder of any Bond shall bind all future Holders of such Bond with respect to anything done or suffered to be done by the City in good faith and in accordance therewith.

Waiver of Personal Liability

No member of the City Council or officer or employee of the City shall be individually or personally liable for the payment of the interest on or principal of or redemption premiums, if any, on the Bonds, but nothing in the Indenture shall relieve any member of the City Council or officer or employee of the City from the performance of any official duty provided hereby or by the Act or by any other applicable provisions of law.

APPENDIX F

FORM OF CITY CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate dated as of October 1, 2026 (this "**Certificate**"), is executed and delivered by the City of Sacramento, a California municipal corporation and charter city (the "**Issuer**"), in connection with the issuance of the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2, Special Tax Bonds, Series 2026 (the "**Bonds**"). The Bonds are being issued under Resolution No. _____ adopted by the Sacramento City Council on September 29, 2026, and a Master Indenture, dated as of December 1, 2024, as supplemented by a First Supplemental Indenture dated as of December 1, 2024 and by a Second Supplemental Indenture dated as of October 1, 2026 (collectively, the "**Indenture**"), each between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**").

The Issuer hereby covenants as follows:

1. **Purpose of this Certificate**. This Certificate is being executed and delivered for the benefit of the Holders and Beneficial Owners of the Bonds and to assist the Participating Underwriter in complying with the Rule.

2. **Definitions.** In addition to the definitions set forth in the Indenture and the Rate and Method of Apportionment, which apply to any capitalized term used in this Certificate unless the term is otherwise defined in this section 2, the following capitalized terms have the following meanings:

   - "***Annual Report***" means any annual report that meets the criteria in section 4 and is provided by the Issuer under section 3.

   - "***Beneficial Owner***" means any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bond (including a person holding Bond through a nominee, depository, or other intermediary); or (b) is treated as the owner of any Bond for federal income-tax purposes.

   - "***Dissemination Agent***" initially means the Issuer, and thereafter it means any successor Dissemination Agent the Issuer designates in writing.

   - "***District***" means the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements).

   - "***EMMA***" means the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board, which can be found at www.emma.msrb.org, or any other repository of disclosure information the Securities and Exchange Commission may designate in the future.

   - ***"Fiscal Year"*** means the Issuer's fiscal year, which begins on July 1 and ends the following June 30.

   - ***"Improvement Area No. 2"*** means Improvement Area No. 2 of the District.

   - "***Listed Event***" means any of the events listed in section 5 below.

   - "***MSRB***" means the Municipal Securities Rulemaking Board.

   - "***Official Statement***" means the Issuer's official statement with respect to the Bonds.

   - "***Participating Underwriter***" means Raymond James & Associates, Inc.

- "***Rate and Method of Apportionment***" means the Second Amended and Restated Rate and Method of Apportionment of Special Tax for Improvement Area No. 2 approved by the Resolution of Formation.

- "***Resolution of Formation***" means the Resolution adopted by the Sacramento City Council on March 12, 2024, and designated as Resolution No. 2024-0074, by which the City undertook change proceedings with respect to Improvement Area No. 2.

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

3. **Provision of Annual Reports**.

(a) Beginning with the Fiscal Year ending June 30, 2026, the Issuer shall provide to EMMA, or shall cause the Dissemination Agent to provide to EMMA, in either case not later than March 31 after the end of the Fiscal Year, an Annual Report that is consistent with the requirements of section 4 of this Certificate. The Annual Report may be submitted as a single document or as separate documents composing a package and may include by reference other information as provided in section 4 of this Certificate, except that the Issuer's audited financial statements may be submitted separately from, and later than, the balance of the Annual Report if they are not available by the date required above for the filing of the Annual Report.

(b) If the Dissemination Agent is an entity other than the Issuer, then the provisions of this section 3(b) will apply. The Issuer shall provide the Annual Report to the Dissemination Agent, in a form suitable for filing with EMMA, not later than 15 business days before the date specified in section 3(a) for providing the Annual Report to EMMA. If the Dissemination Agent has not received a copy of the Annual Report by the 15th business day before the date for providing the Annual Report, then the Dissemination Agent shall contact the Issuer to determine if the Issuer will be filing the Annual Report in compliance with section 3(a). The Issuer shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that the Annual Report constitutes the Annual Report required to be furnished by it under this Certificate. The Dissemination Agent may conclusively rely upon the Issuer's certification and will have no duty or obligation to review the Annual Report.

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to EMMA by the date required in section 3(a), then the Dissemination Agent shall send a notice in a timely manner to EMMA, in the form required by EMMA.

(d) If the Dissemination Agent is other than the Issuer, then the Dissemination Agent shall—

(1) determine each year, before the date for providing the Annual Report, the name and address of the repository if other than the MSRB through EMMA; and

(2) file a report with the Issuer, promptly after receipt of the Annual Report, certifying that the Annual Report has been provided to EMMA and the date it was provided.

(e) Notwithstanding any other provision of this Certificate, all filings must be made in accordance with the EMMA system or in another manner approved under the Rule.

4. **Content of Annual Reports**. The Annual Reports shall contain or incorporate by reference the following:

(a) *Financial Statements*. The Issuer's audited financial statements for the most recent Fiscal Year then ended. If audited financial statements are not available by the time the Annual Report is required to be filed by section 3, then the Annual Report must contain unaudited financial

statements, and the audited financial statements must be filed in the same manner as the Annual Report when they become available.

(b) *Financial and Operating Data*. The Annual Report must contain or incorporate by reference the following information except to the extent the information is included in the Issuer's audited financial statements or in a report to the California Debt and Investment Advisory Commission that has been uploaded to EMMA:

(1) Balances in each of the following funds established under the Indenture as of the close of the prior fiscal year:

(A) The Bond Redemption Fund (with a statement of the debt-service requirement to be discharged by the fund before the receipt of expected additional Special Tax revenue, *i.e.*, the Debt Service due on the following September 1).

(B) The Bond Reserve Fund.

(2) The aggregate land assessed valuation and the aggregate improvement assessed valuation within Improvement Area No. 2 for the prior Fiscal Year.

(3) A statement of the debt-service requirements for the Bonds for the prior Fiscal Year.

(4) An update of the information in Table 4 of the Official Statement based on the assessed valuation of the Taxable Property within Improvement Area No. 2 for the Fiscal Year in which the Annual Report is filed, except that the Special Tax levy at buildout and the information with respect to overlapping land-secured debt need not be included.

(5) A statement of the actual Special Tax collections for Improvement Area No. 2 for the prior Fiscal Year.

(6) The following information (to the extent that it is no longer reported in the Issuer's annual filings with the California Debt and Investment Advisory Commission regarding the Bonds):

(A) The Required Bond Reserve for the prior Fiscal Year.

(B) A statement as to the status of any foreclosure actions with respect to delinquent payments of the Special Tax.

(C) A statement of any discontinuance of the County's Teeter Plan with respect to any Taxable Parcel.

(c) Any or all of the items listed in section 4(a) or 4(b) may be included by specific reference to other documents (including official statements of debt issues of the Issuer or related public entities) that have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available through EMMA. The Issuer shall clearly identify each document included by reference.

5. **Reporting of Significant Events**.

(a) The Issuer shall give or cause the Dissemination Agent to give notice to the MSRB, through EMMA, not more than ten business days after the occurrence of any of the following events with respect to the Bonds:

(1) Principal and interest payment delinquencies.

(2) Unscheduled draws on debt-service reserves reflecting financial difficulties.

(3) Unscheduled draws on credit enhancements reflecting financial difficulties.

(4) Substitution of credit or liquidity providers, or their failure to perform.

(5) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds.

(6) Defeasances.

(7) Tender offers.

(8) Bankruptcy, insolvency, receivership, or similar proceedings.

Note: For the purposes of the event identified in section 5(a)(8), the event is considered to occur when any of the following occur: if a receiver, fiscal agent, or similar officer is appointed for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer; or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority; or if an order confirming a plan of reorganization, arrangement, or liquidation is entered by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(9) Ratings changes.

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

(b) Additionally, the Issuer shall give or cause the Dissemination Agent to give notice to the MSRB, through EMMA, not more than ten business days after the occurrence of any of the following events with respect to the Bonds, if material:

(1) Unless described in section 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds.

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

(3) Appointment of a successor or additional fiscal agent or the change of the name of a fiscal agent.

(4) Nonpayment related defaults.

(5) Modifications to the rights of Bondholders.

(6) Bond calls.

(7) Release, substitution, or sale of property securing repayment of the Bonds.

(8) Incurrence of a financial obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect Bondholders.

(c) For purposes of the events identified in section 5(a)(10) or 5(b)(8), "financial obligation" means a (1) debt obligation; (2) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (3) guarantee of (1) or (2). "Financial obligation" does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

(d) If the Issuer's Fiscal Year changes, then the Issuer shall report or shall instruct the Dissemination Agent to report the change in the same manner and to the same parties as a Listed Event would be reported under this section 5.

(e) The undertaking set forth in this Certificate is the Issuer's responsibility. The Dissemination Agent, if other than the Issuer, is not responsible for determining whether the Issuer's instructions to the Dissemination Agent under this section 5 comply with the Rule.

6. **Termination of Reporting Obligation.** The obligations of the Issuer and the Dissemination Agent under this Certificate terminate upon the legal defeasance, prior redemption, or payment in full of all of the Bonds. If termination occurs before the final maturity of the Bonds, then the Issuer shall give notice of the termination in the same manner as for a Listed Event under section 5.

7. **Dissemination Agent.** The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Certificate and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Issuer will be the initial Dissemination Agent. The Dissemination Agent may resign by providing 30-days' advance written notice to the Issuer, with the resignation effective upon appointment of a new Dissemination Agent.

8. **Amendment.**

(a) The parties may amend this Certificate by written agreement of the parties without the consent of the Holders, and any provision of this Certificate may be waived, if all of the following conditions are satisfied:

(1) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law, or a change in the identity, nature, or status of the Issuer or the type of business the Issuer conducts.

(2) The undertakings in this Certificate as so amended or waived would have complied, in the opinion of a nationally recognized bond counsel, with the requirements of the Rule as of the date of this Certificate, after taking into account any amendments or interpretations of the Rule as well as any change in circumstances.

(3) The amendment or waiver either (A) is approved by the Holders of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders or (B) does not, in the determination of the Issuer, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

(b) To the extent any amendment to this Certificate results in a change in the type of financial information or operating data provided under this Certificate, the first Annual Report provided after the change must include a narrative explanation of the reasons for the amendment and the effect of the change on the type of operating data or financial information being provided.

(c) If an amendment is made to the basis on which financial statements are prepared, the Annual Report for the year in which the change is made must present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison must include both a quantitative discussion and, to the extent reasonably feasible, a qualitative discussion of the differences in the accounting principles and the effect of the change in the accounting principles on the presentation of the financial information.

9. **Additional Information.** This Certificate does not prevent the Issuer (a) from disseminating any other information, using the means of dissemination set forth in this Certificate or any other means of communication; or (b) from including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that required by this Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that specifically required by this Certificate, then the Issuer will have no obligation under this Certificate to update the information or include it in any future Annual Report or notice of occurrence of a Listed Event.

10. **Default.** If the Issuer or the Dissemination Agent fails to comply with any provision of this Certificate, then any Holder or Beneficial Owner of the Bonds may take any necessary and appropriate actions, including seeking mandate or specific performance by court order, to cause the Issuer and the Dissemination Agent to comply with their obligations under this Certificate. A default under this Certificate will not be an Event of Default under the Indenture, and the sole remedy under this Certificate in the event of any failure of the Issuer or the Dissemination Agent to comply with this Certificate is an action to compel performance.

11. **Duties, Immunities, and Liabilities of Dissemination Agent.**

(a) Where an entity other than the Issuer is acting as the Dissemination Agent, the Dissemination Agent will have only the duties expressly set forth in this Certificate, and the Issuer shall indemnify and save the Dissemination Agent and its officers, directors, employees, and agents harmless against all losses, expenses, and liabilities that arise out of, or in the exercise or performance of, their powers and duties under this Certificate, including reasonable attorney's fees and other expenses of defending against any claim of liability, but excluding losses, expenses, and liabilities due to the Dissemination Agent's negligence or willful misconduct.

(b) Except as provided in section 11(a), the Issuer shall pay any Dissemination Agent (1) compensation for its services provided under this Certificate in accordance with an agreed-upon schedule of fees; and (2) all expenses, legal fees, and advances made or incurred by the Dissemination Agent in the performance of its duties under this Certificate.

(c) The Dissemination Agent has no duty or obligation to review any information the Issuer provides to it under this Certificate. The Issuer's obligations under this section 11 will survive the Dissemination Agent's resignation or removal and payment of the Bonds. No person has any right to commence any action against the Dissemination Agent for any remedy other than specific performance of this Certificate. The Dissemination Agent is not liable under any circumstances for monetary damages to any person for any breach under this Certificate.

12. **Beneficiaries.** This Certificate inures solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter, and Holders and Beneficial Owners from time to time of the Bonds, and it creates no rights in any other person or entity.

13. **Merger.** Any person succeeding to all or substantially all of the Dissemination Agent's corporate trust business will be the successor Dissemination Agent without the filing of any paper or any further act.

14. **Effective Date.** This Certificate is effective as of the date and year set forth above in the preamble.

CITY OF SACRAMENTO

By: _____

John P. Colville Jr., City Treasurer

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APPENDIX G

FORMS OF PROPERTY OWNERS CONTINUING DISCLOSURE CERTIFICATES

CONTINUING DISCLOSURE CERTIFICATE
(Greenbriar Phase 2, LLC)

This Continuing Disclosure Certificate (Greenbriar Phase 2, LLC) (this "**Disclosure Certificate**") is executed and delivered by Greenbriar Phase 2, LLC, a Delaware limited liability company (the "**Property Owner**"), in connection with the issuance by the City of Sacramento (the "**City**") of the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2 Special Tax Bonds, Series 2026 (the "**Bonds**"). The Bonds are being issued pursuant to Resolution No. _____ adopted by the Sacramento City Council on September 29, 2026 and a Master Indenture, dated as of December 1, 2024, as supplemented by a First Supplemental Indenture dated as of December 1, 2024 and by a Second Supplemental Indenture dated as of October 1, 2026 (collectively, the "**Indenture**"), each by and between the City and U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**"). The Property Owner covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Property Owner for the benefit of the holders and beneficial owners of the Bonds.

Section 2. Definitions. In addition to the definitions set forth above and herein, and in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"***Affiliate***" means any person presently directly (or indirectly through one or more intermediaries) under managerial control of the Property Owner, and about whom information could be material to potential investors in their investment decision regarding the Bonds (including without limitation information relevant to the proposed development of the Property or to the Property Owner's ability to pay the Special Taxes levied on the Property prior to delinquency). For purposes of this Disclosure Certificate, the term "Affiliates" shall not include Lennar Homes of California, LLC, a California limited liability company ("**Lennar Homes**").

*"**Assumption Agreement**"* means an undertaking of a Major Owner, for the benefit of the holders and beneficial owners of the Bonds, containing terms substantially similar to this Disclosure Certificate (as modified for such Major Owner's development and financing plans with respect to the property in Improvement Area No. 2 acquired by the Major Owner), whereby such Major Owner agrees to provide semi-annual reports and notices of significant events, setting forth the information described in sections 4 and 5 hereof, respectively, with respect to the portion of the property in Improvement Area No. 2 owned by such Major Owner and, at the option of the Property Owner or such Major Owner, agrees to indemnify the Dissemination Agent (if any) pursuant to a provision substantially in the form of Section 12 hereof. As set forth in Section 7(b), the sale of property to Lennar Homes will not require an Assumption Agreement so long as Lennar Homes is subject to an outstanding continuing disclosure certificate.

"***Dissemination Agent***" means the Property Owner or an entity experienced in providing dissemination agent services such as those required under this Disclosure Certificate designated by the Property Owner to serve as the Dissemination Agent hereunder and who has accepted such obligation in writing, and for which the Property Owner has filed with the City and the Participating Underwriter notice of such designation and acceptance.

"***District***" means City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements).

*"**Improvement Area No. 2**"* means Improvement Area No. 2 of the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements).

"***Listed Events***" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"***Major Owner***" means, as of any date of calculation, an owner of land that, together with any Affiliates, owns 189 or more residential lots (or property intended to be subdivided into 189 or more residential lots) in Improvement Area No. 2.

"***MSRB***" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Marketplace Access (EMMA) website of the MSRB, currently located at http://emma.msrb.org.

"***Official Statement***" means the final Official Statement dated October __, 2026, executed by the City in connection with the issuance of the Bonds.

"***Participating Underwriter***" means Raymond James & Associates, Inc., the original underwriter of the Bonds.

"***Property***" means, as of the date of determination, (i) the property owned by the Property Owner or any Affiliate in Improvement Area No. 2 of the District, and (ii) the property in Improvement Area No. 2 of the District that the Property Owner sold to a Major Owner who has not assumed the undertakings of this Disclosure Certificate under Section 7(b) with respect to such property. For purposes of clarity, subsection (ii) above will not include property sold to Lennar Homes so long as Lennar Homes is subject to an outstanding continuing disclosure certificate.

"***Report Date***" means (a) March 31 of each year, and (b) September 30 of each year.

"***Semi-Annual Report***" means any Semi-Annual Report provided by the Property Owner pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"***Special Taxes***" means the special taxes of the District levied by the City on the Property in Improvement Area No. 2.

Section 3. Provision of Semi-Annual Reports.

(a) Until such obligations are terminated pursuant to Section 7 herein, the Property Owner shall, or upon written direction of the Property Owner the Dissemination Agent shall, not later than the Report Date, commencing March 31, 2027, provide to the MSRB, in an electronic format as prescribed by the MSRB, a Semi-Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate with a copy to the Participating Underwriter and the City. Not later than 15 calendar days prior to the Report Date, the Property Owner shall provide the Semi-Annual Report to the Dissemination Agent (if different from the Property Owner). The Property Owner shall provide a written certification with (or included as a part of) each Semi-Annual Report furnished to the Dissemination Agent (if different from the Property Owner), the Participating Underwriter and the City to the effect that such Semi-Annual Report constitutes the Semi-Annual Report required to be furnished by it under this Disclosure Certificate. The Dissemination Agent, the Participating Underwriter, and the City may conclusively rely upon such certification of the Property Owner and shall have no duty or obligation to review the Semi-Annual Report. The Semi-Annual Report may be submitted as a single document or as separate documents comprising a package, and may incorporate by reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the Dissemination Agent is not the Property Owner and it does not receive a Semi-Annual Report by 15 calendar days prior to the Report Date, the Dissemination Agent shall send a reminder notice to the Property Owner that the Semi-Annual Report has not been provided as required under Section 3(a) above. The reminder notice shall instruct the Property Owner to determine whether its obligations under this Disclosure Certificate have terminated (pursuant to Section 7 below) and, if so, to provide the Dissemination Agent with a notice of such termination in the same manner as for a Listed Event (pursuant to Section 5 below). If the Property Owner does not provide, or cause the Dissemination Agent to provide, a Semi-Annual Report to the MSRB by the Report Date as required in subsection (a) above, the Dissemination Agent shall provide a notice to the MSRB, in an electronic format as prescribed by the MSRB, with a copy to the City and the Participating Underwriter.

(c) The Dissemination Agent shall:

(i) determine prior to each Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of continuing disclosure reports; and

(ii) to the extent the Semi-Annual Report has been furnished to it, file a report with the Property Owner (if the Dissemination Agent is other than the Property Owner), the City, and the Participating Underwriter certifying that the Semi-Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Semi-Annual Reports. Each Semi-Annual Report shall contain or incorporate by reference the information set forth in Exhibit A, any or all of which may be included by specific reference to other documents, including official statements of debt issues of the Property Owner or related public entities, which are available to the public on the MSRB's internet web site or filed with the Securities and Exchange Commission. The Property Owner shall clearly identify each such other document so included by reference.

In addition to any of the information expressly required to be provided in Exhibit A, each Semi-Annual Report shall include such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Section 5. Reporting of Significant Events.

(a) Until such obligations are terminated pursuant to Section 7 herein, the Property Owner shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to itself or the Property, if material:

(i) bankruptcy or insolvency proceedings commenced by or against the Property Owner and, if known, any bankruptcy or insolvency proceedings commenced by or against any Affiliate of the Property Owner;

(ii) failure to pay any Special Taxes due with respect to the Property prior to the delinquency date, to the extent such failure is not promptly cured by the Property Owner upon discovery thereof;

(iii) filing of a lawsuit against the Property Owner or, if known, an Affiliate of the Property Owner, seeking damages which, if successful, could have a material and adverse impact on the Property Owner's ability to pay Special Taxes prior to delinquency or to sell or develop the Property;

(iv) material damage to or destruction of any of the improvements on the Property; and

(v) any payment default or other material default by the Property Owner that continues to exist beyond any applicable notice and cure periods on any loan with respect to the construction of improvements on the Property.

(b) Whenever the Property Owner obtains knowledge of the occurrence of a Listed Event, the Property Owner shall as soon as possible determine if such event would be material under applicable Federal securities law.

(c) If the Property Owner determines that knowledge of the occurrence of a Listed Event would be material under applicable Federal securities law, the Property Owner shall, or shall cause the Dissemination Agent to, within 10 business days file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, with a copy to the City and the Participating Underwriter.

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

Section 7. Duration of Reporting Obligation.

(a) All of the Property Owner's obligations hereunder shall commence on the date hereof and shall terminate (except as provided in Section 12) on the earliest to occur of the following:

(i) upon the legal defeasance, prior redemption or payment in full of all the Bonds, or

(ii) on the date that the Property in Improvement Area No. 2 of the District consists of fewer than 189 residential lots (or property intended to be subdivided into fewer than 189 residential lots), or

(iii) the date on which all of the Special Taxes attributable to the Property are prepaid in full.

The Property Owner shall give notice of the termination of its obligations under this Disclosure Certificate in the same manner as for a Listed Event under Section 5.

(b) If a portion of the Property is conveyed to a person or entity that, upon such conveyance, will be a Major Owner, the obligations of the Property Owner hereunder with respect to the property conveyed to such Major Owner may be assumed by such Major Owner and the Property Owner's obligations hereunder with respect to the property conveyed will be terminated. In order to effect such assumption, such Major Owner shall enter into an Assumption Agreement in form and substance substantially similar to this Disclosure Certificate. However, a Major Owner shall not be required to enter into an Assumption Agreement if such Major Owner is already a party to a continuing disclosure certificate in form and substance similar to this Disclosure Certificate with respect to the Bonds, and under which the property conveyed to such Major Owner will become subject to future semi-annual reports. As of the date hereof, the Property Owner has sold property, and is under contract to sell additional property, in Improvement Area No. 2 to Lennar Homes. Lennar Homes has entered into a continuing disclosure certificate wherein Lennar Homes has agreed to provide information regarding the property Lennar Homes owns in Improvement Area No. 2 (the "**Lennar CDC**"). The Lennar CDC specifically states that as additional property is acquired by Lennar from the Property Owner, such property automatically (and without the necessity of an Assumption Agreement) becomes subject to the Lennar CDC. Accordingly, so long as the Lennar CDC has not been terminated, as the Property Owner sells additional property to Lennar Homes, the Property Owner shall be released from providing information on the property conveyed without requiring the execution of an Assumption Agreement.

Section 8. Dissemination Agent. The Property Owner may, from time to time, with the written consent of the City, appoint or engage a Dissemination Agent to assist the Property Owner in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with the written consent of the City, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the Property Owner. The Dissemination Agent may resign by providing 30 days' written notice to the District, the Property Owner, the City, and the Participating Underwriter.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Property Owner may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied (provided, however, that the Dissemination Agent shall not be obligated under any such amendment that modifies or increases its duties or obligations hereunder without its written consent thereto):

(a) if the amendment or waiver relates to the provisions of sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, or change in law;

(b) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Property Owner from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Semi-Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Property Owner chooses to include any information in any Semi-Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Property Owner shall have no obligation under this Disclosure Certificate to update such information or include it in any future Semi-Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the Property Owner to comply with any provision of this Disclosure Certificate, the Participating Underwriter, the City, and any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Property Owner to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Property Owner to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Property Owner agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the reasonable costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding any loss, expense and liabilities due to the Dissemination Agent's negligence or willful misconduct or failure to perform its duties hereunder. If the Dissemination Agent is not the Property Owner, the Dissemination Agent shall be paid compensation for its services provided hereunder from the Administrative Expense Fund established under the Indenture in accordance with the Dissemination Agent's schedule of fees as amended from time to time, which schedule, as amended, shall be reasonably acceptable, and all reasonable expenses, reasonable legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Property Owner, the Participating Underwriter,

the Bond owners, or any other party. The obligations of the Property Owner under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 13. Notices. Any notice or communications to be among any of the parties to this Disclosure Certificate may be given by regular, overnight, or electronic mail as follows:

To the Issuer:	City of Sacramento Historic City Hall 915 I Street, 3rd Floor Sacramento, California 95814 Attn: City Treasurer Email: CTO_Debt@cityofsacramento.org Email: bwong@cityofsacramento.org
To the Participating Underwriter:	Raymond James & Associates, Inc. 301 North Lake Avenue, Suite 1150 Pasadena, CA 91101 Attention: Jose Vera Email: jose.vera@raymondjames.com
To the Property Owner:	Greenbriar Phase 2, LLC c/o Integral Communities 888 San Clemente, Suite 100 Newport Beach, CA 92660 Attention: John Stanek Email: jstanek@integralcommunities.com cread@integralcommunities.com

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Property Owner (its successors and assigns), the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. All obligations of the Property Owner hereunder shall be assumed by any legal successor to the obligations of the Property Owner as a result of a sale, merger, consolidation or other reorganization.

Date: _____, 2026

GREENBRIAR PHASE 2, LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

EXHIBIT A

SEMI-ANNUAL REPORT

[MARCH 31, ____ / SEPTEMBER 30, _____]

$_____
CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03 (IMPROVEMENTS)
IMPROVEMENT AREA NO. 2
SPECIAL TAX BONDS, SERIES 2026

This Semi-Annual Report is hereby submitted under Section 4 of the Continuing Disclosure Certificate (Greenbriar Phase 2, LLC) (the "**Disclosure Certificate**") dated _____, 2026, executed by the undersigned (the "**Property Owner**") in connection with the issuance by the City of Sacramento (the "**City**") of the bonds captioned above (the "**Bonds**") for Improvement Area No. 2 of its City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) (the "**District**").

Capitalized terms used in this Semi-Annual Report but not otherwise defined have the meanings given to them in the Disclosure Certificate.

I. Property Ownership and Development

The information in this section is provided as of _____ (this date must be not more than 60 days before the Report Date of this Semi-Annual Report).

A. Description of the Property in Improvement Area No. 2 of the District (the "**Property**") in substance and form similar to such information in the Official Statement for the Bonds.

_____
_____

B. Updated information regarding land development activities with respect to the Property described in the Official Statement for the Bonds or the Semi-Annual Report last filed in accordance with the Disclosure Certificate.

_____
_____

C. Status of any material changes to the description of land use or development entitlements for the Property described in the Official Statement for the Bonds or the Semi-Annual Report last filed in accordance with the Disclosure Certificate.

_____
_____

D. Status of any land purchase contracts with regard to the Property, whether acquisition of land in Improvement Area No. 2 by the Property Owner or sales of land to other property owners (other than individual homeowners).

_____
_____

II. Legal and Financial Status of Property Owner

Unless such information has previously been included or incorporated by reference in a Semi-Annual Report, describe any material change in the legal structure of the Property Owner or the financial condition and financing plan of the Property Owner that would materially and adversely interfere with its ability to complete its development plan described in the Official Statement. To the extent that the ownership of the Property Owner has changed, describe all material terms of the new ownership structure.

_____

_____

III. Change in Development or Financing Plans

Unless such information has previously been included or incorporated by reference in a Semi-Annual Report, describe any development plans or financing plans relating to the Property *that are materially different from* the proposed development and financing plan described in the Official Statement.

_____

_____

IV. Change in Relationship with Merchant Builders

To the extent a relationship exists between the Property Owner and a merchant builder, describe any material change in such relationship with respect to the construction, marketing and sale of homes within Improvement Area No. 2. To the extent that a new merchant builder has been engaged to carry out home construction, marketing and sales activity by the Property Owner in Improvement Area No. 2, fully describe all material terms of the relationship between the Property Owner and any such new merchant builder.

_____

_____

V. Official Statement Updates

Unless such information has previously been included or incorporated by reference in a Semi-Annual Report, describe any other significant changes in the information relating to the Property Owner or the Property contained in the Official Statement under the heading "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2" (other than under the captions "Acquisition of Lots by Lennar Homes" and "Home Construction"), including an update to the table, "Status of Improvements Within Improvement Area No. 2" thereunder, and under the heading PROPERTY OWNERSHIP — The Developer" that would materially and adversely interfere with the Property Owner's ability to develop and sell the Property as described in the Official Statement.

_____

_____

VI. Status of Tax Payments

Describe status of payment of taxes, special taxes (including the Special Taxes) or assessments due with respect to the Property owned by the Property Owner and its Affiliates.

_____

_____

VII. Other Material Information

In addition to any of the information expressly required above, provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

_____

_____

Certification

On behalf of the Property Owner, the undersigned officer or representative, based on actual knowledge after reasonable inquiry of employees of Property Owner and its Affiliates, hereby certifies that this Semi-Annual Report constitutes the Semi-Annual Report required to be furnished by the Property Owner under the Disclosure Certificate.

ANY OTHER STATEMENTS REGARDING THE PROPERTY OWNER, THE DEVELOPMENT OF THE PROPERTY, THE PROPERTY OWNER'S FINANCING PLAN OR FINANCIAL CONDITION, OTHER THAN STATEMENTS MADE BY THE PROPERTY OWNER IN AN OFFICIAL RELEASE, OR FILED WITH THE MUNICIPAL SECURITIES RULEMAKING BOARD, ARE NOT AUTHORIZED BY THE PROPERTY OWNER. THE PROPERTY OWNER IS NOT RESPONSIBLE FOR THE ACCURACY, COMPLETENESS OR FAIRNESS OF ANY SUCH UNAUTHORIZED STATEMENTS.

THE PROPERTY OWNER HAS NO OBLIGATION TO UPDATE THIS SEMI-ANNUAL REPORT OTHER THAN AS EXPRESSLY PROVIDED IN THE DISCLOSURE CERTIFICATE.

Dated:_____

GREENBRIAR PHASE 2, LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

CONTINUING DISCLOSURE CERTIFICATE
(Lennar Homes of California, LLC, a California limited liability company)

This Continuing Disclosure Certificate (Lennar Homes of California, LLC, a California limited liability company) (this "**Disclosure Certificate**") is executed and delivered by Lennar Homes of California, LLC, a California limited liability company (the "**Property Owner**"), in connection with the issuance by the City of Sacramento (the "**City**") of the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2 Special Tax Bonds, Series 2026 (the "**Bonds**"). The Bonds are being issued pursuant to Resolution No. _____ adopted by the Sacramento City Council on September 29, 2026, and a Master Indenture, dated as of December 1, 2024, as supplemented by a First Supplemental Indenture dated as of December 1, 2024 and by a Second Supplemental Indenture dated as of October 1, 2026 (collectively, the "**Indenture**"), each by and between the City and U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**"). The Property Owner covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Property Owner for the benefit of the holders and beneficial owners of the Bonds.

Section 2. Definitions. In addition to the definitions set forth above and in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"***Affiliate***" means any person presently directly (or indirectly through one or more intermediaries) under managerial control of the Property Owner, and about whom information could be material to potential investors in their investment decision regarding the Bonds (including without limitation information relevant to the proposed development of the Property or to the Property Owner's ability to pay the Special Taxes levied on the Property prior to delinquency). For purposes of this Disclosure Certificate, the term "Affiliates" shall not include Greenbriar Phase 2, LLC, a Delaware limited liability company.

*"**Assumption Agreement**"* means an undertaking of a Major Owner, for the benefit of the holders and beneficial owners of the Bonds, containing terms substantially similar to this Disclosure Certificate (as modified for such Major Owner's development and financing plans with respect to the property in Improvement Area No. 2 acquired by the Major Owner), whereby such Major Owner agrees to provide semi-annual reports and notices of significant events, setting forth the information described in sections 4 and 5 hereof, respectively, with respect to the portion of the property in Improvement Area No. 2 owned by such Major Owner and, at the option of the Property Owner or such Major Owner, agrees to indemnify the Dissemination Agent (if any) pursuant to a provision substantially in the form of Section 12 hereof.

"***Dissemination Agent***" means the Property Owner or an entity experienced in providing dissemination agent services such as those required under this Disclosure Certificate designated by the Property Owner to serve as the Dissemination Agent hereunder and who has accepted such obligation in writing, and for which the Property Owner has filed with the City and the Participating Underwriter notice of such designation and acceptance.

"***District***" means City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements).

*"**Improvement Area No. 2**"* means Improvement Area No. 2 of the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements).

"***Listed Events***" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"***Major Owner***" means, as of any date of calculation, an owner of land, and together with any Affiliates, who owns 189 or more residential lots (or property intended to be subdivided into 189 or more residential lots) in Improvement Area No. 2.

"***MSRB***" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Marketplace Access (EMMA) website of the MSRB, currently located at http://emma.msrb.org.

"***Official Statement***" means the final Official Statement dated October__, 2026, executed by the City in connection with the issuance of the Bonds.

"***Participating Underwriter***" means Raymond James & Associates, Inc., the original underwriter of the Bonds.

"***Property***" means (i) the property owned by the Property Owner in Improvement Area No. 2 of the District, and (ii) the property in Improvement Area No. 2 of the District that the Property Owner sold to a Major Owner who has not assumed the undertakings of this Disclosure Certificate under Section 7(b) with respect to such property.

"***Report Date***" means (a) March 31 of each year, and (b) September 30 of each year.

"***Semi-Annual Report***" means any Semi-Annual Report provided by the Property Owner pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"***Special Taxes***" means the special taxes of the District levied by the City on the Property.

Section 3. Provision of Semi-Annual Reports.

(a) Until such obligations are terminated pursuant to Section 7 herein, the Property Owner shall, or upon written direction of the Property Owner the Dissemination Agent shall, not later than the Report Date, commencing March 31, 2027, provide to the MSRB, in an electronic format as prescribed by the MSRB, a Semi-Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate with a copy to the Participating Underwriter and the City. Not later than 15 calendar days prior to the Report Date, the Property Owner shall provide the Semi-Annual Report to the Dissemination Agent (if different from the Property Owner). The Property Owner shall provide a written certification with (or included as a part of) each Semi-Annual Report furnished to the Dissemination Agent (if different from the Property Owner), the Participating Underwriter and the City to the effect that such Semi-Annual Report constitutes the Semi-Annual Report required to be furnished by it under this Disclosure Certificate. The Dissemination Agent, the Participating Underwriter, and the City may conclusively rely upon such certification of the Property Owner and shall have no duty or obligation to review the Semi-Annual Report. The Semi-Annual Report may be submitted as a single document or as separate documents comprising a package, and may incorporate by reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the Dissemination Agent is not the Property Owner and it does not receive a Semi-Annual Report by 15 calendar days prior to the Report Date, the Dissemination Agent shall send a reminder notice to the Property Owner that the Semi-Annual Report has not been provided as required under Section 3(a) above. The reminder notice shall instruct the Property Owner to determine whether its obligations under this Disclosure Certificate have terminated (pursuant to Section 7 below) and, if so, to provide the Dissemination Agent with a notice of such termination in the same manner as for a Listed Event (pursuant to Section 5 below). If the Property Owner does not provide, or cause the Dissemination Agent to provide, a Semi-Annual

Report to the MSRB by the Report Date as required in subsection (a) above, the Dissemination Agent shall provide a notice to the MSRB, in an electronic format as prescribed by the MSRB, with a copy to the City and the Participating Underwriter.

(c) The Dissemination Agent shall:

(i) determine prior to each Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of continuing disclosure reports; and

(ii) to the extent the Semi-Annual Report has been furnished to it, file a report with the Property Owner (if the Dissemination Agent is other than the Property Owner), the City, and the Participating Underwriter certifying that the Semi-Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

(d) Notwithstanding anything to the contrary herein, the Property Owner (and any Major Owner that assumes its obligations hereunder) will only be required to provide a single semi-annual report to satisfy its continuing disclosure obligations with respect to Improvement Area No. 2 for both the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2 Special Tax Bonds, Series 2024 and the Bonds.

Section 4. Content of Semi-Annual Reports. Each Semi-Annual Report shall contain or incorporate by reference the information set forth in Exhibit A, any or all of which may be included by specific reference to other documents, including official statements of debt issues of the Property Owner or related public entities, which are available to the public on the MSRB's internet web site or filed with the Securities and Exchange Commission. The Property Owner shall clearly identify each such other document so included by reference.

In addition to any of the information expressly required to be provided in Exhibit A, each Semi-Annual Report shall include such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Section 5. Reporting of Significant Events.

(a) Until such obligations are terminated pursuant to Section 7 herein, the Property Owner shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to itself or the Property, if material:

(i) bankruptcy or insolvency proceedings commenced by or against the Property Owner and, if known, any bankruptcy or insolvency proceedings commenced by or against any Affiliate of the Property Owner;

(ii) failure to pay any Special Taxes due with respect to the Property prior to the delinquency date, to the extent such failure is not promptly cured by the Property Owner upon discovery thereof;

(iii) filing of a lawsuit against the Property Owner or, if known, an Affiliate of the Property Owner, seeking damages which, if successful, could have a material and adverse impact on the Property Owner's ability to pay Special Taxes prior to delinquency or to sell or develop the Property;

(iv) material damage to or destruction of any of the improvements on the Property; and

(v) any payment default or other material default by the Property Owner that continues to exist beyond any applicable notice and cure periods on any loan with respect to the construction of improvements on the Property.

(b) Whenever the Property Owner obtains knowledge of the occurrence of a Listed Event, the Property Owner shall as soon as possible determine if such event would be material under applicable Federal securities law.

(c) If the Property Owner determines that knowledge of the occurrence of a Listed Event would be material under applicable Federal securities law, the Property Owner shall, or shall cause the Dissemination Agent to, within 10 business days file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, with a copy to the City and the Participating Underwriter.

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

Section 7. Duration of Reporting Obligation.

(a) All of the Property Owner's obligations hereunder shall commence on the date hereof and shall terminate (except as provided in Section 12) on the earliest to occur of the following:

(i) upon the legal defeasance, prior redemption or payment in full of all the Bonds, or

(ii) at such time as the Property in Improvement Area No. 2 of the District owned by the Property Owner or any Affiliate, or under contract to be acquired by the Property Owner as of the date of issuance of the Bonds, is fewer than 189 residential lots (or property intended to be subdivided into fewer than 189 residential lots) in Improvement Area No. 2, or

(iii) the date on which the Property Owner prepays in full all of the Special Taxes attributable to the Property.

The Property Owner shall give notice of the termination of its obligations under this Disclosure Certificate in the same manner as for a Listed Event under Section 5.

(b) If a portion of the Property is conveyed to a person or entity that, upon such conveyance, will be a Major Owner, the obligations of the Property Owner hereunder with respect to the property conveyed to such Major Owner may be assumed by such Major Owner and the Property Owner's obligations hereunder with respect to the property conveyed will be terminated. In order to effect such assumption, such Major Owner shall enter into an Assumption Agreement in form and substance substantially similar to this Disclosure Certificate. As of the date hereof, the Property Owner has acquired property, and is under contract to acquire additional property, in Improvement Area No. 2 from Greenbriar Phase 2, LLC, a Delaware limited liability company ("**Greenbriar**"). Greenbriar has entered into a continuing disclosure certificate wherein Greenbriar has agreed to provide information regarding the property Greenbriar owns in Improvement Area No. 2 (the "**Greenbriar CDC**"). The Greenbriar CDC specifically states that as additional property is acquired by Property Owner from Greenbriar, such property automatically (and without the necessity of an Assumption Agreement) becomes subject to this Disclosure Certificate. Accordingly, so long as this Disclosure Certificate has not been terminated, as Property Owner acquires additional property from Greenbriar, Greenbriar shall be released from providing information on the property conveyed without requiring the execution of an Assumption Agreement.

Section 8. Dissemination Agent. The Property Owner may, from time to time, with the written consent of the City, appoint or engage a Dissemination Agent to assist the Property Owner in carrying out its

obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with the written consent of the City, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the Property Owner. The Dissemination Agent may resign by providing 30 days' written notice to the District, the Property Owner, the City, and the Participating Underwriter.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Property Owner may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied (provided, however, that the Dissemination Agent shall not be obligated under any such amendment that modifies or increases its duties or obligations hereunder without its written consent thereto):

(a) if the amendment or waiver relates to the provisions of sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, or change in law;

(b) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Property Owner from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Semi-Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Property Owner chooses to include any information in any Semi-Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Property Owner shall have no obligation under this Disclosure Certificate to update such information or include it in any future Semi-Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the Property Owner to comply with any provision of this Disclosure Certificate, the Participating Underwriter, the City, and any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Property Owner to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Property Owner to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Property Owner agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the reasonable costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding any loss, expense and liabilities due to the Dissemination Agent's negligence or willful misconduct or failure to perform its duties hereunder. If the Dissemination Agent is not the Property Owner, the Dissemination Agent shall be paid compensation for its services provided hereunder from the Administrative Expense Fund established under the Indenture in accordance with the Dissemination Agent's schedule of fees as amended from time to time, which schedule, as amended, shall be reasonably acceptable, and all reasonable expenses, reasonable legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Property Owner, the Participating Underwriter, the Bond owners, or any other party. The obligations of the Property Owner under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 13. Notices. Any notice or communications to be among any of the parties to this Disclosure Certificate may be given by regular, overnight, or electronic mail as follows:

To the Issuer:	City of Sacramento Historic City Hall 915 I Street, 3rd Floor Sacramento, California 95814 Attn: City Treasurer Email: CTO_Debt@cityofsacramento.org Email: bwong@cityofsacramento.org
To the Participating Underwriter:	Raymond James & Associates, Inc. 301 North Lake Avenue, Suite 1150 Pasadena, CA 91101 Attention: Jose Vera Email: jose.vera@raymondjames.com
To the Property Owner:	Lennar Homes of California, LLC 1025 Creekside Ridge Drive , Suite 240 Roseville, CA 95678 Attention: Jack Sevey Email: Jack.sevey@lennar.com

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Property Owner (its successors and assigns), the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. All obligations of the Property Owner hereunder shall be assumed by any legal successor to the obligations of the Property Owner as a result of a sale, merger, consolidation or other reorganization.

Date: _____, 2026

LENNAR HOMES OF CALIFORNIA, LLC,
a California limited liability company

By: _____

Name: Larry Gualco

Title: Vice President

EXHIBIT A

SEMI-ANNUAL REPORT

[MARCH 31, ____ / SEPTEMBER 30, _____]

$_____
CITY OF SACRAMENTO
GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03 (IMPROVEMENTS)
IMPROVEMENT AREA NO. 2
SPECIAL TAX BONDS, SERIES 2026

This Semi-Annual Report is hereby submitted under Section 4 of the Continuing Disclosure Certificate (Lennar Homes of California, LLC, a California limited liability company) (the "**Disclosure Certificate**") dated _____, 2026, executed by the undersigned (the "**Property Owner**") in connection with the issuance by the City of Sacramento (the "**City**") of the bonds captioned above (the "**Bonds**") for Improvement Area No. 2 of its City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) (the "**District**"). This Semi-Annual Report may also satisfy the Property Owner's continuing disclosure obligations with respect to the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements) Improvement Area No. 2 Special Tax Bonds, Series 2024 and the Bonds.

Capitalized terms used in this Semi-Annual Report but not otherwise defined have the meanings given to them in the Disclosure Certificate.

I. Property Ownership and Development

The information in this section is provided as of _____ (this date must be not more than 60 days before the Report Date of this Semi-Annual Report).

A. Description of the Property currently owned by the Property Owner in Improvement Area No. 2 of the District (the "**Property**") in substance and form similar to such information in the Official Statement for the Bonds.

_____

_____

B. Updated information regarding land development and home construction activities with respect to the Property described in the Official Statement for the Bonds or the Semi-Annual Report last filed in accordance with the Disclosure Certificate. Such information shall include, for the period covered by this Semi-Annual Report and cumulatively, the number of lots acquired from Greenbriar, the number of building permits issued, the number of homes sold and the number of homes closed to individuals.

_____

_____

C. Status of any material changes to the description of land use or development entitlements for the Property described in the Official Statement for the Bonds or the Semi-Annual Report last filed in accordance with the Disclosure Certificate.

_____

_____

D. Other than as covered in Section B above, the status of any land purchase contracts with regard to the Property, whether acquisition of land in Improvement Area No. 2 by the Property Owner or sales of land to other property owners (other than individual homeowners).

_____

_____

II. Legal and Financial Status of Property Owner

Unless such information has previously been included or incorporated by reference in a Semi-Annual Report, describe any material change in the legal structure of the Property Owner or the financial condition and financing plan of the Property Owner that would materially and adversely interfere with its ability to complete its development plan described in the Official Statement. To the extent that the ownership of the Property Owner has changed, describe all material terms of the new ownership structure.

_____

_____

III. Change in Development or Financing Plans

Unless such information has previously been included or incorporated by reference in a Semi-Annual Report, describe any development plans or financing plans relating to the Property *that are materially different from* the proposed development and financing plan described in the Official Statement.

_____

_____

IV. Official Statement Updates

Unless such information has previously been included or incorporated by reference in a Semi-Annual Report, describe any other significant changes in the information relating to the Property Owner or the Property contained in the Official Statement under the heading "DEVELOPMENT OF PROPERTY IN IMPROVEMENT AREA NO. 2—Acquisition of Lots by Lennar Homes" and "--Home Construction" and under the heading PROPERTY OWNERSHIP — Lennar Homes of California, LLC, a California limited liability company" that would materially and adversely interfere with the Property Owner's ability to develop and sell the Property as described in the Official Statement.

_____

_____

V. Status of Tax Payments

Describe status of payment of taxes, special taxes (including the Special Taxes) or assessments due with respect to the Property owned by the Property Owner and its Affiliates.

_____

_____

VI. Other Material Information

In addition to any of the information expressly required above, provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

_____

_____

Certification

On behalf of the Property Owner, the undersigned officer or representative, based on actual knowledge after reasonable inquiry of employees of Property Owner and its Affiliates, hereby certifies that this Semi-Annual Report constitutes the Semi-Annual Report required to be furnished by the Property Owner under the Disclosure Certificate.

ANY OTHER STATEMENTS REGARDING THE PROPERTY OWNER, THE DEVELOPMENT OF THE PROPERTY, THE PROPERTY OWNER'S FINANCING PLAN OR FINANCIAL CONDITION, OTHER THAN STATEMENTS MADE BY THE PROPERTY OWNER IN AN OFFICIAL RELEASE, OR FILED WITH THE MUNICIPAL SECURITIES RULEMAKING BOARD, ARE NOT AUTHORIZED BY THE PROPERTY OWNER. THE PROPERTY OWNER IS NOT RESPONSIBLE FOR THE ACCURACY, COMPLETENESS OR FAIRNESS OF ANY SUCH UNAUTHORIZED STATEMENTS.

THE PROPERTY OWNER HAS NO OBLIGATION TO UPDATE THIS SEMI-ANNUAL REPORT OTHER THAN AS EXPRESSLY PROVIDED IN THE DISCLOSURE CERTIFICATE.

Dated:_____

LENNAR HOMES OF CALIFORNIA, LLC,
a California limited liability company

By: _____

Name: _____

Title: _____

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APPENDIX H

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the 2026 Bonds, payment of principal, premium, if any, accreted value and interest on the 2026 Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the 2026 Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC to the City which the City believes to be reliable, but the City and the Underwriter do not and cannot make any independent representations concerning these matters and do not take responsibility for the accuracy or completeness thereof. Neither the DTC, Direct Participants, Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the 2026 Bonds. The 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2026 Bond will be issued for each annual maturity of the 2026 Bonds, each in the aggregate principal amount of such maturity, and will be deposited through the facilities of DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at *www.dtcc.com*.

Purchases of 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2026 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive 2026 Bonds representing their ownership interests in 2026 Bonds, except in the event that use of the book-entry system for the 2026 Bonds is discontinued.

To facilitate subsequent transfers, all 2026 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose

accounts such 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2026 Bonds, such as prepayments, tenders, defaults, and proposed amendments to the 2026 Bond documents. For example, Beneficial Owners of 2026 Bonds may wish to ascertain that the nominee holding the 2026 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2026 Bonds within a maturity are being prepaid, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 2026 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A 2026 Bond Holder shall give notice to elect to have its 2026 Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such 2026 Bonds by causing the Direct Participant to transfer the Participant's interest in the 2026 Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of 2026 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the 2026 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered 2026 Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the 2026 Bonds at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, 2026 Bonds will be printed and delivered to DTC.

THE PAYING AGENT, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE 2026 BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES TO OWNERS ONLY TO DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OF SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE 2026 BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

APPENDIX I

MARKET ABSORPTION REPORT

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April 2026

Northlake

Prepared for the City of Sacramento

City of Sacramento (Natomas), California

THE Gregory Group

This analysis was prepared by The Gregory Group, a market research firm that specializes in providing information and consulting services to the building industry. The Gregory Group provides quarterly market analysis for the nation, the State of California and the MSAs of California; compiles a quarterly new-home database for MSA's within the State of California and performs consulting and feasibility analysis throughout the western United States.

The Gregory Group was commissioned by the City of Sacramento to perform a Market Absorption Study related to the Northlake planned community located north of Interstate 5, west of Highway 99 and south of Elkhorn Boulevard in the City of Sacramento (the Community of Natomas). The entire Northlake planned community is scheduled to include a total of 2,892 units on 616.7-acres (a density of 4.69 units per acre).

This absorption study (Greenbriar IA2/Second Series) is concerned with only Phase 2 of the project including 1,177 residential, for-sale units on 269 acres (4.38 units per acre). There are an additional 331 units that are in a multi-family, for-rent housing configuration that are not a part of this analysis. In addition to the for-sale residential housing, the project is planned to include 1.5 acres of commercial uses, lakes (21.0-acres), parks (6.4-acres), and open space (32.6-acres).

The project is planned to be developed given the following parameters:

- Shor: 193 units; 2,788 SF lots (41' x 68').
- Lakelet: 173 units; 3,690 SF lots (41' x 90').
- Watersyde: 153 units; 4,000 SF lots (50' x 80').
- Wavmor: 163 units; 4,500 SF lots (45' x 100').
- Crestvue: 138 units; 4,675 SF lots (55' x 85').
- Bleau: 110 units; 5,000 SF lots (50' x 100').
- Drifton: 108 units; 5,500 SF lots (55' x 100').
- Waters Edge (Village 14): 139 units; 3,690 SF lots (41' x 90').

The primary objective of this analysis is to provide conclusions related to the absorption per project per year.

Contact Information

Greg Paquin, President, conducted the analysis and developed conclusions. Follow-up questions can be directed to:

Greg Paquin at 916.983.3524 or gpaq@thegregorygroup.com

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Executive Summary

Executive Summary

Sacramento Region Market Summary

The Sacramento Region (El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba Counties) reported a total of 1,757 new-home sales in the Fourth Quarter of 2025, an increase of 7.8% from the Third Quarter of 2025 (1,630 sales) and an increase of 8.9% from a year earlier (with 1,614 sales). Despite higher mortgage rates over the past two-plus years, new-home buyers are becoming more engaged in the housing market due to a realization that mortgage rates will likely stay elevated, personal demographics (changing attitudes about staying in a current residence including aging out of current housing and aging into first-time housing and move-up housing) and acceptance of economic shifts (including economic uncertainty, a waning job market and political unevenness). The effect of mortgage rate lock (where low-interest rate homeowners are reluctant to sell their home with a current mortgage rate that is below 5%) has also incentivized potential home buyers to consider the new-home market where it is possible to get a lower and more competitive mortgage rate from builders. As a result, 2025 posted a total of 6,665 new-home sales, a decrease from 8,044 sales in 2024 (a decrease of 17.1%), a decrease from 7,019 sales in 2023 (a decrease of 5.0%) but an increase from 2022 with 5,538 sales when interest rates rose rapidly (an increase of 20.4%). The increase in new home pricing during the past several years eased in the fourth quarter with a decrease of 2.0% from a year earlier (from $719,065 in the Fourth Quarter of 2024 to $704,948 in the Fourth Quarter of 2025) and declined from the Third Quarter of 2025 to the Fourth Quarter of 2025 by 0.2% (from $706,487 to $704,948).

Despite increased new-home sales activity, incentives are available in projects throughout the Sacramento Region and while the incentive values have decreased from a high of $35,048 in the Third Quarter of 2025, they remain elevated. In fact, incentives increased from $8,098 in the Fourth Quarter of 2023 to $31,021 in the Fourth Quarter of 2025 (an increase of 283%). Mortgage rates remain high, and most large builders (public companies and large private builders) offer some form of an interest rate buydown (i.e., a 2-1 buydown for example). But there are buyers that can purchase a home even in a higher interest rate environment. For instance, high equity buyers (via a robust stock market and/or long-term home ownership) continue to pay cash or a make a large down-payment with estimates ranging from 30% to 50% of buyers for homes that are priced at $900,000 and greater. All-in-all, pandemic adjustments (working-from-home and hybrid-work), inflation and increasing interest rates have influenced the housing market significantly, but there is a resilient demand based on changing demographics (the aging of the millennials into first-time and move-up buyers, and the aging of the baby-boomers into empty-nester, move-down and retiree buyers), increasing households (despite a slowing of population growth), societal changes brought about by the pandemic and strong incomes with significant equity positions.

Sacramento Region	1st Qtr 2023	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr 2024	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr 2025	2nd Qtr	3rd Qtr	4th Qtr	Quarter % Change	Year Ago % Change
Average Price	$696,754	$710,853	$716,363	$711,883	$720,203	$724,717	$727,318	$719,065	$715,302	$715,618	$706,487	$704,948	-0.2%	-2.0%
Median Price	$640,990	$646,990	$657,990	$653,970	$663,990	$673,377	$676,814	$673,990	$668,993	$669,990	$658,830	$654,890	-0.6%	-2.8%
Average Home Size	2,386	2,419	2,435	2,405	2,419	2,393	2,388	2,365	2,350	2,364	2,350	2,350	0.0%	-0.6%
Average Pr/Sq Ft	$294.97	$296.73	$298.06	$300.32	$301.92	$306.89	$309.90	$309.78	$310.31	$308.05	$305.90	$305.00	-0.3%	-1.5%
Total Weekly Sales Rate	0.62	0.65	0.65	0.60	0.72	0.69	0.71	0.60	0.67	0.64	0.60	0.59	-1.7%	-1.7%
Quarter Sold	1,782	1,910	1,929	1,398	2,355	2,008	2,067	1,614	1,889	1,389	1,630	1,757	7.8%	8.9%
Quarter Weekly Sales Rate	0.60	0.67	0.67	0.49	0.78	0.67	0.70	0.53	0.60	0.44	0.51	0.53	3.9%	0.0%
Unsold Inventory	1,299	1,144	1,323	1,369	1,417	1,568	1,533	1,676	1,685	1,940	2,021	1,749	-13.5%	4.4%
Weeks of Inventory	9	8	9	10	8	10	10	11	10	12	14	12	-14.3%	9.1%

Unsold inventory has decreased with 1,749 units currently available as of the Fourth Quarter of 2025 compared to 2,021 units in the previous quarter (a decrease of 15.5%) and increased from 1,676 units a year earlier (an increase of 4.4%). Total inventory has decreased slightly from 14,174 units in Fourth Quarter of 2024 to 14,159 units currently (a 0.1% decrease) and remained largely unchanged from the Third Quarter of 2025. The overall pace of sales (the average sales rate of all currently selling projects since the beginning of sales) has decreased from an average of 0.66 sales per week per project in the Fourth Quarter of 2024 to the current average of 0.59 sales per week per project and the quarter pace of sales has remained unchanged at 0.53 sales per week per project in the Fourth Quarter of 2024 as compared to the current quarter.

The uncertainties associated with the housing market since the pandemic in 2020 (the recovery from the pandemic, inflation, increasing mortgage rates, higher home prices and a lack of available inventory) have given way to uncertainty related to a change in government administrations (a cause for consumer and business uncertainties especially related to the tariffs and more recently, the war in Iran). But the economy is resilient with seemingly stable (if not anemic), employment and consumer spending especially for those with higher incomes. In addition, the 2025 tax bill should have a positive effect on the economy throughout 2026 and into the future. There is a sense of (cautious) optimism that the economy will remain healthy, and housing will endure with future moderate new-home pricing and sales growth. However, it is worth noting that the higher price of housing coupled with higher interest rates (and the recent war in Iran) is putting a strain on household budgets (including rising interest rates and higher gas prices) and will likely limit future sales and pricing growth in the region. Prior to the war in Iran, there were no signs of a recession on the horizon, and there are still few predictions of economy wide hardship. But given all the uncertainty, the odds of stagflation and a potential recession or economic deceleration have increased over the last four to six week and is more possible than several months ago. Therefore, a cautionary eye is warranted on economic and political factors as we move further through 2026 and beyond.

There are currently sixteen new-home projects actively selling in the Community of Natomas including eight that are from the Northlake planned community (the subject project). A wider geographical area is unwarranted due to the amount of current activity in the Northlake planned community and the additional eight projects from within the community of Natomas. Given the variety of product types at the subject project, all new-home communities within Natomas were considered. The competitive projects offer comparable living environments, despite some offering smaller lot sizes, with similar locations and surrounding uses, access and home size and configurations.

The sixteen competitive projects have an average net price of $639,175 ($265 per square foot) and there are 1,975 units planned for development of which 492 units have sold, resulting in 1,483 units of total inventory and 142 units of unsold inventory. The projects are selling at an overall (since opening for sales) average pace of 0.48 sales per week and a current average sales pace (recent six weeks) of 0.44 units per week. The surveyed projects are situated on average 4,093 square foot lots with a variety of lot sizes ranging from 1,449 to 5,500 square feet. Home sizes range from 1,409 to 3,460 square feet and net prices range from $439,900 to $818,629. There are substantial incentives being offered for the surveyed homes, especially for homes that have started construction or completed construction, with the average incentive being $29,388 representing 4.4% of the base price (region wide the average incentive is 4.4% of the base price).

For the eight projects currently selling in the Northlake planned community, the average net price is $660,223 ($263 per square foot) and there are 1,177 units planned of which 389 units have sold, resulting in 788 units of total inventory and 72 units of unsold inventory. The projects are selling at an overall (since opening for sales) average pace of 0.66 sales per week and a recent average sales pace of 0.62 units per week. The surveyed projects are situated on average 4,230 square foot lots. The Northlake planned community (as compared to all Natomas) offers larger homes situated on larger lots at higher prices and is selling at a faster pace. Northlake offers a competitive advantage compared to the other projects in Natomas including a location with easy ingress/egress, a planned community situated around a lake, continuity of sales, design and execution with one homebuilder executing all facets of development.

						INVENTORY SUMMARY					RECOMMENDED SALES SUMMARY		AVERAGE			MONTHLY OBLIGATION			
	COMMUNITY	BUILDER	COMMUNITY	PRODUCT TYPE	LOT SIZE (MIN)	UNITS PLANNED	UNITS OFFERED	UNITS SOLD	TOTAL RU	UNSOLD RU	OVERALL	QTR	HOME SIZE	NET PRICE	NET $/SF	MONTHLY HOA	BASE TAX	ADD TAX	MONTHLY PAYMENT
Primary Market Area	Bleau	Lennar Homes	Natomas	Detached/Traditional	5,000	110	12	2	108	10	0.10	0.34	2,923	$710,007	$246	$97	1.06%	0.46%	$4,402
	Crestvue	Lennar Homes	Natomas	Detached/Traditional	4,675	138	68	56	82	12	0.63	0.34	2,557	$655,479	$262	$97	1.06%	0.58%	$4,137
	Drifton	Lennar Homes	Natomas	Detached/Traditional	5,500	108	23	14	94	9	0.25	0.51	3,037	$761,129	$252	$97	1.06%	0.55%	$4,769
	Lakelet	Lennar Homes	Natomas	Detached/Small-Lot	3,690	173	51	45	128	6	0.49	0.85	2,233	$606,881	$272	$97	1.06%	0.52%	$3,807
	Shor	Lennar Homes	Natomas	Detached/Small-Lot	2,788	193	118	111	82	7	1.73	1.02	1,982	$589,419	$298	$97	1.06%	0.60%	$3,739
	Waters Edge	Lennar Homes	Natomas	Detached/Small-Lot	3,690	139	65	58	81	7	0.68	0.00	1,640	$540,077	$331	$84	1.06%	0.45%	$3,354
	Watersyde	Lennar Homes	Natomas	Detached/Traditional	4,000	153	81	70	83	11	0.75	0.68	2,646	$686,052	$260	$97	1.06%	0.52%	$4,291
	Wavmor	Lennar Homes	Natomas	Detached/Traditional	4,500	163	43	33	130	10	0.62	1.19	2,484	$638,790	$259	$97	1.06%	0.64%	$4,066
	The Bungalow s	Risew ell Homes	Natomas	Detached/Traditional	5,500	104	7	1	103	6	0.26	0.26	2,716	$700,672	$267	$89	1.06%	0.51%	$4,366
	The Chateaus	Risew ell Homes	Natomas	Detached/Traditional	5,000	171	8	0	171	8	0.00	0.00	2,614	$637,750	$244	$89	1.06%	0.51%	$3,982
	The Cottages	Risew ell Homes	Natomas	Detached/Small-Lot	3,200	68	9	2	66	7	0.08	0.00	2,077	$591,024	$285	$89	1.06%	0.51%	$3,697
	Asheville	Meritage Homes	Natomas	Detached/Small-Lot	3,600	114	36	23	91	13	0.66	0.34	2,202	$606,035	$276	$89	1.06%	0.51%	$3,789
	Bridgeport	Meritage Homes	Natomas	Detached/Traditional	4,500	138	27	13	125	14	0.37	0.34	2,536	$628,544	$248	$89	1.06%	0.51%	$3,926
	Durham	Meritage Homes	Natomas	Detached/Traditional	5,500	76	17	9	67	8	0.26	0.17	2,725	$709,524	$265	$89	1.06%	0.51%	$4,420
	Northpointe Reserve	Next Generation Capital	Natomas	Detached/Small-Lot	1,449	48	27	20	28	7	0.20	0.00	1,417	$474,900	$335	$135	1.06%	0.56%	$3,054
	Terrace Park	Tri Pointe Homes	Natomas	Detached/Small-Lot	2,888	79	42	35	44	7	0.52	1.02	1,914	$521,881	$273	$0	1.06%	0.60%	$3,225
				NEW-HOME TOTALS/AVERAGES:	**4,093**	**1,975**	**634**	**492**	**1,483**	**142**	**0.48**	**0.44**	**2,416**	**$639,175**	**$265**	**$90**	**1.06%**	**0.53%**	**$4,004**
				NEW-HOME TOTALS/AVERAGES (Northlake):	**4,230**	**1,177**	**461**	**389**	**788**	**72**	**0.66**	**0.62**	**2,511**	**$660,223**	**$263**	**$95**	**1.06%**	**0.54%**	**$4,142**

Executive Summary

Subject Market Area Summary -- Map

There are several interesting dynamics that are prevalent in today's new-home market including:

- **Incentives:** As mentioned above the average incentive for the currently selling projects is $29,388 (ranging from $20,000 to $47,150) with the incentive to be used toward closing costs if the buyer uses the in-house lender and upgrades and options. Standing inventory homes offer buyers a significant opportunity to purchase a new-home at a reduced value; however, as the housing market has strengthened, there are fewer available units of standing inventory homes. In addition, many builders are offering an interest rate buydown for two or three years (or longer) to help buyers with the initial payment period.

- **Premiums:** The surveyed projects are offering premiums for unique or special locations within the community. Current premiums range from lots with unique locations within the community (corner, cul-de-sac, etc.) of up to $7,500, lots that are located on a greenbelt/open space corridor or adjacent or across from a park can achieve location premiums of between $5,000 and $55,000) and a value of up to approximately $3.50 per extra square foot of useable (larger) lot size.

- **Options and Upgrades:** All the surveyed projects are achieving some increased value associated with the offering of options and upgrades to the base model of the home. The increased value ranges from approximately four- to eight-percent (although some homebuyers are spending greater than eight-percent—up to 15% to 20% of the home price in options and upgrades--and some are spending less). Buyers are most interested in upgrades and options for cabinetry, countertops and flooring, converting flex space, converting half-baths to full-baths, and adding closet space.

Finally, a note about interest rates. The Federal Reserve began increasing interest rates in the Spring of 2022 in response to increasing inflation due in large part to the response from COVID. Increasing interest rates translate to higher housing costs in the form of an increased mortgage rate. In fact, based on an analysis by The Gregory Group the principal monthly payment for the average priced home in the Sacramento Region, which includes a 30-year loan with a 20% down payment and does not include taxes (property taxes or special taxes), insurance or HOA fees, increased from a low of $1,814 in the Third Quarter of 2020 to $3,465 in the Fourth Quarter of 2025. This is an increase of 91% in just over a five-year period and a time in which the median income rose from $78,592 in 2020 to an anticipated $97,256 in 2025—an increase of just 24%. Income has not kept pace with the increase in home pricing nor the increase in mortgage rates (in December of 2020 the mortgage rate was 2.68% before increasing to 6.19% in December of 2025). More recently, mortgage rates had retreated to six-percent (and occasionally, slightly lower), but the uncertainty associated with the war in Iran has resulted in mortgage rates increasing to nearly 6.5%. The impact of 6.5% interest rates may force buyers to the sidelines. A quick resolution to the war in Iran could result in a resumption of new-home sales activity due to lower mortgage rates and demographic factors, as mentioned previously. As higher home prices, higher interest rates and moderate-income increases have played themselves out over the five-year period, the response by buyers and home builders has been multi-fold:

1. Equity rich homeowners and higher net worth individuals (many with higher paying professional jobs) have purchased new housing with all cash or very large down payments (generally between 50% and 75%). These buyers have largely been unaffected by the increase in mortgage rates and are finding the Sacramento Region as a more "affordable" housing market than many of the areas to the west in the greater San Francisco Bay Area.

2. Traditional homebuyers with a sufficient down payment, good credit and well-paying jobs are often less able to afford a million-dollar home and are forced to look at less "expensive" housing at $800,000 for example. These buyers are often helped by the home builder's ability to provide interest rate buydowns in the early years of the loan.

3. Finally, more affordable buyers that would normally be able to afford a $600,000 home are now forced to consider a less expensive home. These buyers have moderate incomes, average credit and lack substantial cash for a down payment. Their ability to purchase a new-home hinges on the monthly payment and any help that the home builder can provide.

Subject Market Area Summary – Natomas Capture

A historical analysis of new home sales throughout the Sacramento Region from 2000 through 2025 reveals that the Community of Natomas accounts for an average of 23.0% capture of all Sacramento County and a 12.1% capture of the Sacramento Region sales. Recent years have been below the long-term average with Natomas new-home sales reaching only 6.5% and 9.9% of Sacramento County sales in 2024 and 2025 respectively, and only 3.6% and 5.2% of Sacramento Region sales in 2024 and 2025, respectively. The higher long-term average capture rate for the county and the region suggests that there is an added potential for increased sales within Natomas in the coming years.

Year	Community of Natomas Sales	Sacramento County Sales	Community of Natomas % of Sales	Sacramento County Sales	Sacramento Region Sales	Sacramento County % of Region Sales	Community of Natomas % of Region Sales
2000	1,942	6,938	28.0%	6,938	12,216	56.8%	15.9%
2001	1,862	6,121	30.4%	6,121	10,936	56.0%	17.0%
2002	2,151	9,444	22.8%	9,444	16,062	58.8%	13.4%
2003	2,995	9,632	31.1%	9,632	15,858	60.7%	18.9%
2004	2,538	9,385	27.0%	9,385	17,155	54.7%	14.8%
2005	1,839	7,718	23.8%	7,718	14,094	54.8%	13.0%
2006	1,065	4,731	22.5%	4,731	9,607	49.2%	11.1%
2007	978	3,433	28.5%	3,433	7,416	46.3%	13.2%
2008	676	2,538	26.6%	2,538	4,695	54.1%	14.4%
2009	230	1,196	19.2%	1,196	2,841	42.1%	8.1%
2010	37	739	5.0%	739	1,776	41.6%	2.1%
2011	1	786	0.1%	786	1,668	47.1%	0.1%
2012	0	1,259	0.0%	1,259	2,782	45.3%	0.0%
2013	0	1,138	0.0%	1,138	2,458	46.3%	0.0%
2014	0	1,258	0.0%	1,258	2,739	45.9%	0.0%
2015	121	1,793	6.7%	1,793	3,986	45.0%	3.0%
2016	509	2,327	21.9%	2,327	5,087	45.7%	10.0%
2017	1,018	2,540	40.1%	2,540	5,663	44.9%	18.0%
2018	844	2,674	31.6%	2,674	5,234	51.1%	16.1%
2019	916	3,220	28.4%	3,220	5,996	53.7%	15.3%
2020	835	3,885	21.5%	3,885	7,790	49.9%	10.7%
2021	894	3,859	23.2%	3,859	8,099	47.6%	11.0%
2022	479	2,557	18.7%	2,557	5,538	46.2%	8.6%
2023	541	3,351	16.1%	3,351	7,019	47.7%	7.7%
2024	290	4,441	6.5%	4,441	8,044	55.2%	3.6%
2025	348	3,531	9.9%	3,531	6,665	53.0%	5.2%
Average (2000 - 2025):	**889**	**3,865**	**23.0%**	**3,865**	**7,362**	**52.5%**	**12.1%**

Subject Market Area Summary – Existing Housing

In addition to a survey of new home projects, an analysis of existing home sales within the past 60 days in the Community of Natomas was also conducted. The existing home survey included recent sales within the entire North Natomas community and for existing homes that have sold within the Northlake planned community. The existing home sale information revealed the following sales and pricing:

- Community of Natomas (All Sales): The average existing home sale price for homes within the Community of Natomas is $553,118 for a home that is an average of 1,970 square feet ($281 per square foot). The sixty-six homes were built, on average, in 2010 and have been on the market for an average of 65 days. The homes are situated on average 4,263 square foot lots.

- Northlake Planned Community (All Sales): The average home price for existing homes sold within the Northlake planned community during the last 180 days is $722,550 for a home that is an average of 2,697 square feet ($268 per square foot). The ten homes were built, on average, in 2022 and have been on the market for an average of 70 days (DOM: Days on Market). The homes are situated on average 5,012 square foot lots.

						INVENTORY SUMMARY							AVERAGE			MONTHLY OBLIGATION			
	PARAMETERS	DATE RANGE	DOM	YEAR BUILT	LOT SIZE	UNITS PLANNED	UNITS OFFERED	UNITS SOLD	TOTAL RU	UNSOLD RU	SALES SUMMARY OVERALL	--	HOME SIZE	NET PRICE	NET $/SF	MONTHLY HOA	BASE TAX	ADD TAX	MONTHLY PAYMENT
RLS	Natomas Market Area	12/29/2025 - 02/24/2026	65	2010	4,263	--	--	66	--	--	8.11	--	1,970	$553,118	$281	$0	1.06%	0.00%	$3,142
	Northlake Market Area	08/25/2025 - 02/24/2026	70	2022	5,012	--	--	10	--	--	0.38	--	2,697	$722,550	$268	$0	1.06%	0.00%	$4,104

New-home communities across the Sacramento Region continue to attract a diverse and growing pool of buyers—from locals to those relocating from other parts of California and beyond. The sustained desirability of the region, combined with the higher price of resales, has made new construction an increasingly appealing option for many prospective homeowners. The Sacramento Region draws significant buyer interest from both within the local market and from high-cost areas, particularly the San Francisco Bay Area. Additional demand comes from across California and out-of-state buyers seeking affordability, quality of life, and access to a broad range of amenities. Key factors driving interest in the region's new-home market include:

- Communities throughout the region—from urban cores like the City of Sacramento to suburban markets such as Folsom, Roseville, Elk Grove and Natomas—offer a wide array of new-home products across varying price points, meeting the needs of first-time buyers, move-up families, and downsizing households.
- Ongoing shortages and higher prices in the resale market have further shifted buyer focus to new construction, where availability, customization, and modern features are key differentiators.
- Suburban communities offer convenient access to major employment centers, regional transportation corridors, and recreational destinations such as San Francisco, Lake Tahoe, and the Sierra Nevada foothills.
- The region is known for its cultural, entertainment, and recreational opportunities, appealing to a broad demographic spectrum. Communities accommodate a variety of housing types—ranging from compact infill products to large-lot suburban homes—creating a flexible environment for diverse buyer preferences.

The Sacramento Region benefits from a broadly representative and growing population, including:

- Younger Millennial and Gen Z buyers entering the market for the first time and moving up for the first time,
- Move-up buyers and mature families, most often with school-aged children,
- And Baby Boomers and retirees seeking to downsize while remaining close to family, friends, and community networks.

At the higher end of the market, many buyers are leveraging substantial equity from the sale of existing homes—often in more expensive markets—to purchase new homes with cash, avoiding the impact of today's elevated mortgage interest rates. The buyer profile in the Sacramento new-home market varies by product type and price point but generally includes:

- Young and Growing Families (Ages 25–54): Purchasing first or second homes, often in suburban locations with good schools and family-oriented amenities.
- Mature Families (Ages 45–64): Some with older children still at home, seeking more space or a better lifestyle fit.
- Move-Down Buyers, Empty-Nesters, and Retirees (Ages 55–74): Looking for low-maintenance living, modern amenities, and proximity to services and recreation.

The Sacramento Region remains a compelling destination for new-home buyers across a broad spectrum of life stages and income levels. With ongoing migration trends, a constrained resale market, and a resilient regional economy, new-home communities throughout the area are well positioned to meet evolving demand in both the short and long term. The only caveat would be a prolonged military action in Iran resulting in sustained higher mortgage rates and gas prices (potentially leading to slower economic growth and inflation). This is a scenario that could lead to much slower home sales and a significant pull back by new homes buyers.

Northlake Conclusions

Northlake Conclusions

Pricing and Absorption Conclusions

There are sixteen new-home competitive projects within the Primary Market Area (North Natomas), eight of which are selling in the Northlake planned community, three from Natomas Landing, three from East Village, one from Natomas Park and one from Natomas Creek. In terms of new-housing, this positioning is straight forward: it is believed that Northlake can be positioned toward the top of the competitive developments based on the current offering of homes within the Northlake community and the other competitive projects in North Natomas, the lot sizes, the home configurations and current market conditions. New product in the Northlake community warrants a competitive pricing compared to the currently selling new-home projects in the Primary Market Area. In terms of existing-housing, the positioning is toward the top of the existing home sales in the Community of Natomas and towards the middle of the competitive projects in the Northlake community.

The home pricing for the subject projects in the conclusions for this analysis are similar, but not always the same as the current sales prices for the homes that are actively selling. Several projects have been adjusted to form a better relationship to each other and competitive projects, as well as a positioning that provides a more competitive absorption. The positioning also considers the current absorption rates and pace of sales over time. All the surveyed projects are offering buyer incentives, which are netted out to arrive at a base price for the subject project. It may be difficult to offer homes for sale in today's environment without offering a reasonable incentive. In some cases (completed and unsold homes, inferior locations within the community, etc.), there may be a need for additional incentives that may result in a pricing position that is below the suggested net pricing in this analysis. This added incentive is not anticipated to be widespread but may be necessary to maintain the absorption conclusions in this analysis.

Finally, the product offerings are generally affordable and can attract a larger buyer segment due to a wider range of home sizes and home prices. The eight subject projects include lot sizes from 2,788 to 5,500 square feet with home sizes between 1,454 and 3,460 square feet and pricing between $514,990 and $811,990.

Based on a review of the competitive marketplace and considering the product type and lot size, the tables on the following pages outlines the pricing and absorption for the subject project in the planned community of Northlake. The base pricing is net of any incentives (and premiums and options), and the absorption is based on sales per week. In addition, based on the pricing position, the absorption rate is estimated at between 0.50 and 1.25 sales per week per project.

Looking forward, despite the possibility of on-going economic and housing challenges (including the recent military action in Iran), base pricing for the subject project is forecast to remain stable. In fact, incentives, which have recorded the highest values in over 25 years, are anticipated to gradually decrease in the coming years and a decrease in incentive values may result in an increase in net pricing. However, an unknown factor is the economy. Despite slowly decreasing mortgage rates (increasing recently), economic growth and employment have slowed and unknown factors such as AI may boost productivity but slow employment (and wage) growth for the very people that are trying to purchase a home. Therefore, slowing economic activity, the war in Iran and general political and economic uncertainties, could have an impact on absorption and pricing moving forward and this impact could result in slower sales, and lower pricing, than anticipated.

Northlake Conclusions

Pricing and Absorption Conclusions

The Gregory Group

COMMUNITY DETAILS								RECOMMENDATIONS										
Community / Location / Product Summary		Builder / Master Plan / Sales Summary	Home Size (SF)	Bed	Bath	Levels	Gar	Base Price	Base Price/ Sq. Ft.	Current Add-Ons: Options/ Upgrades	Current Add-Ons: Premiums	Total Price	Total Price/ Sq. Ft.	Monthly Obligation (Base): Monthly HOA	Monthly Obligation (Base): Base Tax	Monthly Obligation (Base): Add Tax	80% 6.00% Mo. Pmt	Req. Income
Subject Project	**Bleau**	**Lennar Homes**	2,150	4	3	1	2	$625,990	$291	$0	$0	$625,990	$291	$97	1.06%	0.46%	$3,892	$150,674
	Natomas	**Northlake**	2,727	4/B	3	2	2	$706,990	$259	$0	$0	$706,990	$259	$97	1.06%	0.46%	$4,384	$169,685
	Product Type: Single-Family	Total Units: 110	2,977	4/L	3	2	2	$741,990	$249	$0	$0	$741,990	$249	$97	1.06%	0.46%	$4,596	$177,900
	Configuration: Traditional		3,046	5/L	3	2	3	$750,990	$247	$0	$0	$750,990	$247	$97	1.06%	0.46%	$4,650	$180,012
	Lot Dimensions: 50 x 100		3,180	4/L	2.5	2	3	$768,990	$242	$0	$0	$768,990	$242	$97	1.06%	0.46%	$4,759	$184,236
	Lot Size/Density: 5,000		3,460	5/NG/L	4	2	2	$807,990	$234	$0	$0	$807,990	$234	$97	1.06%	0.46%	$4,996	$193,390
	Rec. Wkly Abs.: 0.50																	
		Totals/Averages:	**2,923**					**$733,823**	**$254**	**$0**	**$0**	**$733,823**	**$254**	**$97**	**1.06%**	**0.46%**	**$4,546**	**$175,983**
Subject Project	**Crestvue**	**Lennar Homes**	1,789	3	2	1	2	$573,990	$321	$0	$0	$573,990	$321	$97	1.06%	0.58%	$3,635	$140,692
	Natomas	**Northlake**	2,268	4	3	2	3	$640,990	$283	$0	$0	$640,990	$283	$97	1.06%	0.58%	$4,047	$156,676
	Product Type: Single-Family	Total Units: 138	2,679	4/L	3	2	3	$697,990	$261	$0	$0	$697,990	$261	$97	1.06%	0.58%	$4,399	$170,275
	Configuration: Traditional		2,869	4/L	3	2	3	$723,990	$252	$0	$0	$723,990	$252	$97	1.06%	0.58%	$4,559	$176,477
	Lot Dimensions: 55 x 85		3,178	5	4.5	2	3	$766,990	$241	$0	$0	$766,990	$241	$97	1.06%	0.58%	$4,824	$186,736
	Lot Size/Density: 4,675																	
	Rec. Wkly Abs.: 0.75																	
		Totals/Averages:	**2,557**					**$680,790**	**$272**	**$0**	**$0**	**$680,790**	**$272**	**$97**	**1.06%**	**0.58%**	**$4,293**	**$166,171**
Subject Project	**Drifton**	**Lennar Homes**	2,282	4	2.5	1	2	$652,990	$286	$0	$0	$652,990	$286	$97	1.06%	0.55%	$4,105	$158,907
	Natomas	**Northlake**	2,964	5/L	3	2	2	$747,990	$252	$0	$0	$747,990	$252	$97	1.06%	0.55%	$4,688	$181,479
	Product Type: Single-Family	Total Units: 108	3,104	5/L	3	2	3	$766,990	$247	$0	$0	$766,990	$247	$97	1.06%	0.55%	$4,805	$185,994
	Configuration: Traditional		3,135	4/NG	3.5	2	2	$771,990	$246	$0	$0	$771,990	$246	$97	1.06%	0.55%	$4,836	$187,182
	Lot Dimensions: 55 x 100		3,312	4/L	3.5	2	3	$795,990	$240	$0	$0	$795,990	$240	$97	1.06%	0.55%	$4,983	$192,884
	Lot Size/Density: 5,500		3,425	4/L	3.5	2	3	$811,990	$237	$0	$0	$811,990	$237	$97	1.06%	0.55%	$5,081	$196,686
	Rec. Wkly Abs.: 0.50																	
		Totals/Averages:	**3,037**					**$757,990**	**$252**	**$0**	**$0**	**$757,990**	**$252**	**$97**	**1.06%**	**0.55%**	**$4,750**	**$183,855**
Subject Project	**Lakelet**	**Lennar Homes**	2,114	3/O/L	2.5	2	2	$600,990	$284	$0	$0	$600,990	$284	$97	1.06%	0.52%	$3,771	$145,970
	Natomas	**Northlake**	2,223	4	3	2	2	$616,990	$278	$0	$0	$616,990	$278	$97	1.06%	0.52%	$3,869	$149,756
	Product Type: Single-Family	Total Units: 173	2,362	4/L	3.5	2	2	$635,990	$269	$0	$0	$635,990	$269	$97	1.06%	0.55%	$4,002	$154,909
	Configuration: Small Lot																	
	Lot Dimensions: 41 x 90																	
	Lot Size/Density: 3,690																	
	Rec. Wkly Abs.: 1.00																	
		Totals/Averages:	**2,233**					**$617,990**	**$277**	**$0**	**$0**	**$617,990**	**$277**	**$97**	**1.06%**	**0.53%**	**$3,880**	**$150,212**
Subject Project	**Shor**	**Lennar Homes**	1,774	3	2.5	2	2	$551,990	$311	$0	$0	$551,990	$311	$97	1.06%	0.60%	$3,508	$135,799
	Natomas	**Northlake**	1,945	3/L	2.5	2	2	$575,990	$296	$0	$0	$575,990	$296	$97	1.06%	0.60%	$3,656	$141,541
	Product Type: Single-Family	Total Units: 193	2,018	4/L	3	2	2	$585,990	$290	$0	$0	$585,990	$290	$97	1.06%	0.60%	$3,718	$143,933
	Configuration: Small Lot		2,190	4/L	3	2	2	$609,990	$279	$0	$0	$609,990	$279	$97	1.06%	0.60%	$3,867	$149,674
	Lot Dimensions: 41 x 68																	
	Lot Size/Density: 2,788																	
	Rec. Wkly Abs.: 1.25																	
		Totals/Averages:	**1,982**					**$580,990**	**$294**	**$0**	**$0**	**$580,990**	**$294**	**$97**	**1.06%**	**0.60%**	**$3,687**	**$142,737**

Northlake Conclusions

Pricing and Absorption Conclusions

The Gregory Group

COMMUNITY DETAILS								RECOMMENDATIONS										
Community		**Builder**	Home						Base	Current Add-Ons			Total	Monthly Obligation (Base)			80%	
Location		**Master Plan**	Size					Base	Price/	Options/		Total	Price/	Monthly	Base	Add	6.00%	Req.
Product Summary		Sales Summary	(SF)	Bed	Bath	Levels	Gar	Price	Sq. Ft.	Upgrades	Premiums	Price	Sq. Ft.	HOA	Tax	Tax	Mo. Pmt	Income
Subject Project	**Watersyde**	**Lennar Homes**	2,307	4	3	2	2	$637,990	$277	$0	$0	$637,990	$277	$97	1.06%	0.52%	$3,997	$154,726
	Natomas	**Northlake**	2,469	4/L	3	2	2	$660,990	$268	$0	$0	$660,990	$268	$97	1.06%	0.52%	$4,138	$160,168
	Product Type: Single-Family	Total Units: 153	2,693	4/L	3.5	2	2	$691,990	$257	$0	$0	$691,990	$257	$97	1.06%	0.52%	$4,327	$167,504
	Configuration: Traditional		2,793	5/L	4	2	2	$705,990	$253	$0	$0	$705,990	$253	$97	1.06%	0.52%	$4,413	$170,817
	Lot Dimensions: 50 x 80		2,966	4/NG/L	3.5	2	3	$729,990	$246	$0	$0	$729,990	$246	$97	1.06%	0.52%	$4,559	$176,496
	Lot Size/Density: 4,000																	
	Rec. Wkly Abs.: 0.75																	
		Totals/Averages:	**2,646**					**$685,390**	**$260**	**$0**	**$0**	**$685,390**	**$260**	**$97**	**1.06%**	**0.52%**	**$4,287**	**$165,942**
Subject Project	**Wavmor**	**Lennar Homes**	2,134	3	2	1	2	$616,990	$289	$0	$0	$616,990	$289	$97	1.06%	0.64%	$3,930	$152,145
	Natomas	**Northlake**	2,394	4/L	3	2	2	$653,990	$273	$0	$0	$653,990	$273	$97	1.06%	0.64%	$4,160	$161,043
	Product Type: Single-Family	Total Units: 163	2,620	5/L	3	2	2	$684,990	$261	$0	$0	$684,990	$261	$97	1.06%	0.64%	$4,353	$168,499
	Configuration: Traditional		2,786	4/L	3.5	2	2	$707,990	$254	$0	$0	$707,990	$254	$97	1.06%	0.64%	$4,496	$174,031
	Lot Dimensions: 45 x 100																	
	Lot Size/Density: 4,500																	
	Rec. Wkly Abs.: 0.75																	
		Totals/Averages:	**2,484**					**$665,990**	**$269**	**$0**	**$0**	**$665,990**	**$269**	**$97**	**1.06%**	**0.64%**	**$4,235**	**$163,929**
Subject Project	**Waters Edge (Village 14)**	**Lennar Homes**	1,454	3	2.5	2	2	$514,990	$354	$0	$0	$514,990	$354	$84	1.06%	0.45%	$3,202	$123,953
	Natomas	**Northlake**	1,569	3/L	2.5	2	2	$530,990	$338	$0	$0	$530,990	$338	$84	1.06%	0.45%	$3,299	$127,703
	Product Type: Single-Family	Total Units: 139	1,631	3/L	2.5	2	2	$539,990	$331	$0	$0	$539,990	$331	$84	1.06%	0.45%	$3,353	$129,813
	Configuration: Small Lot		1,907	4/L	3	2	2	$577,990	$303	$0	$0	$577,990	$303	$84	1.06%	0.45%	$3,584	$138,719
	Lot Dimensions: 41 x 90																	
	Lot Size/Density: 3,690																	
	Rec. Wkly Abs.: 1.00																	
		Totals/Averages:	**1,640**					**$540,990**	**$332**	**$0**	**$0**	**$540,990**	**$332**	**$84**	**1.06%**	**0.45%**	**$3,360**	**$130,047**

The absorption analysis is based on information provided by the developer which includes when each village opened for sales, infrastructure development, grading schedules, marketing considerations and anticipated market conditions. Furthermore, the North Natomas housing market can sustain several different projects selling simultaneously by different builders even when offering similar lot sizes and home sizes.

Additional factors considered in predicting absorption rates are:

- the desirability of North Natomas and specifically the Northlake community as a new-home destination including the availability and relative affordability of housing (with the offering of many different lot sizes, home sizes and price points);
- new-home sales within the subject market area (based on historical evidence, the subject market area is capable of absorbing additional units despite the increased competition) and the Sacramento Region;
- limited inventory in the subject market area and the surrounding market area (and the Sacramento Region);
- current absorption rates for similar product types within the subject market area and the Sacramento Region;
- overall economic and housing conditions within the Sacramento Region (which appear to be transitioning to a more normal and sustainable housing market--although are somewhat uncertain of late given the war in Iran);
- anticipated lower mortgage rates (a return to approximately 6.0% or lower once the war in Iran is resolved and mortgage rates and gas prices recede);

In conclusion, it is believed that the subject project can absorb between 0.50 and 1.25 sales per week per project (an average of 0.81 sales per week) for the product offerings at the beginning of sales for the development given the pricing (with home sizes ranging from 1,454 to 3,460 square feet and base price range from $514,990 to $811,990).

The absorption rates in this analysis are based on the current housing market and economic conditions. Due to the increase in mortgage rates and sometimes challenging, but mixed economic signals (i.e., moderating employment and wage growth, stubborn inflation and a slowing overall economy), the absorption rates in the initial years of this analysis are considered appropriate. A continued or more significant slowdown in economic conditions could result in slower sales.

The absorption over time may not always be consistent due to development schedules, financing conditions, infrastructure concerns and overall economic, political and housing conditions. However, it is believed that over time, the absorption in this analysis is appropriate. There may be differences between projected and actual results because events and circumstances frequently do not occur as expected and the differences may be material.

Northlake Conclusions

Absorption Conclusions

As previously stated, it is believed that the absorption rates in the conclusion of this analysis are appropriate. They are based on current absorption rates of the Northlake project, and in some cases the absorption rates presented here are higher than current absorption rates on projects selling in Northlake due to a lack of inventory, delays in construction, price points and locations. The absorption rates also consider the pricing position of the projects and the relationship of the projects with each other. Finally, the overall average absorption rate of the Northlake projects in the conclusions of this analysis (0.81 sales per week) are consistent with the overall absorption of the projects in Phase 2 (0.66 sales per week).

All the surveyed projects within the Northlake community began selling prior to the survey date of February 11, 2026. Therefore, for this analysis the beginning sales for the remaining units within each project is February 11, 2026. It is estimated, based on projected absorption rates in the conclusions of this analysis, that for Phase 2, a total of 301 units will sell in the remainder of 2026 (February 12 through December 31), 280 units in 2027, 138 units in 2028, 62 units in 2029 and seven units in 2030. The schedule of product offerings (project entry dates) were provided by the developer; the decreases and increases in the number of units absorbed over time is a result of the scheduled market entry (and sellout of projects). All product offerings are anticipated to conclude sales by early April 2030; the years to absorb the production homes is estimated to be 4.15 years from February 12, 2026.

		Lot Size/	Open	Total Number	Est. Abs.	Sales Before	2/12/2026			Units Sold Per Year		
Village	Homebuilder	Density	Date	of Units	Per Week	2/11/2026	12/31/2026	2027	2028	2029	2030	2031
Bleau	Lennar Homes	5,000	09/29/25	110	0.50	2	23	26	26	26	7	0
Crestvue	Lennar Homes	4,675	05/07/24	138	0.75	56	35	39	8	0	0	0
Drifton	Lennar Homes	5,500	01/13/25	108	0.50	14	23	26	26	19	0	0
Lakelet	Lennar Homes	3,690	05/13/24	173	1.00	45	46	52	30	0	0	0
Shor	Lennar Homes	2,788	11/19/24	193	1.25	111	58	24	0	0	0	0
Watersyde	Lennar Homes	4,000	05/01/24	153	0.75	70	35	39	9	0	0	0
Wavmor	Lennar Homes	4,500	02/03/25	163	0.75	33	35	39	39	17	0	0
Waters Edge	Lennar Homes	3,690	06/25/24	139	1.00	58	46	35	0	0	0	0
			Totals/Averages:	**1,177**	**0.81**	**389**	**301**	**280**	**138**	**62**	**7**	**0**

Years to Absorb:	**4.15**

Northlake Conclusions

Absorption Conclusions -- Alternative

Recent developments in Iran—including the ongoing conflict and the closure of the Strait of Hormuz—are creating ripple effects across the broader economy. Oil prices have climbed above $100 per barrel, inflationary pressures are intensifying, and a growing number of economists are acknowledging an increased likelihood of a near-term recession. The fieldwork and primary drafting of this report were completed in February; since then, the situation in Iran has escalated significantly. While the competitive project analysis has not been updated to reflect these developments, there is clear potential for further deterioration in economic and housing conditions in the months ahead.

As noted throughout this report, future conditions remain inherently uncertain. However, given the heightened risk of a more pronounced economic slowdown than anticipated earlier in the year, it is appropriate to consider an alternative absorption scenario. The original absorption projections remain valid based on the information available at the time of analysis. That said, the duration and escalation of the conflict—particularly the potential for ground troop involvement and disruptions to critical infrastructure such as Kharg Island, where a substantial share of Iran's oil is processed and distributed—could amplify economic impacts. These may include sustained increases in energy prices, slower economic growth, and rising inflation, all of which could dampen new home sales. Accordingly, an alternative scenario has been developed that assumes escalating military activity in Iran, resulting in slower absorption rates and an extended timeline for the buildout of the Northlake community.

The reduced absorption rates reflect the potential for an escalation of conflict in the Middle East and the likely economic and housing market impacts associated with such conditions. This alternative absorption scenario does not incorporate any adjustments to project pricing. While weaker economic conditions could lead to downward pressure on home prices—potentially stabilizing sales pace—there is also a risk that, if conditions deteriorate significantly and absorption falls below an average of 0.50 sales per week per project, developers may opt to pause or shut down projects rather than reduce pricing to unsustainable levels. Under this alternative scenario, the Northlake projects are projected to achieve an overall average absorption rate of 0.56 sales per week, representing a 31% decline from the original absorption estimates.

It is estimated, based on projected absorption rates in the alternative conclusions of this analysis, that for Phase 2, a total of 228 units will sell in the remainder of 2026, 234 units in 2027, 163 units in 2028, 106 units in 2029 and 57 units in 2030. All product offerings are anticipated to conclude sales by the end of December 2030; the years to absorb the production homes for the alternative absorption schedule is estimated to be 5.88 years.

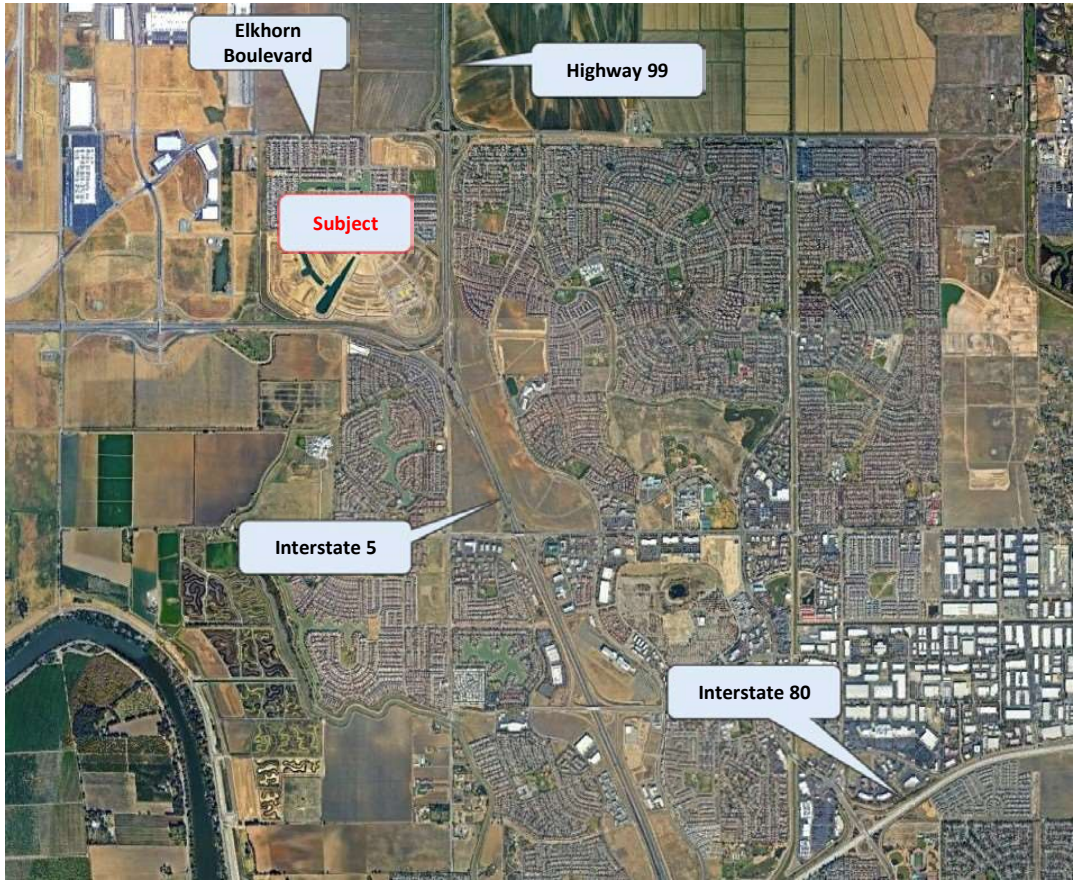
Village	Homebuilder	Lot Size/ Density	Open Date	Total Number of Units	Est. Abs. Per Week	Sales Before 2/11/2026	2/12/2026 12/31/2026	Units Sold Per Year 2027	2028	2029	2030	2031
Bleau	Lennar Homes	5,000	09/29/25	110	0.50	2	23	26	26	26	7	0
Crestvue	Lennar Homes	4,675	05/07/24	138	0.50	56	26	26	26	4	0	0
Drifton	Lennar Homes	5,500	01/13/25	108	0.50	14	23	26	26	19	0	0
Lakelet	Lennar Homes	3,690	05/13/24	173	0.50	45	26	26	26	26	24	0
Shor	Lennar Homes	2,788	11/19/24	193	0.75	111	39	39	4	0	0	0
Watersyde	Lennar Homes	4,000	05/01/24	153	0.50	70	26	26	26	5	0	0
Wavmor	Lennar Homes	4,500	02/03/25	163	0.50	33	26	26	26	26	26	0
Waters Edge	Lennar Homes	3,690	06/25/24	139	0.75	58	39	39	3	0	0	0
		Totals/Averages:		**1,177**	**0.56**	**389**	**228**	**234**	**163**	**106**	**57**	**0**
		Years to Absorb:		**5.88**								

Locational Assessment

To best analyze the subject project, 16 new-home projects from the Community of Natomas (in the City of Sacramento) were considered, including eight projects from the Northlake planned community. The competitive projects offer topography, community design and features and amenities that are similar as the subject project, as well as overlap in the housing types offered.

Community of Natomas:

- Provides a desirable lifestyle for today's active buyers with an abundance of recreation and entertainment options;
- Provides a variety of housing types including existing housing, planned community living, and attached and detached housing in various sizes, price points, and home configurations and community designs;
- A family focused and friendly community that includes bike/walking paths throughout the city, good schools and an abundance of local and regional shopping and conveniences;
- The community draws a multitude of families, but also younger singles and couples without children as well as older Baby-Boomers.



Northlake:

- Is an integral part in offering conventional and available housing;
- Is located within proximity to local services and conveniences (including healthcare) within Sacramento County and the City of Sacramento as well as entertainment (Golden 1 Center), employment (downtown) and the transportation corridors (I-5, I-80 and Hwy 99) throughout the region;
- The subject project provides an opportunity for new housing in an area with connectivity and easy access to surrounding businesses, employment, walking trails, recreation, community amenities, open space and parks and the potential for lake view lots.
- Is offering a solid land plan, community amenities and product design/execution.

The Community of Natomas consists of a variety of housing options including traditional subdivisions (with attached and detached housing), standalone communities of for-sale housing, and multi-family for-rent development. The range of these product types are uniquely integrated into the area at large and in a fabric that includes commercial uses (office and light industrial) and retail, hospitality and entertainment (including restaurants) and services and conveniences. New development is generally located north of Interstate 80 and offers communities with similar terrain, tree coverage, housing styles and planned community living environments.

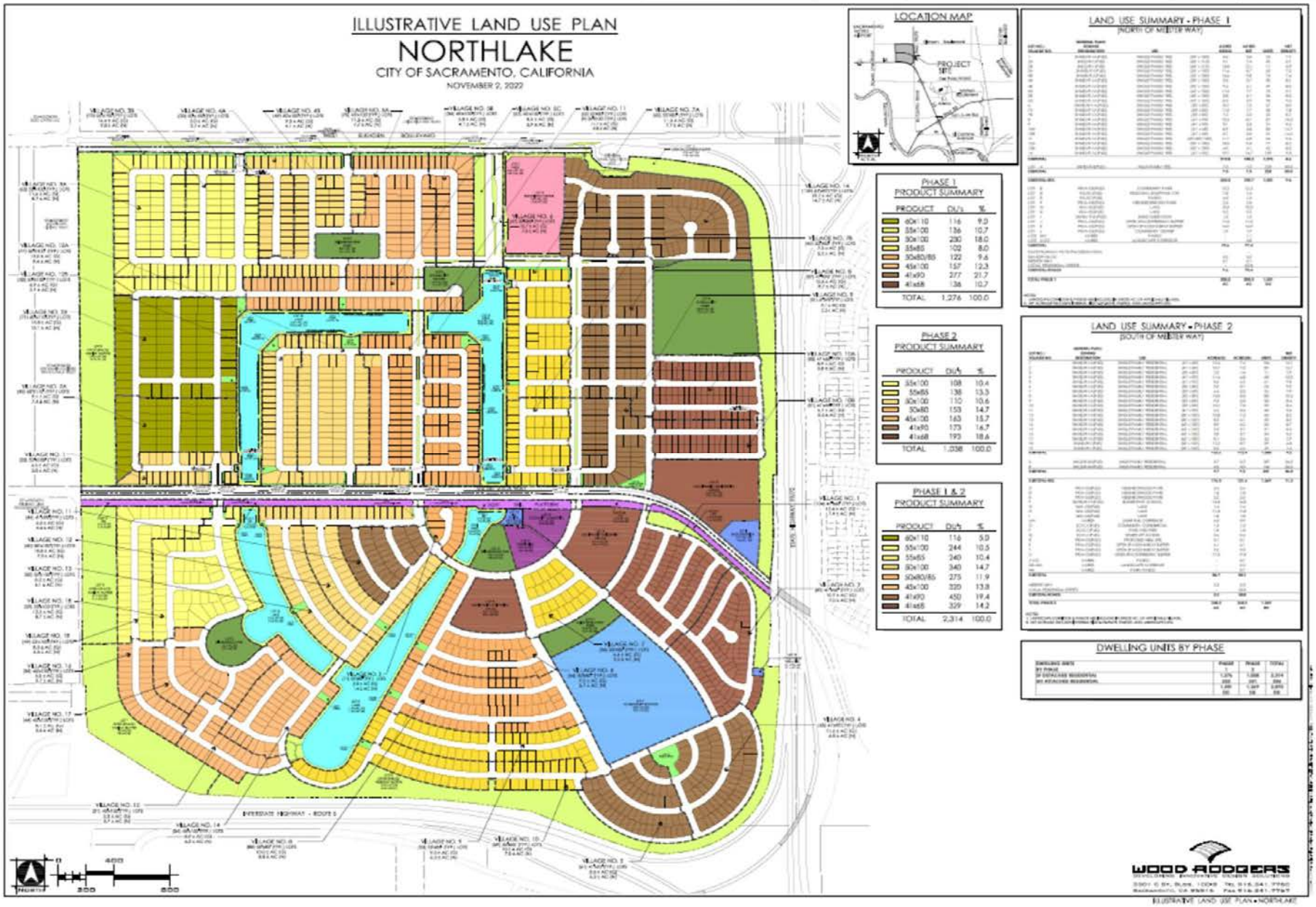
Given its location, a balance between proximity and livability and overall desirability, the subject project location is a community where many people desire to live:

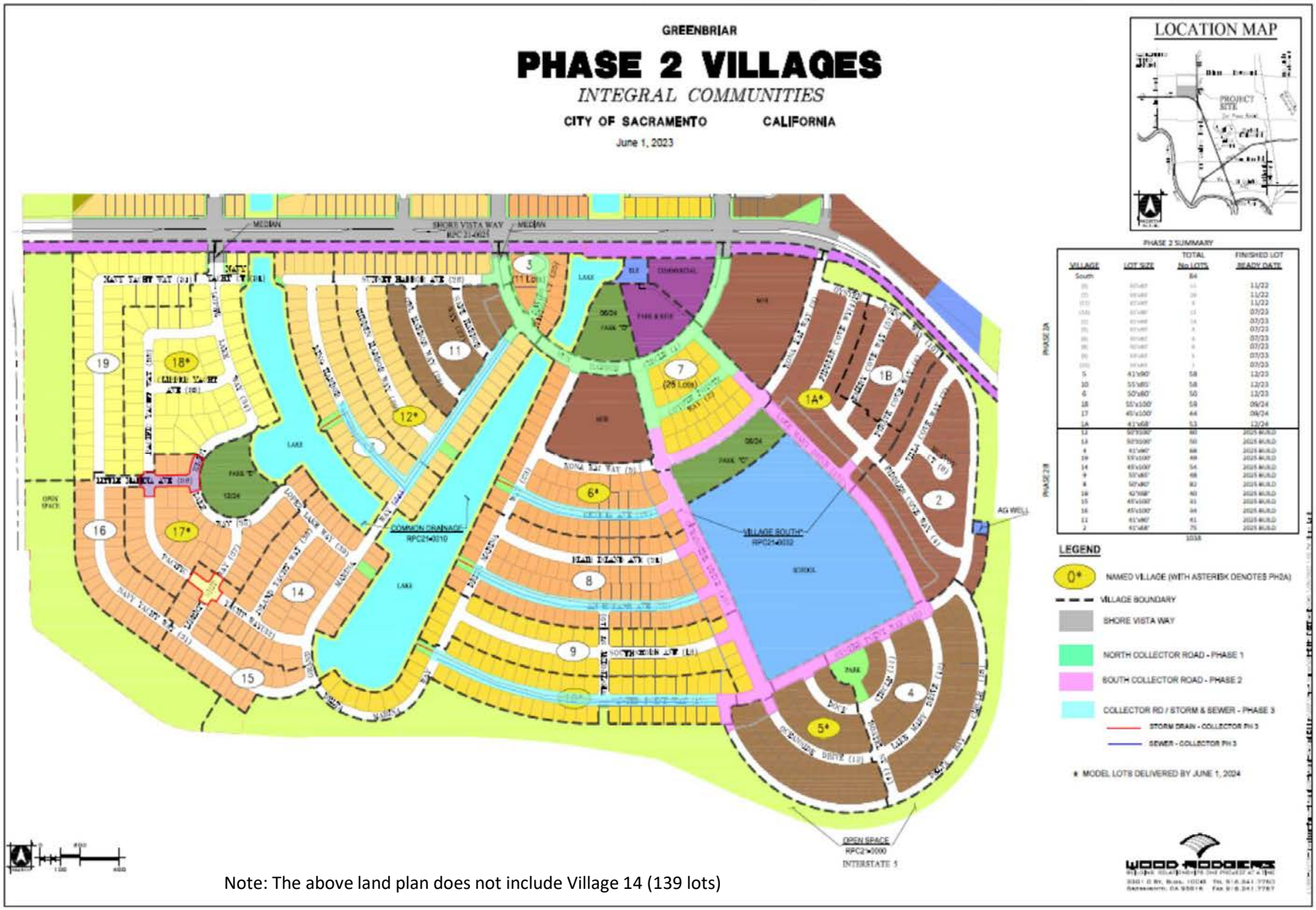
- It provides a quiet, less hectic and less congested lifestyle that is close to downtown Sacramento;
- It is community-centric and a prime location for residents to start and raise a family or transition into an empty-nester phase of life;
- Provides a variety of housing options including existing housing, planned community living, stand-alone housing, attached and detached housing, for-rent housing and traditional subdivision housing;
- Convenient with proximity to local services and conveniences (including the Sacramento International Airport) as well as employment and the major transportation corridors throughout the region;

The subject site is located north of Interstate 5, west of Highway 99 and south of Elkhorn Boulevard in the Community of Natomas. Northlake provides excellent access to Highway 99 and Interstate 5—leading to the employment centers to the south in Downtown Sacramento and beyond, and recreation to the east toward South Lake Tahoe and San Francisco to the west. Plus, the site provides excellent access to services and entertainment at the Del Paso Road corridor and further south at Truxel Road.

The entire Northlake planned community is scheduled to include a total of 2,892 units on 616.7-acres (a density of 4.69 units per acre); however, this analysis is focused on Phase 2 of the project (Greenbriar IA2/Second Series) which includes 1,177 residential, for-sale units on 269 acres (a density of 4.38 units per acre). In addition to the for-sale residential housing, the project is planned to include a lake (21.0-acres), parks (6.4-acres), and open space (32.6-acres). Furthermore, the project is planned to include 1.5-acres of commercial, 1.5-acres for a park-and-ride facility, 16.8-acres for a K-8 school, 1.6-acres of paseo landscaping and 0.5-acres for a sewer lift station.

The land plan incorporates appropriate lot sizes, product types and connectivity to parks, open space, lakes, local trails/biking paths, recreation, and surrounding places of business and entertainment. Northlake offers a desirable location—especially within Natomas, with a well-designed land plan that integrates product types and walkability effectively.

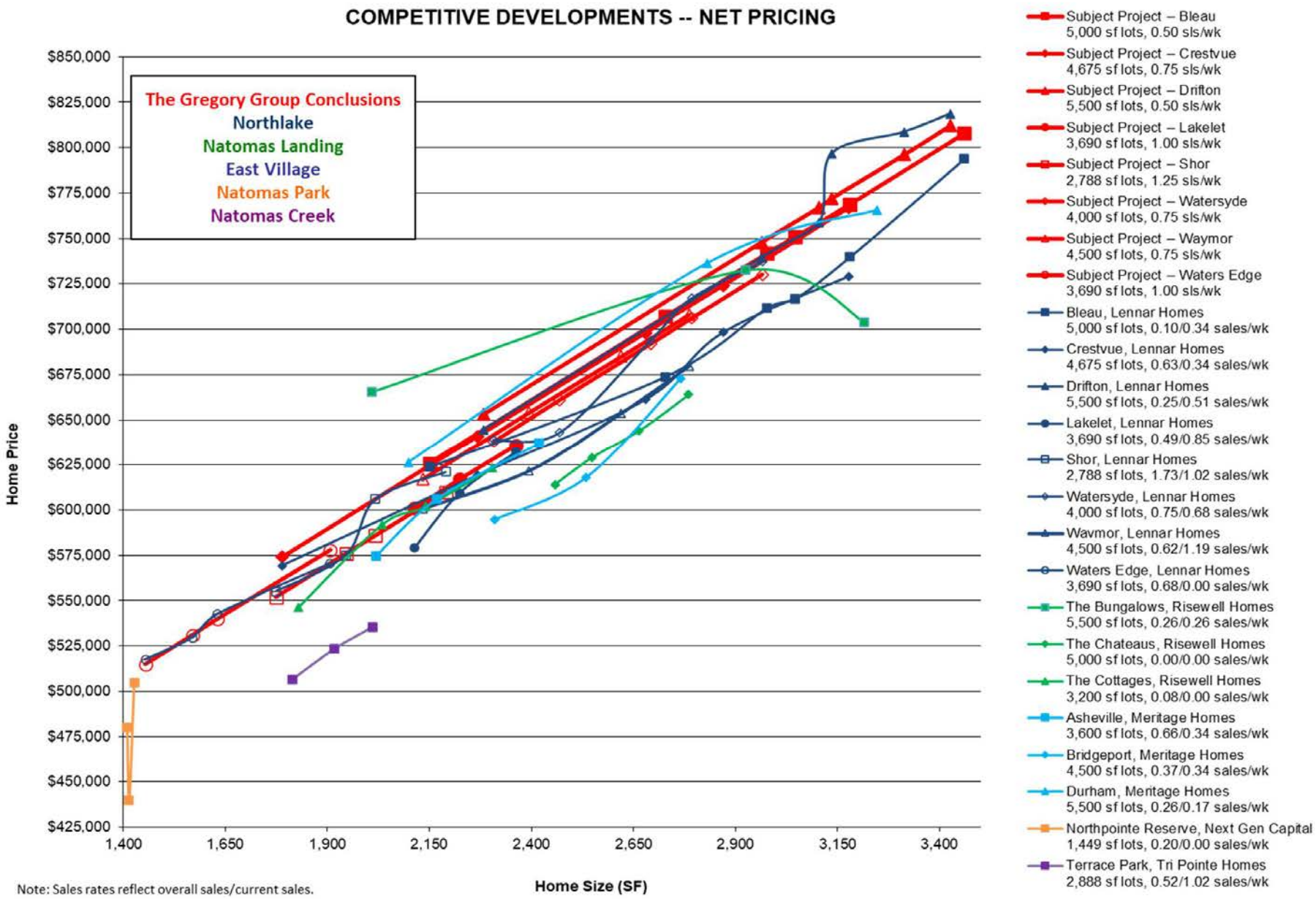

ILLUSTRATIVE LAND USE PLAN
NORTHLAKE
CITY OF SACRAMENTO, CALIFORNIA
NOVEMBER 2, 2022
LOCATION MAP
PROJECT SITE
PHASE 1 PRODUCT SUMMARY
PRODUCT DU's %
60x110 116 9.0
55x100 136 10.7
50x100 230 18.0
55x65 102 8.0
50x80/85 122 9.6
45x100 157 12.3
41x90 277 21.7
41x68 136 10.7
TOTAL 1,276 100.0
PHASE 2 PRODUCT SUMMARY
PRODUCT DU's %
55x100 108 10.4
55x65 138 13.3
50x100 110 10.6
50x80 153 14.7
45x100 163 15.7
41x90 173 16.7
41x68 193 18.6
TOTAL 1,038 100.0
PHASE 1 & 2 PRODUCT SUMMARY
PRODUCT DU's %
60x110 116 5.0
55x100 244 10.5
55x65 240 10.4
50x100 340 14.7
50x80/85 275 11.9
45x100 320 13.8
41x90 450 19.4
41x68 329 14.2
TOTAL 2,314 100.0
LAND USE SUMMARY - PHASE 1
(NORTH OF MEISTER WAY)
LAND USE SUMMARY - PHASE 2
(SOUTH OF MEISTER WAY)
DWELLING UNITS BY PHASE
WOOD RODGERS
ILLUSTRATIVE LAND USE PLAN • NORTHLAKE



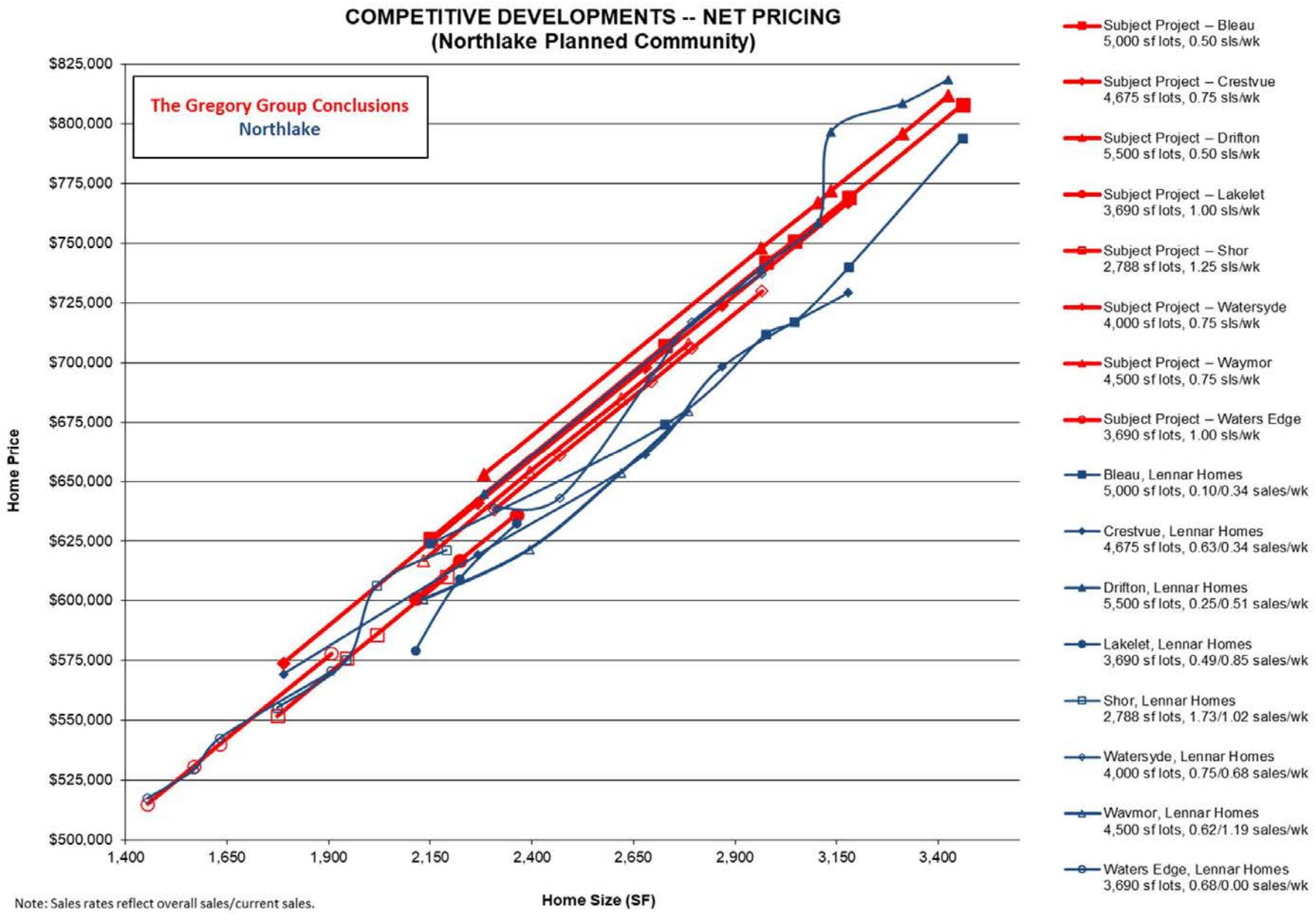
Note: The above land plan does not include Village 14 (139 lots)

VILLAGE NO. 5B
(34) 45'x100' (TYP.) LOTS
5.8 ± AC (G)
4.1 ± AC (N)
VILLAGE NO. 5C
(53) 45'x100' (TYP.) LOTS
8.5 ± AC (G)
5.9 ± AC (N)
VILLAGE NO. 11
(55) 50'X80' (TYP.) LOTS
(9) 50'X100' (TYP.) LOTS
11.7 ± AC (G)
6.8 ± AC (N)
VILLAGE NO. 7A
(60) 55'X85' (TYP.) LOTS
11.5 ± AC (G)
7.7 ± AC (N)
EXISTING PARK AND RIDE LOT
LOT J
OPEN SPACE/FREEWAY BUFFER
LOT E
PASEO
LOT D
SHOPPING CENTER
VILLAGE NO. 6
(67) 50'X85' (TYP.) LOTS
10.7 ± AC (G)
7.5 ± AC (N)
VILLAGE NO. 14
(139) 41'x90' (TYP.) LOTS
19.7 ± AC (G)
14.7 ± AC (N)
VILLAGE NO. 7B
(42) 55'X85' (TYP.) LOTS
7.2 ± AC (G)
5.2 ± AC (N)
VILLAGE NO. 8
(87) 41'X90' (TYP.) LOTS
15.6 ± AC (G)
8.7 ± AC (N)

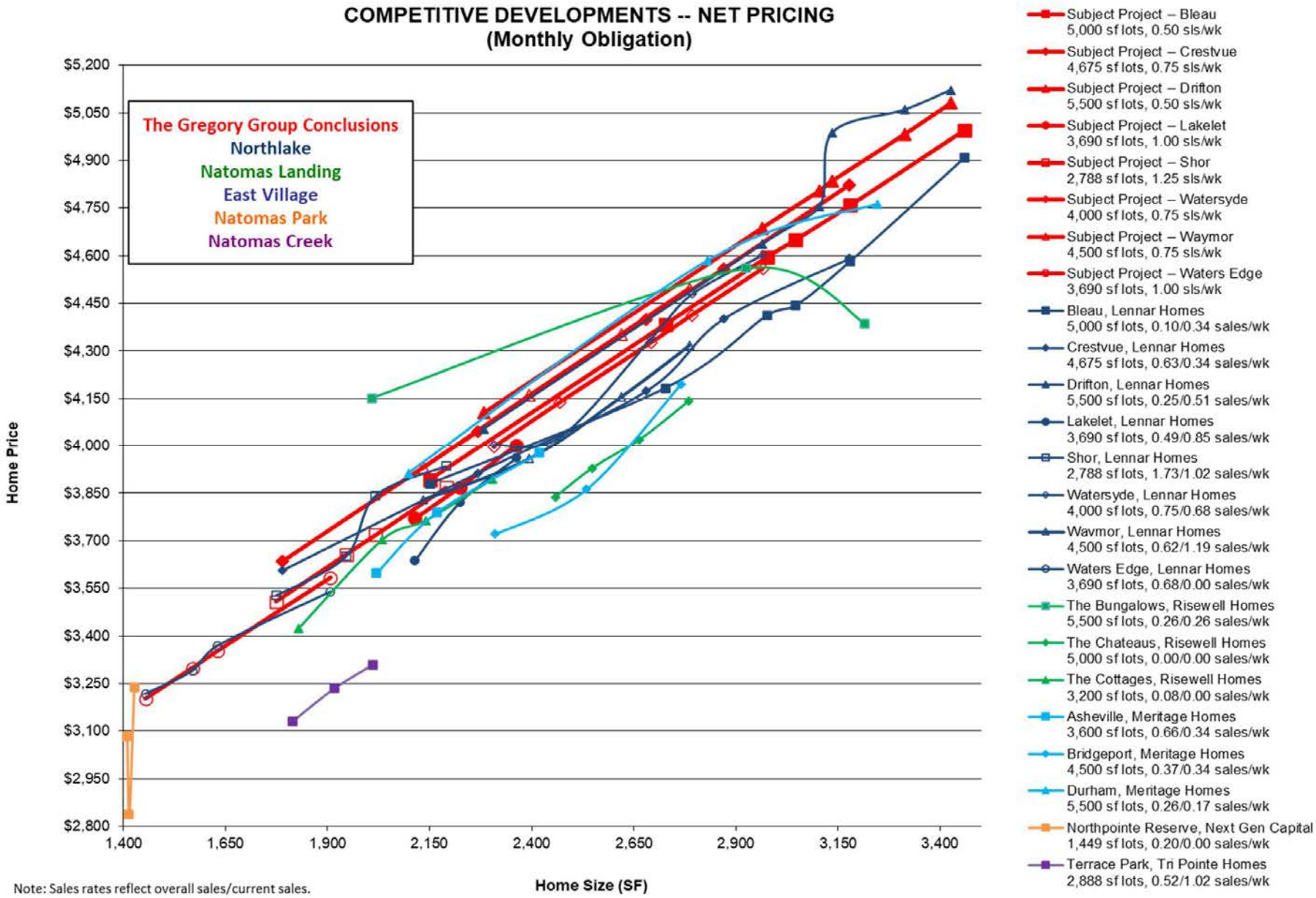
Competitive Housing Analysis



Note: Sales rates reflect overall sales/current sales.



Note: Sales rates reflect overall sales/current sales.



Note: Sales rates reflect overall sales/current sales.

Competitive Housing Analysis

Competitive Projects

The Gregory Group

COMMUNITY DETAILS				PRODUCT SUMMARY					MARKET PRICING SUMMARY														
Community			Builder	Home						Base	Current Incentives			Net	Net Base	Current Add-Ons			Total	Monthly Payment			80%	
Location			Master Plan	Size					Base	Price/	Price	Options/	Closing $/	Base	Price/	Options/		Total	Price/	Monthly	Base	Add	6.00%	Req.
Product Summary			Sales Summary	(SF)	Bed	Bath	Levels	Gar	Price	Sq. Ft.	Reduction	Upgrades	Other	Price	Sq. Ft.	Upgrades	Premiums	Price	Sq. Ft.	HOA	Tax	Tax	Mo. Pmt	Income
Primary Market Area																								
Bleau			**Lennar Homes**	2,150	4	3	1	2	$670,990	$312	$0	$0	$47,150	$623,840	$290	$0	$0	$623,840	$290	$97	1.06%	0.46%	$3,879	$150,170
Natomas			**Northlake**	2,727	4/B	3	2	2	$720,990	$264	$0	$0	$47,150	$673,840	$247	$0	$0	$673,840	$247	$97	1.06%	0.46%	$4,183	$161,905
Product Type:	Detached	Total Units:	110	2,977	4/L	3	2	2	$758,990	$255	$0	$0	$47,150	$711,840	$239	$0	$0	$711,840	$239	$97	1.06%	0.46%	$4,413	$170,823
Configuration:	Traditional	Units Offered:	12	3,046	5/L	3	2	3	$763,990	$251	$0	$0	$47,150	$716,840	$235	$0	$0	$716,840	$235	$97	1.06%	0.46%	$4,443	$171,997
Lot Dimensions:	50 x 100	Units Sold:	2	3,180	4/L	2.5	2	3	$786,990	$247	$0	$0	$47,150	$739,840	$233	$0	$0	$739,840	$233	$97	1.06%	0.46%	$4,583	$177,395
Lot Size/Density:	5,000	Current Sales:	2	3,460	5/NG/L	4	2	2	$840,990	$243	$0	$0	$47,150	$793,840	$229	$0	$0	$793,840	$229	$97	1.06%	0.46%	$4,910	$190,069
Open Date:	Sep-25	Total RU:	108																					
Overall Sales Rate:	0.10	Total % R:	98%																					
Current Sales Rate:	0.34	Unsold RU:	10																					
			Averages:	**2,923**					**$757,157**	**$262**	**$0**	**$0**	**$47,150**	**$710,007**	**$246**	**$0**	**$0**	**$710,007**	**$246**	**$97**	**1.06%**	**0.46%**	**$4,402**	**$170,393**
Primary Market Area																								
Crestvue			**Lennar Homes**	1,789	3	2	1	2	$600,990	$336	$0	$0	$31,711	$569,279	$318	$0	$0	$569,279	$318	$97	1.06%	0.58%	$3,606	$139,568
Natomas			**Northlake**	2,268	4	3	2	3	$650,990	$287	$0	$0	$31,711	$619,279	$273	$0	$0	$619,279	$273	$97	1.06%	0.58%	$3,914	$151,497
Product Type:	Detached	Total Units:	138	2,679	4/L	3	2	3	$692,990	$259	$0	$0	$31,711	$661,279	$247	$0	$0	$661,279	$247	$97	1.06%	0.58%	$4,173	$161,516
Configuration:	Traditional	Units Offered:	68	2,869	4/L	3	2	3	$729,990	$254	$0	$0	$31,711	$698,279	$243	$0	$0	$698,279	$243	$97	1.06%	0.58%	$4,401	$170,344
Lot Dimensions:	55 x 85	Units Sold:	56	3,178	5	4.5	2	3	$760,990	$239	$0	$0	$31,711	$729,279	$229	$0	$0	$729,279	$229	$97	1.06%	0.58%	$4,592	$177,739
Lot Size/Density:	4,675	Current Sales:	2																					
Open Date:	May-24	Total RU:	82																					
Overall Sales Rate:	0.63	Total % R:	59%																					
Current Sales Rate:	0.34	Unsold RU:	12																					
			Averages:	**2,557**					**$687,190**	**$275**	**$0**	**$0**	**$31,711**	**$655,479**	**$262**	**$0**	**$0**	**$655,479**	**$262**	**$97**	**1.06%**	**0.58%**	**$4,137**	**$160,133**
Primary Market Area																								
Drifton			**Lennar Homes**	2,282	4	2.5	1	2	$672,990	$295	$0	$0	$28,361	$644,629	$282	$0	$0	$644,629	$282	$97	1.06%	0.55%	$4,054	$156,920
Natomas			**Northlake**	2,964	5/L	3	2	2	$767,990	$259	$0	$0	$28,361	$739,629	$250	$0	$0	$739,629	$250	$97	1.06%	0.55%	$4,637	$179,493
Product Type:	Detached	Total Units:	108	3,104	5/L	3	2	3	$786,990	$254	$0	$0	$28,361	$758,629	$244	$0	$0	$758,629	$244	$97	1.06%	0.55%	$4,754	$184,007
Configuration:	Traditional	Units Offered:	23	3,135	4/NG	3.5	2	2	$824,990	$263	$0	$0	$28,361	$796,629	$254	$0	$0	$796,629	$254	$97	1.06%	0.55%	$4,987	$193,036
Lot Dimensions:	55 x 100	Units Sold:	14	3,312	4/L	3.5	2	3	$836,990	$253	$0	$0	$28,361	$808,629	$244	$0	$0	$808,629	$244	$97	1.06%	0.55%	$5,060	$195,887
Lot Size/Density:	5,500	Current Sales:	3	3,425	4/L	3.5	2	3	$846,990	$247	$0	$0	$28,361	$818,629	$239	$0	$0	$818,629	$239	$97	1.06%	0.55%	$5,122	$198,263
Open Date:	Jan-25	Total RU:	94																					
Overall Sales Rate:	0.25	Total % R:	87%																					
Current Sales Rate:	0.51	Unsold RU:	9																					
			Averages:	**3,037**					**$789,490**	**$262**	**$0**	**$0**	**$28,361**	**$761,129**	**$252**	**$0**	**$0**	**$761,129**	**$252**	**$97**	**1.06%**	**0.55%**	**$4,769**	**$184,601**
Primary Market Area																								
Lakelet			**Lennar Homes**	2,114	3/O/L	2.5	2	2	$614,990	$291	$0	$0	$35,776	$579,214	$274	$0	$0	$579,214	$274	$97	1.06%	0.52%	$3,638	$140,817
Natomas			**Northlake**	2,223	4	3	2	2	$644,990	$290	$0	$0	$35,776	$609,214	$274	$0	$0	$609,214	$274	$97	1.06%	0.52%	$3,821	$147,916
Product Type:	Detached	Total Units:	173	2,362	4/L	3.5	2	2	$667,990	$283	$0	$0	$35,776	$632,214	$268	$0	$0	$632,214	$268	$97	1.06%	0.52%	$3,962	$153,359
Configuration:	Small Lot	Units Offered:	51																					
Lot Dimensions:	41 x 90	Units Sold:	45																					
Lot Size/Density:	3,690	Current Sales:	5																					
Open Date:	May-24	Total RU:	128																					
Overall Sales Rate:	0.49	Total % R:	74%																					
Current Sales Rate:	0.85	Unsold RU:	6																					
			Averages:	**2,233**					**$642,657**	**$288**	**$0**	**$0**	**$35,776**	**$606,881**	**$272**	**$0**	**$0**	**$606,881**	**$272**	**$97**	**1.06%**	**0.52%**	**$3,807**	**$147,364**
Primary Market Area																								
Shor			**Lennar Homes**	1,774	3	2.5	2	2	$577,990	$326	$0	$0	$22,821	$555,169	$313	$0	$0	$555,169	$313	$97	1.06%	0.60%	$3,528	$136,560
Natomas			**Northlake**	1,945	3/L	2.5	2	2	$597,990	$307	$0	$0	$22,821	$575,169	$296	$0	$0	$575,169	$296	$97	1.06%	0.60%	$3,651	$141,344
Product Type:	Detached	Total Units:	193	2,018	4/L	3	2	2	$628,990	$312	$0	$0	$22,821	$606,169	$300	$0	$0	$606,169	$300	$97	1.06%	0.60%	$3,843	$148,760
Configuration:	Small Lot	Units Offered:	118	2,190	4/L	3	2	2	$643,990	$294	$0	$0	$22,821	$621,169	$284	$0	$0	$621,169	$284	$97	1.06%	0.60%	$3,936	$152,348
Lot Dimensions:	41 x 68	Units Sold:	111																					
Lot Size/Density:	2,788	Current Sales:	6																					
Open Date:	Nov-24	Total RU:	82																					
Overall Sales Rate:	1.73	Total % R:	42%																					
Current Sales Rate:	1.02	Unsold RU:	7																					
			Averages:	**1,982**					**$612,240**	**$310**	**$0**	**$0**	**$22,821**	**$589,419**	**$298**	**$0**	**$0**	**$589,419**	**$298**	**$97**	**1.06%**	**0.60%**	**$3,739**	**$144,753**

Competitive Housing Analysis

Competitive Projects

The Gregory Group

COMMUNITY DETAILS				PRODUCT SUMMARY					MARKET PRICING SUMMARY														
Community			Builder	Home						Base	Current Incentives			Net	Net Base	Current Add-Ons			Total	Monthly Payment			80%	
Location			Master Plan	Size					Base	Price/	Price	Options/	Closing $/	Base	Price/	Options/		Total	Price/	Monthly	Base	Add	6.00%	Req.
Product Summary			Sales Summary	(SF)	Bed	Bath	Levels	Gar	Price	Sq. Ft.	Reduction	Upgrades	Other	Price	Sq. Ft.	Upgrades	Premiums	Price	Sq. Ft.	HOA	Tax	Tax	Mo. Pmt	Income
Primary Market Area																								
Waters Edge			**Lennar Homes**	1,454	3	2.5	2	2	$541,990	$373	$0	$0	$24,413	$517,577	$356	$0	$0	$517,577	$356	$84	1.06%	0.45%	$3,218	$124,560
Natomas			**Northlake**	1,569	3/L	2.5	2	2	$553,990	$353	$0	$0	$24,413	$529,577	$338	$0	$0	$529,577	$338	$84	1.06%	0.45%	$3,290	$127,372
Product Type:	Detached	Total Units:	139	1,631	3/L	2.5	2	2	$566,990	$348	$0	$0	$24,413	$542,577	$333	$0	$0	$542,577	$333	$84	1.06%	0.45%	$3,369	$130,419
Configuration:	Small Lot	Units Offered:	65	1,907	4/L	3	2	2	$594,990	$312	$0	$0	$24,413	$570,577	$299	$0	$0	$570,577	$299	$84	1.06%	0.45%	$3,539	$136,982
Lot Dimensions:	41 x 90	Units Sold:	58																					
Lot Size/Density:	3,690	Current Sales:	0																					
Open Date:	Jun-24	Total RU:	81																					
Overall Sales Rate:	0.68	Total % R:	58%																					
Current Sales Rate:	0.00	Unsold RU:	7																					
			Averages:	**1,640**					**$564,490**	**$346**	**$0**	**$0**	**$24,413**	**$540,077**	**$331**	**$0**	**$0**	**$540,077**	**$331**	**$84**	**1.06%**	**0.45%**	**$3,354**	**$129,833**
Primary Market Area																								
Watersyde			**Lennar Homes**	2,307	4	3	2	2	$660,990	$287	$0	$0	$21,938	$639,052	$277	$0	$0	$639,052	$277	$97	1.06%	0.52%	$4,004	$154,977
Natomas			**Northlake**	2,469	4/L	3	2	2	$664,990	$269	$0	$0	$21,938	$643,052	$260	$0	$0	$643,052	$260	$97	1.06%	0.52%	$4,028	$155,923
Product Type:	Detached	Total Units:	153	2,693	4/L	3.5	2	2	$715,990	$266	$0	$0	$21,938	$694,052	$258	$0	$0	$694,052	$258	$97	1.06%	0.52%	$4,340	$167,992
Configuration:	Traditional	Units Offered:	81	2,793	5/L	4	2	2	$738,990	$265	$0	$0	$21,938	$717,052	$257	$0	$0	$717,052	$257	$97	1.06%	0.52%	$4,480	$173,434
Lot Dimensions:	50 x 80	Units Sold:	70	2,966	4/NG/L	3.5	2	3	$758,990	$256	$0	$0	$21,938	$737,052	$249	$0	$0	$737,052	$249	$97	1.06%	0.52%	$4,603	$178,167
Lot Size/Density:	4,000	Current Sales:	4																					
Open Date:	May-24	Total RU:	83																					
Overall Sales Rate:	0.75	Total % R:	54%																					
Current Sales Rate:	0.68	Unsold RU:	11																					
			Averages:	**2,646**					**$707,990**	**$268**	**$0**	**$0**	**$21,938**	**$686,052**	**$260**	**$0**	**$0**	**$686,052**	**$260**	**$97**	**1.06%**	**0.52%**	**$4,291**	**$166,099**
Primary Market Area																								
Wavmor			**Lennar Homes**	2,134	3	2	1	2	$631,990	$296	$0	$0	$31,450	$600,540	$281	$0	$0	$600,540	$281	$97	1.06%	0.64%	$3,828	$148,188
Natomas			**Northlake**	2,394	4/L	3	2	2	$652,990	$273	$0	$0	$31,450	$621,540	$260	$0	$0	$621,540	$260	$97	1.06%	0.64%	$3,959	$153,239
Product Type:	Detached	Total Units:	163	2,620	5/L	3	2	2	$684,990	$261	$0	$0	$31,450	$653,540	$249	$0	$0	$653,540	$249	$97	1.06%	0.64%	$4,157	$160,935
Configuration:	Traditional	Units Offered:	43	2,786	4/L	3.5	2	2	$710,990	$255	$0	$0	$31,450	$679,540	$244	$0	$0	$679,540	$244	$97	1.06%	0.64%	$4,319	$167,188
Lot Dimensions:	45 x 100	Units Sold:	33																					
Lot Size/Density:	4,500	Current Sales:	7																					
Open Date:	Feb-25	Total RU:	130																					
Overall Sales Rate:	0.62	Total % R:	80%																					
Current Sales Rate:	1.19	Unsold RU:	10																					
			Averages:	**2,484**					**$670,240**	**$271**	**$0**	**$0**	**$31,450**	**$638,790**	**$259**	**$0**	**$0**	**$638,790**	**$259**	**$97**	**1.06%**	**0.64%**	**$4,066**	**$157,388**
Primary Market Area																								
The Bungalows			**Risewell Homes**	2,008	3/Lo	2.5	1	2	$695,500	$346	$0	$0	$30,000	$665,500	$331	$0	$0	$665,500	$331	$89	1.06%	0.51%	$4,152	$160,711
Natomas			**Natomas Landing**	2,925	4/F/L	3	2	3	$762,515	$261	$0	$0	$30,000	$732,515	$250	$0	$0	$732,515	$250	$89	1.06%	0.51%	$4,561	$176,548
Product Type:	Detached	Total Units:	104	3,215	5/L/Su	3.5	2	3	$734,000	$228	$0	$0	$30,000	$704,000	$219	$0	$0	$704,000	$219	$89	1.06%	0.51%	$4,387	$169,809
Configuration:	Traditional	Units Offered:	7																					
Lot Dimensions:	55 x 100	Units Sold:	1																					
Lot Size/Density:	5,500	Current Sales:	1																					
Open Date:	Jan-26	Total RU:	103																					
Overall Sales Rate:	0.26	Total % R:	99%																					
Current Sales Rate:	0.26	Unsold RU:	6																					
			Averages:	**2,716**					**$730,672**	**$278**	**$0**	**$0**	**$30,000**	**$700,672**	**$267**	**$0**	**$0**	**$700,672**	**$267**	**$89**	**1.06%**	**0.51%**	**$4,366**	**$169,023**
Primary Market Area																								
The Chateaus			**Risewell Homes**	2,458	4/L	3	2	2	$644,000	$262	$0	$0	$30,000	$614,000	$250	$0	$0	$614,000	$250	$89	1.06%	0.51%	$3,837	$148,541
Natomas			**Natomas Landing**	2,549	4/L	3	2	2	$659,000	$259	$0	$0	$30,000	$629,000	$247	$0	$0	$629,000	$247	$89	1.06%	0.51%	$3,929	$152,086
Product Type:	Detached	Total Units:	171	2,664	4/L	3	2	2	$674,000	$253	$0	$0	$30,000	$644,000	$242	$0	$0	$644,000	$242	$89	1.06%	0.51%	$4,020	$155,630
Configuration:	Traditional	Units Offered:	8	2,785	5/L	3	2	2	$694,000	$249	$0	$0	$30,000	$664,000	$238	$0	$0	$664,000	$238	$89	1.06%	0.51%	$4,143	$160,357
Lot Dimensions:	50 x 100	Units Sold:	0																					
Lot Size/Density:	5,000	Current Sales:	0																					
Open Date:	Jan-26	Total RU:	171																					
Overall Sales Rate:	0.00	Total % R:	100%																					
Current Sales Rate:	0.00	Unsold RU:	8																					
			Averages:	**2,614**					**$667,750**	**$256**	**$0**	**$0**	**$30,000**	**$637,750**	**$244**	**$0**	**$0**	**$637,750**	**$244**	**$89**	**1.06%**	**0.51%**	**$3,982**	**$154,153**

Competitive Housing Analysis

Competitive Projects

The Gregory Group

COMMUNITY DETAILS				PRODUCT SUMMARY					MARKET PRICING SUMMARY														
Community			Builder	Home						Base	Current Incentives			Net	Net Base	Current Add-Ons			Total	Monthly Payment			80%	
Location			Master Plan	Size					Base	Price/	Price	Options/	Closing $/	Base	Price/	Options/		Total	Price/	Monthly	Base	Add	6.00%	Req.
Product Summary			Sales Summary	(SF)	Bed	Bath	Levels	Gar	Price	Sq. Ft.	Reduction	Upgrades	Other	Price	Sq. Ft.	Upgrades	Premiums	Price	Sq. Ft.	HOA	Tax	Tax	Mo. Pmt	Income
The Cottages			**Risewell Homes**	1,829	3	2.5	2	2	$576,525	$315	$0	$0	$30,000	$546,525	$299	$0	$0	$546,525	$299	$89	1.06%	0.51%	$3,425	$132,596
Natomas			**Natomas Landing**	2,034	4	3	2	2	$622,165	$306	$0	$0	$30,000	$592,165	$291	$0	$0	$592,165	$291	$89	1.06%	0.51%	$3,704	$143,381
Product Type:	Detached	Total Units:	68	2,141	3/F/L	2.5	2	2	$632,035	$295	$0	$0	$30,000	$602,035	$281	$0	$0	$602,035	$281	$89	1.06%	0.51%	$3,764	$145,714
Configuration:	Small Lot	Units Offered:	9	2,304	4/L	3	2	2	$653,370	$284	$0	$0	$30,000	$623,370	$271	$0	$0	$623,370	$271	$89	1.06%	0.51%	$3,895	$150,755
Lot Dimensions:	40 x 80	Units Sold:	2																					
Lot Size/Density:	3,200	Current Sales:	0																					
Open Date:	Aug-25	Total RU:	66																					
Overall Sales Rate:	0.08	Total % R:	97%																					
Current Sales Rate:	0.00	Unsold RU:	7																					
			Averages:	**2,077**					**$621,024**	**$300**	**$0**	**$0**	**$30,000**	**$591,024**	**$285**	**$0**	**$0**	**$591,024**	**$285**	**$89**	**1.06%**	**0.51%**	**$3,697**	**$143,111**
Asheville			**Meritage Homes**	2,020	4/L	3	2	2	$598,800	$296	$0	$0	$23,952	$574,848	$285	$0	$0	$574,848	$285	$89	1.06%	0.51%	$3,598	$139,289
Natomas			**East Village**	2,168	4/L	3	2	2	$631,459	$291	$0	$0	$25,258	$606,201	$280	$0	$0	$606,201	$280	$89	1.06%	0.51%	$3,790	$146,698
Product Type:	Detached	Total Units:	114	2,419	5/L	3	2	2	$663,600	$274	$0	$0	$26,544	$637,056	$263	$0	$0	$637,056	$263	$89	1.06%	0.51%	$3,978	$153,989
Configuration:	Small Lot	Units Offered:	36																					
Lot Dimensions:	40 x 90	Units Sold:	23																					
Lot Size/Density:	3,600	Current Sales:	2																					
Open Date:	Jun-25	Total RU:	91																					
Overall Sales Rate:	0.66	Total % R:	80%																					
Current Sales Rate:	0.34	Unsold RU:	13																					
			Averages:	**2,202**					**$631,286**	**$287**	**$0**	**$0**	**$25,251**	**$606,035**	**$276**	**$0**	**$0**	**$606,035**	**$276**	**$89**	**1.06%**	**0.51%**	**$3,789**	**$146,659**
Bridgeport			**Meritage Homes**	2,310	4/L	3	2	2	$619,700	$268	$0	$0	$24,788	$594,912	$258	$0	$0	$594,912	$258	$89	1.06%	0.51%	$3,721	$144,030
Natomas			**East Village**	2,534	4/L	3	2	2	$643,800	$254	$0	$0	$25,752	$618,048	$244	$0	$0	$618,048	$244	$89	1.06%	0.51%	$3,862	$149,498
Product Type:	Detached	Total Units:	138	2,765	4/L	3	2	2	$700,700	$253	$0	$0	$28,028	$672,672	$243	$0	$0	$672,672	$243	$89	1.06%	0.51%	$4,195	$162,406
Configuration:	Traditional	Units Offered:	27																					
Lot Dimensions:	50 x 90	Units Sold:	13																					
Lot Size/Density:	4,500	Current Sales:	2																					
Open Date:	Jun-25	Total RU:	125																					
Overall Sales Rate:	0.37	Total % R:	91%																					
Current Sales Rate:	0.34	Unsold RU:	14																					
			Averages:	**2,536**					**$654,733**	**$259**	**$0**	**$0**	**$26,189**	**$628,544**	**$248**	**$0**	**$0**	**$628,544**	**$248**	**$89**	**1.06%**	**0.51%**	**$3,926**	**$151,978**
Durham			**Meritage Homes**	2,098	4	2	1	2	$652,500	$311	$0	$0	$26,140	$626,360	$299	$0	$0	$626,360	$299	$89	1.06%	0.51%	$3,913	$151,462
Natomas			**East Village**	2,831	4/F/L	3	2	2	$767,200	$271	$0	$0	$30,688	$736,512	$260	$0	$0	$736,512	$260	$89	1.06%	0.51%	$4,585	$177,492
Product Type:	Detached	Total Units:	76	3,247	5/F/L	3.5	2	3	$797,605	$246	$0	$0	$31,904	$765,701	$236	$0	$0	$765,701	$236	$89	1.06%	0.51%	$4,763	$184,390
Configuration:	Traditional	Units Offered:	17																					
Lot Dimensions:	55 x 100	Units Sold:	9																					
Lot Size/Density:	5,500	Current Sales:	1																					
Open Date:	Jun-25	Total RU:	67																					
Overall Sales Rate:	0.26	Total % R:	88%																					
Current Sales Rate:	0.17	Unsold RU:	8																					
			Averages:	**2,725**					**$739,102**	**$276**	**$0**	**$0**	**$29,577**	**$709,524**	**$265**	**$0**	**$0**	**$709,524**	**$265**	**$89**	**1.06%**	**0.51%**	**$4,420**	**$171,115**
Northpointe Reserve			**Next Generation Capital**	1,409	3	2.5	2	2	$499,900	$355	$0	$0	$20,000	$479,900	$341	$0	$0	$479,900	$341	$135	1.06%	0.56%	$3,085	$119,406
Natomas			**Natomas Park**	1,414	3	2.5	2	2	$459,900	$325	$0	$0	$20,000	$439,900	$311	$0	$0	$439,900	$311	$135	1.06%	0.56%	$2,839	$109,889
Product Type:	Detached	Total Units:	48	1,427	3	2.5	2	2	$524,900	$368	$0	$0	$20,000	$504,900	$354	$0	$0	$504,900	$354	$135	1.06%	0.56%	$3,238	$125,354
Configuration:	Small Lot	Units Offered:	27																					
Lot Dimensions:	23 x 63	Units Sold:	20																					
Lot Size/Density:	1,449	Current Sales:	0																					
Open Date:	Mar-24	Total RU:	28																					
Overall Sales Rate:	0.20	Total % R:	58%																					
Current Sales Rate:	0.00	Unsold RU:	7																					
			Averages:	**1,417**					**$494,900**	**$349**	**$0**	**$0**	**$20,000**	**$474,900**	**$335**	**$0**	**$0**	**$474,900**	**$335**	**$135**	**1.06%**	**0.56%**	**$3,054**	**$118,217**

Primary Market Area

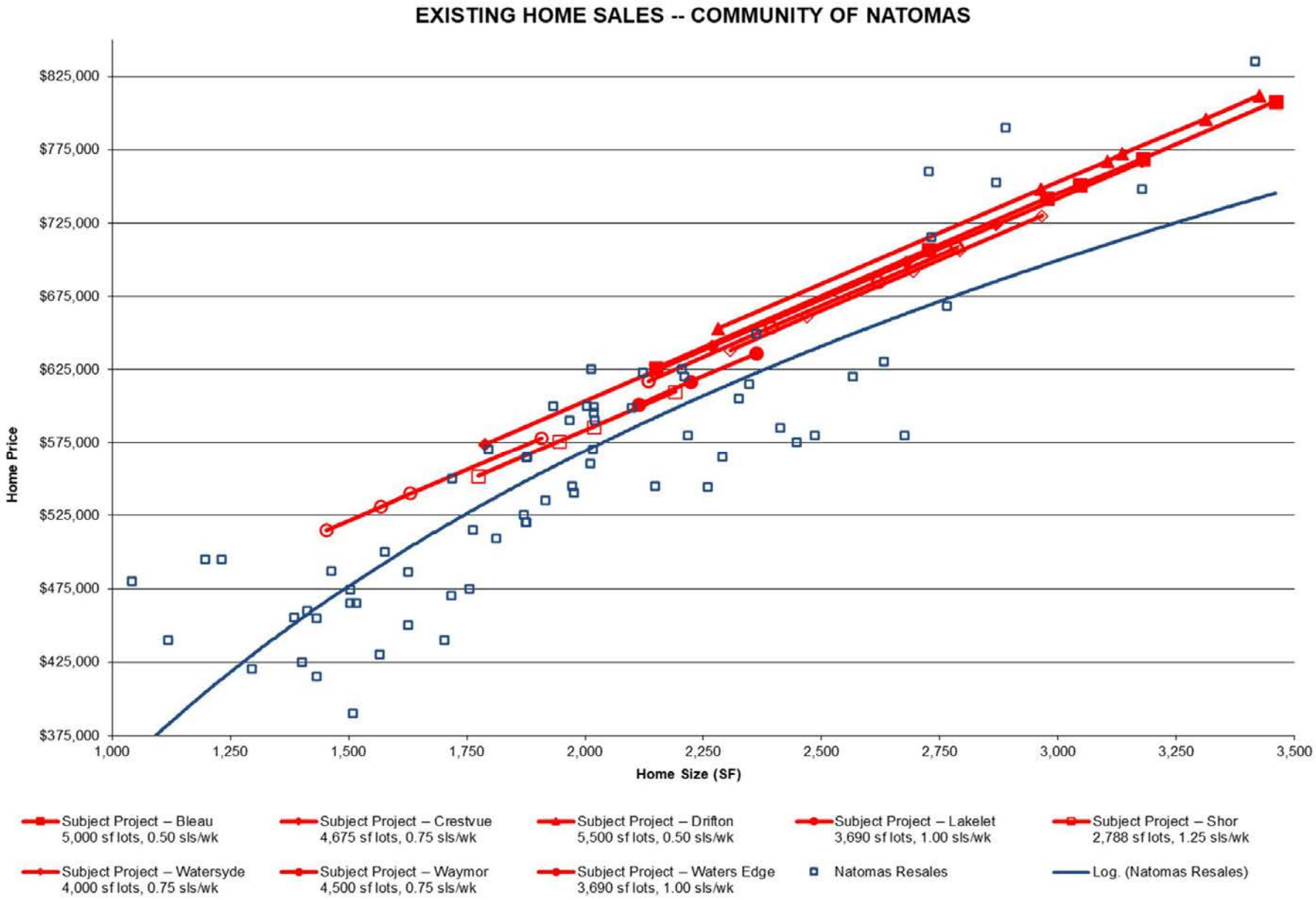
Competitive Housing Analysis

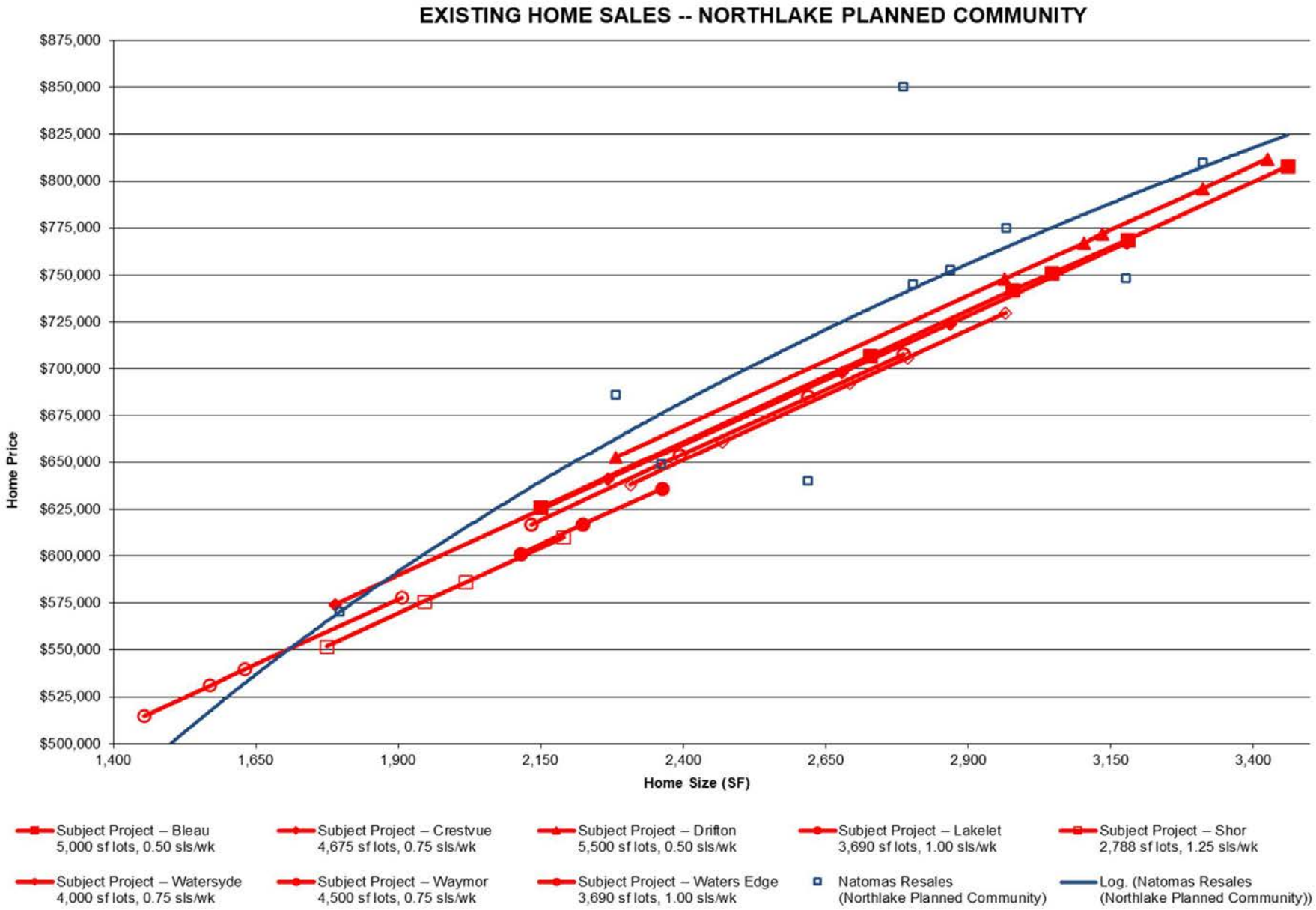
The Gregory Group

Competitive Projects

COMMUNITY DETAILS				PRODUCT SUMMARY					MARKET PRICING SUMMARY														
Community			**Builder**	Home						Base	Current Incentives			Net	Net Base	Current Add-Ons			Total	Monthly Payment			80%	
Location			**Master Plan**	Size					Base	Price/	Price	Options/	Closing $/	Base	Price/	Options/		Total	Price/	Monthly	Base	Add	6.00%	Req.
Product Summary			Sales Summary	(SF)	Bed	Bath	Levels	Gar	Price	Sq. Ft.	Reduction	Upgrades	Other	Price	Sq. Ft.	Upgrades	Premiums	Price	Sq. Ft.	HOA	Tax	Tax	Mo. Pmt	Income
Terrace Park			**Tri Pointe Homes**	1,815	3	2.5	2	2	$531,762	$293	$0	$0	$25,000	$506,762	$279	$0	$0	$506,762	$279	$0	1.06%	0.60%	$3,132	$121,225
Natomas			**Natomas Creek**	1,917	3/L	2.5	2	2	$548,441	$286	$0	$0	$25,000	$523,441	$273	$0	$0	$523,441	$273	$0	1.06%	0.60%	$3,235	$125,215
Product Type:	Detached	Total Units:	79	2,011	4	2.5	2	2	$560,441	$279	$0	$0	$25,000	$535,441	$266	$0	$0	$535,441	$266	$0	1.06%	0.60%	$3,309	$128,086
Configuration:	Small Lot	Units Offered:	42																				
Lot Dimensions:	36 x 80	Units Sold:	35																				
Lot Size/Density:	2,888	Current Sales:	6																				
Open Date:	Nov-24	Total RU:	44																				
Overall Sales Rate:	0.52	Total % R:	56%																				
Current Sales Rate:	1.02	Unsold RU:	7																				
			Averages:	**1,914**					**$546,881**	**$286**	**$0**	**$0**	**$25,000**	**$521,881**	**$273**	**$0**	**$0**	**$521,881**	**$273**	**$0**	**1.06%**	**0.60%**	**$3,225**	**$124,842**

Primary Market Area


EXISTING HOME SALES -- COMMUNITY OF NATOMAS
Home Price
$825,000
$775,000
$725,000
$675,000
$625,000
$575,000
$525,000
$475,000
$425,000
$375,000
1,000
1,250
1,500
1,750
2,000
2,250
2,500
2,750
3,000
3,250
3,500
Home Size (SF)
Subject Project – Bleau 5,000 sf lots, 0.50 sls/wk
Subject Project – Crestvue 4,675 sf lots, 0.75 sls/wk
Subject Project – Drifton 5,500 sf lots, 0.50 sls/wk
Subject Project – Lakelet 3,690 sf lots, 1.00 sls/wk
Subject Project – Shor 2,788 sf lots, 1.25 sls/wk
Subject Project – Watersyde 4,000 sf lots, 0.75 sls/wk
Subject Project – Waymor 4,500 sf lots, 0.75 sls/wk
Subject Project – Waters Edge 3,690 sf lots, 1.00 sls/wk
Natomas Resales
Log. (Natomas Resales)


EXISTING HOME SALES -- NORTHLAKE PLANNED COMMUNITY
Home Price
$875,000
$850,000
$825,000
$800,000
$775,000
$750,000
$725,000
$700,000
$675,000
$650,000
$625,000
$600,000
$575,000
$550,000
$525,000
$500,000
1,400
1,650
1,900
2,150
2,400
2,650
2,900
3,150
3,400
Home Size (SF)
Subject Project – Bleau 5,000 sf lots, 0.50 sls/wk
Subject Project – Crestvue 4,675 sf lots, 0.75 sls/wk
Subject Project – Drifton 5,500 sf lots, 0.50 sls/wk
Subject Project – Lakelet 3,690 sf lots, 1.00 sls/wk
Subject Project – Shor 2,788 sf lots, 1.25 sls/wk
Subject Project – Watersyde 4,000 sf lots, 0.75 sls/wk
Subject Project – Waymor 4,500 sf lots, 0.75 sls/wk
Subject Project – Waters Edge 3,690 sf lots, 1.00 sls/wk
Natomas Resales (Northlake Planned Community)
Log. (Natomas Resales (Northlake Planned Community))

Potential Future Supply

Potential Future Supply

Subject Market Area

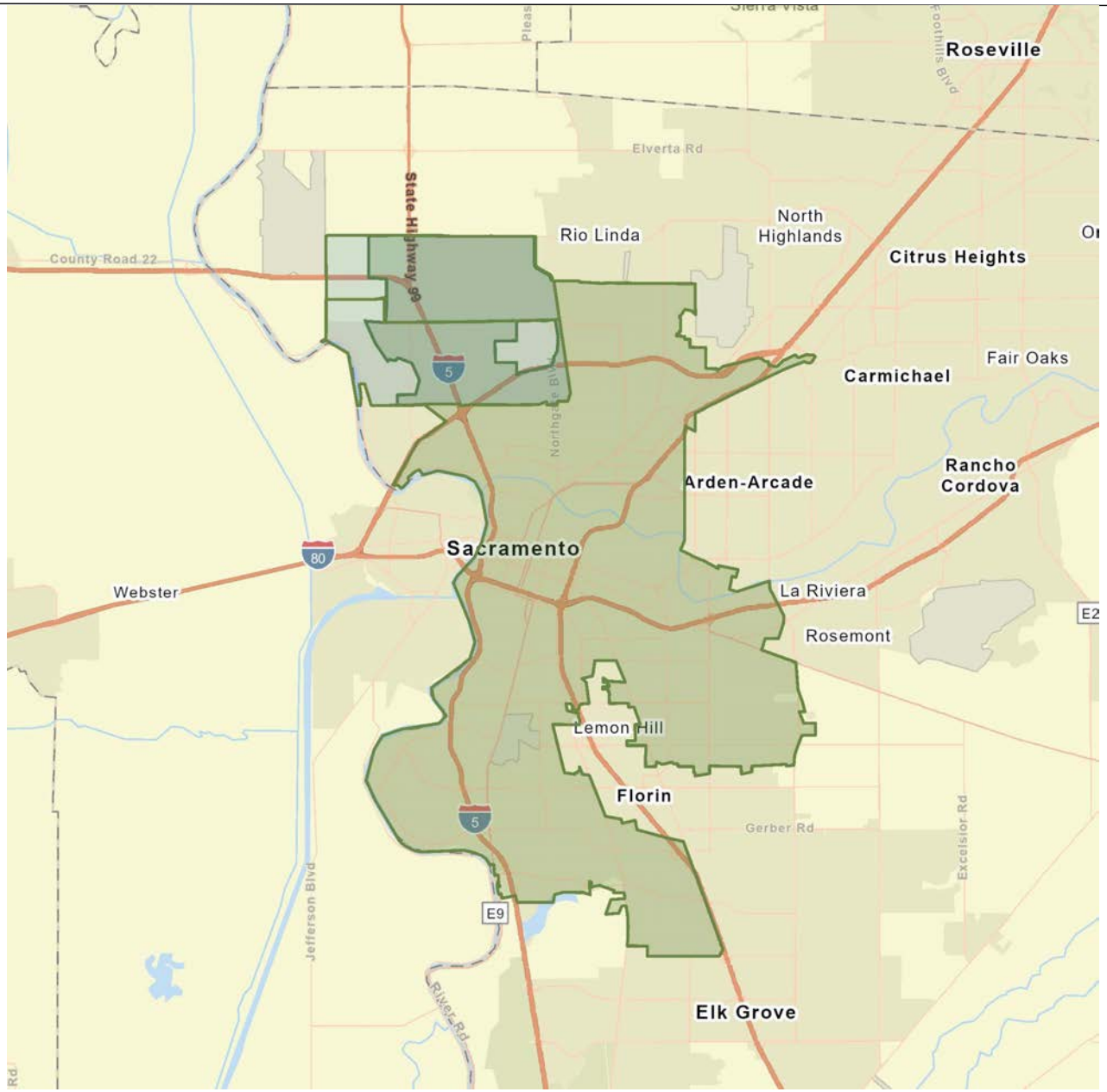
Within the greater subject market area, there are a total of 30,530 planned units on 10,078.7 acres (a density of 3.0 units per acre) and not including the subject project. A total of 29,330 of these units (96.1% of the total) are in four, not yet selling, major planned communities; Upper Westside, Sutter Pointe, Innovation District and Life District. Some of the surveyed communities may offer homes soon (two to five years), but most of these units will be many years (more than five years) before a first phase of development occurs.

Therefore, there are approximately only 1,200 units that could potentially offer future competition to the subject project (this includes additional planned units within the Panhandle—which is already selling homes in six separate subdivisions). While it is understood that a portion of these units may open for sale within the development time-frame of the subject project, it is not believed that they will provide significant competition to the subject project. It is always difficult to determine when these proposed projects will be delivering homes. It is known from experience that delays in approvals, permits, plan and infrastructure financing make predicting a start date impractical.

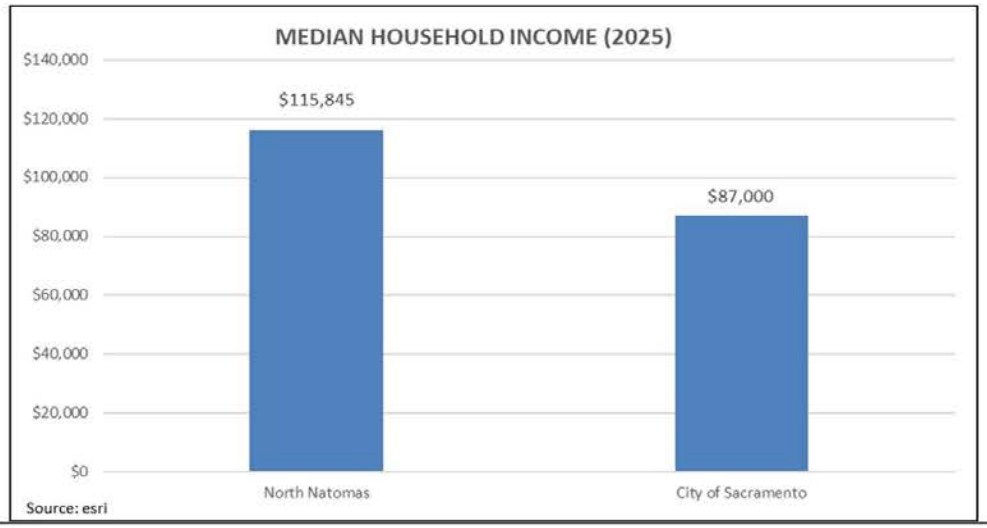
Project Name	Developer/Owner	Location	Number Of Units	Acres	Density	Comments
Upper Westside	Upper Westside LLC	Natomas	9,356	2,066.0	4.5	Project is in planning and has recently undergone a recirculated draft EIR; waiting Specific Plan Approval. Development is many years in the future. Project is located west of Interstate 80 at West El Camino Avenue.
Sutter Pointe	Various	Sutter County	17,500	7,528.2	2.3	Project has Specific Plan Approval. Development is several years in the future and will be over a 20 - 30 year build out. Infrastructure may begin in 2026. Project is located in southern Sutter County west of Placer County and north of the City of Sacramento and Sacramento County.
Panhandle	Various	Natomas	952	345.7	2.8	Project has Approval. 671 units (not a part of the 952 units) are currently being developed by Risewell Homes (343 units) and Meritage Homes (328 units). Project is located north of Del Paso Road and west of Sorento Road.
Valley View	Avdis Property	Natomas	248	41.4	6.0	Project is in the planning stages and is located east of the Panhandle project.
Innovation District	Sacramento Kings Ownership Group	Natomas	1,228	25.2	48.7	Project is in the planning stages and also includes 35,000 square feet of retail and 180,000 square feet of office space.
The Life District	Sacramento Kings Ownership Group	Natomas	1,246	72.2	17.3	Project is in the planning stages and also includes 15,000 square feet of retail, 120,000 square feet of office space and 120,000 square feet of hotel/commercial space.
		Averages/Totals:	**30,530**	**10,078.7**	**3.0**	

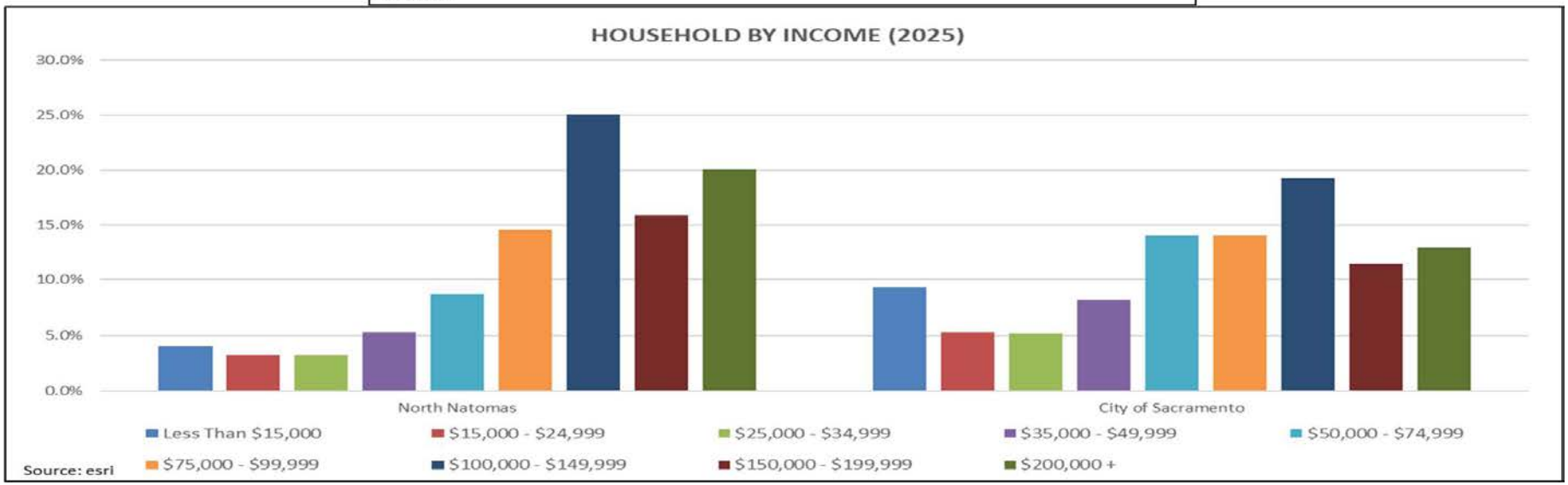
Economics and Demographics

Subject Market Area

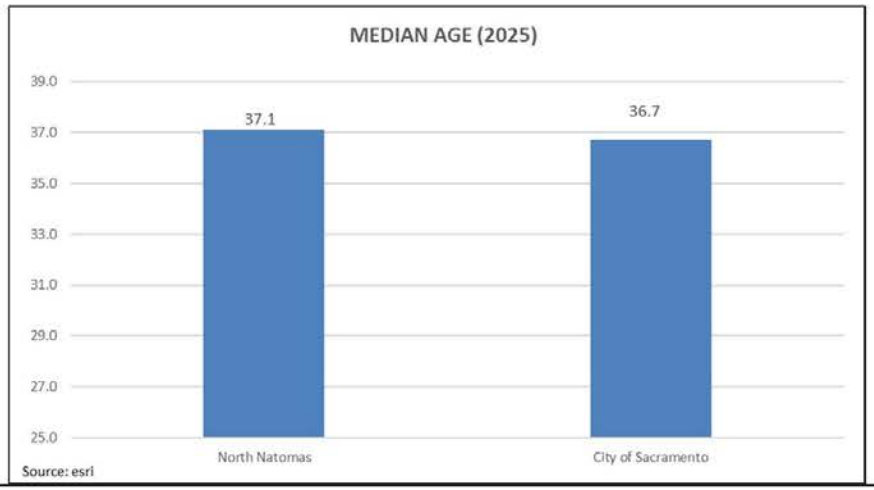

Roseville
Elverta Rd
State Highway 99
Rio Linda
North Highlands
Citrus Heights
County Road 22
Fair Oaks
Carmichael
Arden-Arcade
Rancho Cordova
Sacramento
Webster
La Riviera
Rosemont
Lemon Hill
Florin
Gerber Rd
Jefferson Blvd
Elk Grove

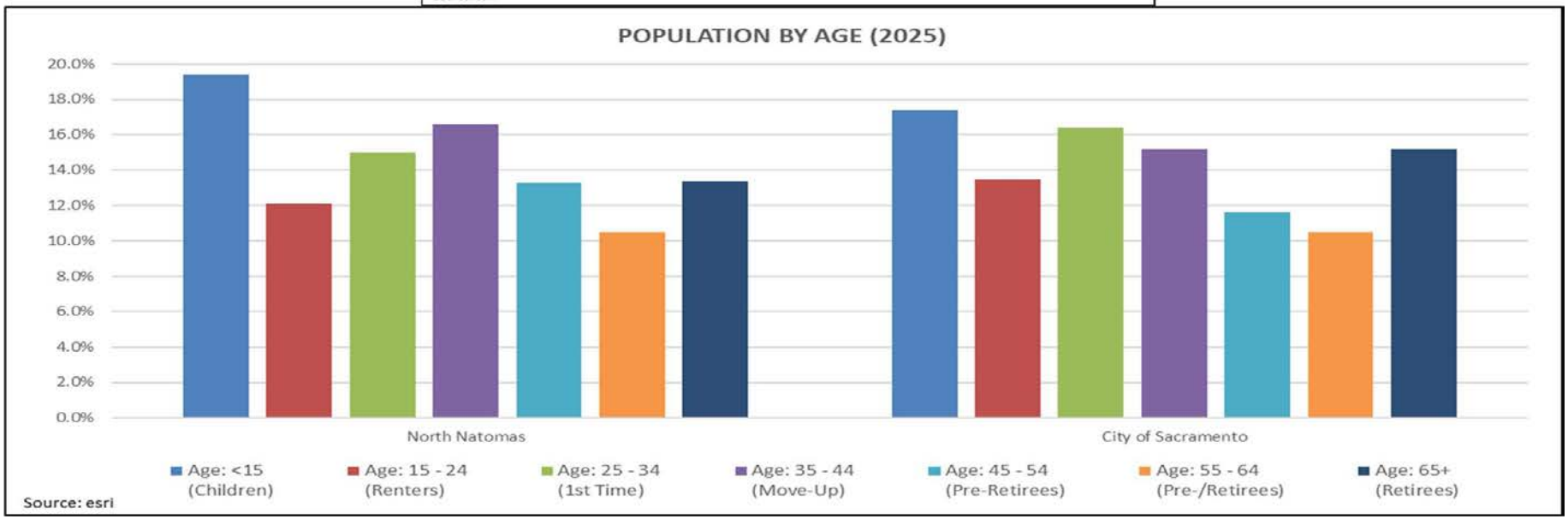
An analysis of economic and demographic variables can help to illuminate the specific dynamics of the subject project. The median household income is greater in North Natomas than in the City of Sacramento. In fact, North Natomas has a median income that is 33% greater than the City of Sacramento: a result of older housing and lower income residents in the city and newer housing with higher income households in North Natomas. The greatest distribution for North Natomas is $100,000 to $149,999 and the two categories that are greater than $150,000, but the City of Sacramento has a greater percentage distribution in the three categories between $50,000 to $149,999.





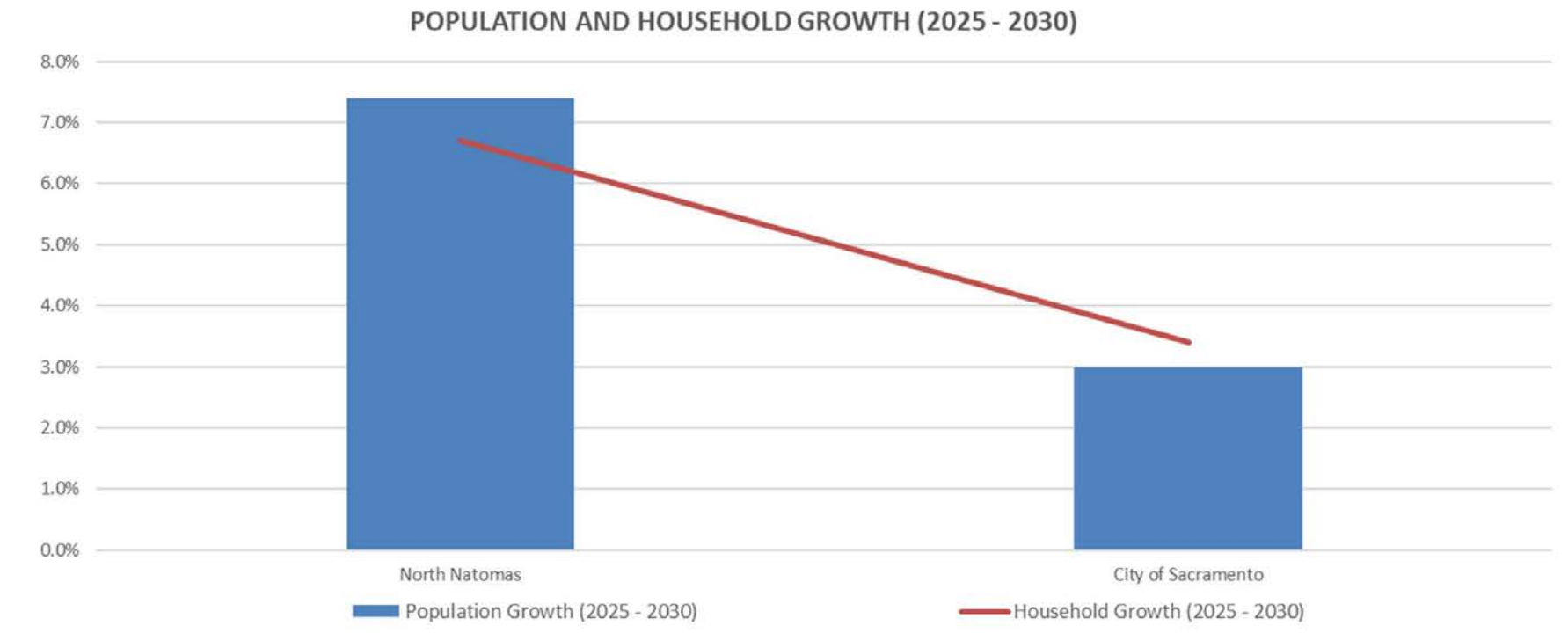
The median age within North Natomas (37.1-years) is higher than the City of Sacramento (36.7-years), although by an insignificant amount. When considering population by age, North Natomas includes a large percentage of children under 15 years of age (nearly 20%--due to the suburban, family areas) and higher percentages of 25- to 34-year-olds and 35- to 44-year-olds (both above 14%). While the City of Sacramento includes a larger percentage of children under 15 years of age (just below 18%), there are higher numbers of young adults aged between 25 and 34 years and older adults aged at 65 years and older (long-time residents of the city).





Population and Household Growth – Subject Market Area

A review of population and household growth reveals much higher estimated growth in North Natomas (at 7.4% and 6.7% respectively) than in the City of Sacramento (at 3.0% and 3.4%). It is believed that the strong growth associated with North Natomas is due to the maturing of the area, the desirability of the community and the emphasis on housing and infrastructure development along with plans for substantial future development.



Source: esri

ECONOMIC AND DEMOGRAPHIC INFORMATION -- NORTH NATOMAS				
	2025 Estimate		2030 Projection	
Category	Number	Percent	Number	Percent
Population				
Population	76,829	--	82,481	--
Growth 2025 - 2030	--	--	--	7.4%
Population by Age				
Age 0 - 4	4,743	6.2%	4,867	5.9%
Age 5 - 9	5,134	6.7%	5,054	6.1%
Age 10 - 14	4,961	6.5%	5,350	6.5%
Age 15 - 19	4,818	6.3%	4,585	5.6%
Age 20 - 24	4,449	5.8%	4,907	6.0%
Age 25 - 34	11,514	15.0%	12,337	15.0%
Age 35 - 44	12,736	16.6%	13,077	15.9%
Age 45 - 54	10,214	13.3%	11,346	13.8%
Age 55 - 64	8,058	10.5%	8,998	11.0%
Age 65 - 74	6,029	7.9%	6,646	8.0%
Age 75 - 84	3,357	4.4%	4,182	5.0%
Age 85 and over	816	1.1%	1,132	1.4%
24 and Under	24,105	31.5%	24,763	30.1%
Age 45 - 64	18,272	23.8%	20,344	24.8%
65 and over	10,202	13.4%	11,960	14.4%
Median Age	37.1	--	38.2	--
Households				
Households	26,776	--	28,571	--
Growth 2025 - 2030	--	--	--	6.7%
Average Household Size	2.87	--	2.89	--
Household Income				
Less Than $15,000	1,063	4.0%	1,004	4.2%
$15,000 - $24,999	851	3.2%	716	3.2%
$25,000 - $34,999	845	3.2%	711	3.3%
$35,000 - $49,999	1,410	5.3%	1,246	4.4%
$50,000 - $74,999	2,329	8.7%	2,197	9.3%
$75,000 - $99,999	3,916	14.6%	3,767	12.4%
$100,000 - $149,999	6,733	25.1%	6,969	28.4%
$150,000 - $199,999	4,263	15.9%	4,860	16.0%
$200,000 and Greater	5,367	20.1%	7,100	18.8%
Median Household Income	$115,845	--	$127,126	--
Average Household Income	$146,280	--	$162,321	--
Housing Units		--		--
Owner Occupied	16,295	60.9%	17,039	59.6%
Renter Occupied	10,481	39.1%	11,532	40.4%
Source: esri				

ECONOMIC AND DEMOGRAPHIC INFORMATION -- CITY OF SACRAMENTO				
	2025 Estimate		2030 Projection	
Category	Number	Percent	Number	Percent
Population				
Population	539,961	--	556,386	--
Growth 2025 - 2030	--	--	--	3.0%
Population by Age				
Age 0 - 4	30,713	5.7%	30,941	6.6%
Age 5 - 9	31,512	5.8%	30,193	6.4%
Age 10 - 14	31,912	5.9%	31,303	6.5%
Age 15 - 19	33,493	6.2%	31,832	6.2%
Age 20 - 24	39,306	7.3%	41,866	7.3%
Age 25 - 34	88,413	16.4%	87,499	16.0%
Age 35 - 44	82,227	15.2%	84,739	14.5%
Age 45 - 54	62,467	11.6%	68,749	11.1%
Age 55 - 64	56,830	10.5%	56,244	9.7%
Age 65 - 74	48,464	8.9%	49,704	8.8%
Age 75 - 84	25,787	4.7%	32,446	5.1%
Age 85 and over	8,837	1.6%	10,870	1.9%
24 and Under	166,936	30.9%	166,135	33.0%
Age 45 - 64	119,297	22.1%	124,993	20.8%
65 and over	83,088	15.2%	93,020	15.8%
Median Age	36.7	--	37.8	--
Households				
Households	198,379	--	205,063	--
Growth 2025 - 2030	--	--	--	3.4%
Average Household Size	2.64	--	2.63	--
Household Income				
Less Than $15,000	18,423	9.3%	17,347	8.4%
$15,000 - $24,999	10,579	5.3%	8,992	4.3%
$25,000 - $34,999	10,467	5.2%	9,256	4.6%
$35,000 - $49,999	16,396	8.2%	14,860	7.2%
$50,000 - $74,999	27,948	14.1%	26,750	13.0%
$75,000 - $99,999	27,922	14.1%	28,326	13.8%
$100,000 - $149,999	38,365	19.3%	41,150	20.1%
$150,000 - $199,999	22,543	11.4%	26,204	12.8%
$200,000 and Greater	25,736	13.0%	32,178	15.8%
Median Household Income	$87,000	--	$96,647	--
Average Household Income	$114,334	--	$125,030	--
Housing Units		--		--
Owner Occupied	98,013	49.4%	100,368	48.9%
Renter Occupied	100,366	50.6%	104,695	51.1%
Source: esri				

Migration and Immigration

Migration and Immigration

Sacramento County Components of Change

An analysis of the components of change for Sacramento County reveals that the total population of Sacramento County (July 2025, California Department of Finance for the period between July 2024 and July 2025) increased by 11,803 people (up 0.74% year-over-year). The information is provided in two categories: natural increase and net migration. Natural increase consists of the difference between births and deaths, and net migration is the difference between migration and immigration. Net migration includes net immigration (people coming from or going to anywhere outside of the US) and net domestic migration (people coming from or going to anywhere in the US).

During the previous year, there were 17,730 births and 13,090 deaths resulting in a net natural increase of 4,640 people as there were more births than deaths. Likewise, for the past year, net immigration was positive at 9,913 people (more people came to Sacramento County from outside the US than left Sacramento County for somewhere outside the US) and net domestic migration was negative at 2,750 people (more people left Sacramento County to somewhere in the US than came to Sacramento County from somewhere else in the US). This results in a total net migration of 7,163 people meaning overall, more people came to the county than left the county.

In total, when combining natural increase (4,640 people) with net migration (7,163 people), the result is an increase in the overall population of 11,803 people. Unfortunately, what is unknown is who is leaving (i.e., renters vs owners, wealthy vs low income, families vs singles, older vs younger, etc.) and why they are leaving (i.e., social issues, crime, unaffordability, changes in work, etc.). However, the table and discussion on the following page provides some insight. Overall, as in much of California and a change since the early 2020s and the pandemic, people are beginning to re-enter the state in greater numbers than are leaving it.

SACRAMENTO COUNTY COMPONENTS OF CHANGE

Category	Number	Percent
Population		
Total Population July 1, 2025	1,616,991	--
Total Population Change: July 1, 2024 to July 1, 2025	11,803	0.74%
Components of Change		
Births	17,730	--
Deaths	13,090	--
Natural Increase	4,640	--
Immigration (Net)	9,913	--
Domestic Migration (Net)	-2,750	--
Migration (Net)	7,163	--
Total Population Change: July 1, 2024 to July 1, 2025	11,803	--

Source: California Department of Finance; Chart E-2; Components of Change 2024 - 2025

A report by the US Census Bureau details the migration to Sacramento County from other states and regions (from 2018 through 2022). The analysis reveals that during that time (which includes the pandemic years), 80,333 people migrated to Sacramento County from either other counties in California (other than Sacramento County), other US states or from abroad. Of the total number of people to the county, the vast majority (56,571 people 70.4% of the total) were from another county within California (all counties other than Sacramento County). The exact number of people from individual California counties is unknown. However, it can be surmised, based on the previous table (Census Flow Mapper) that a majority of the inflow to Sacramento County is from the northern California market area (primarily the Sacramento Region and the San Francisco Bay Area Region). This is followed by people coming from another state within the United States (14,151 people or 17.6% of the total) and another 12.0% (9,611 people) from abroad.

Interestingly, the top ten states/regions where people migrated to Sacramento County (excluding counties in California) accounted for 18.5% of the total and represented a diverse mix. For instance, the top two are from outside the US: Asia (4,739 people), and Europe (1,958 people). The next two were from the US: Oregon (1,332 people) and Texas (1,233 people), followed by Central America (1,010 people). The next five are all from the US: Washington (999 people), Nevada (966 people), Florida (927 people), New York (861 people) and Arizona (810 people). There does not appear to be a distinct pattern but an eclectic mix of people moving to Sacramento County from many parts of the US and the world.

SACRAMENTO COUNTY MIGRATION

Category	Number	Percent
To Sacramento County From:		
California (But Different County)	56,571	70.4%
Different State	14,151	17.6%
From Abroad	9,611	12.0%
Total Migration To Sacramento County	80,333	100.0%
Top Ten States/Regions to Sacramento County:		
Asia	4,739	5.9%
Europe	1,958	2.4%
Oregon	1,332	1.7%
Texas	1,233	1.5%
Central America	1,010	1.3%
Washington	999	1.2%
Nevada	966	1.2%
Florida	927	1.2%
New York	861	1.1%
Arizona	810	1.0%
Total	14,835	18.5%

Source: US Census Bureau 2018 - 2022

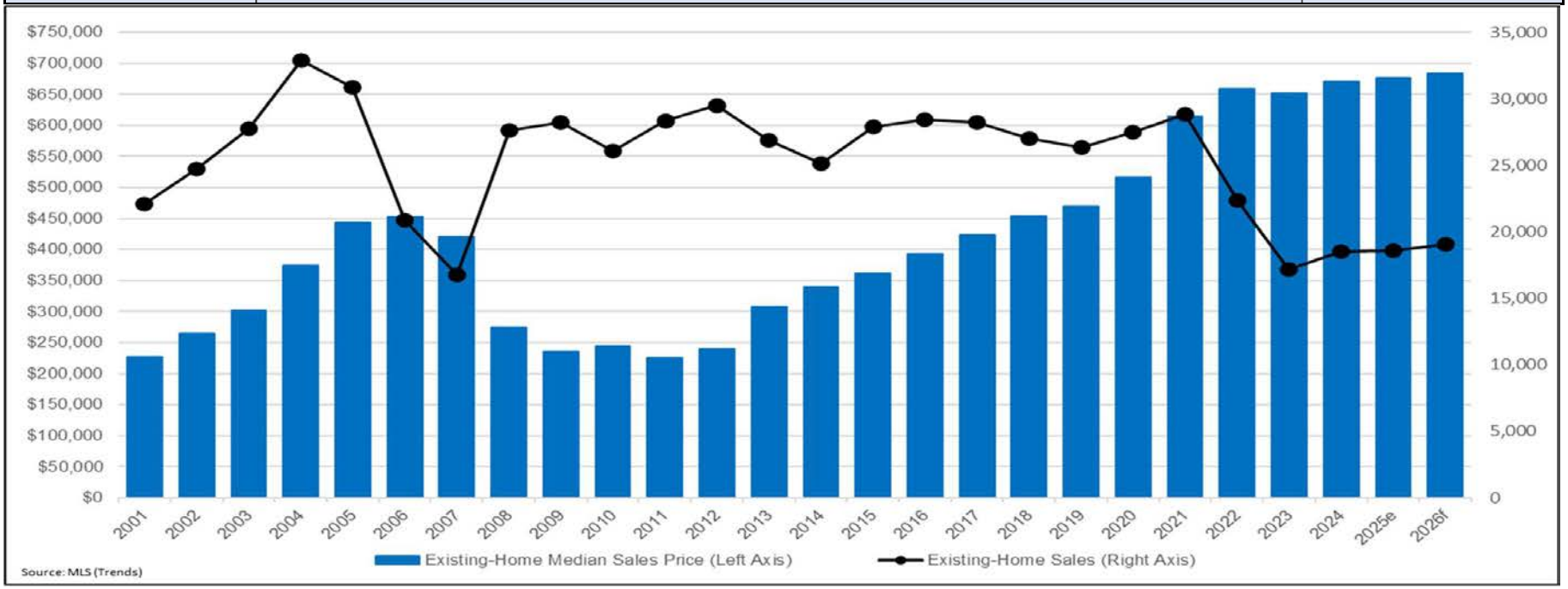
Existing Housing Market

Existing Housing Market

Existing Housing Sales and Pricing -- Annual

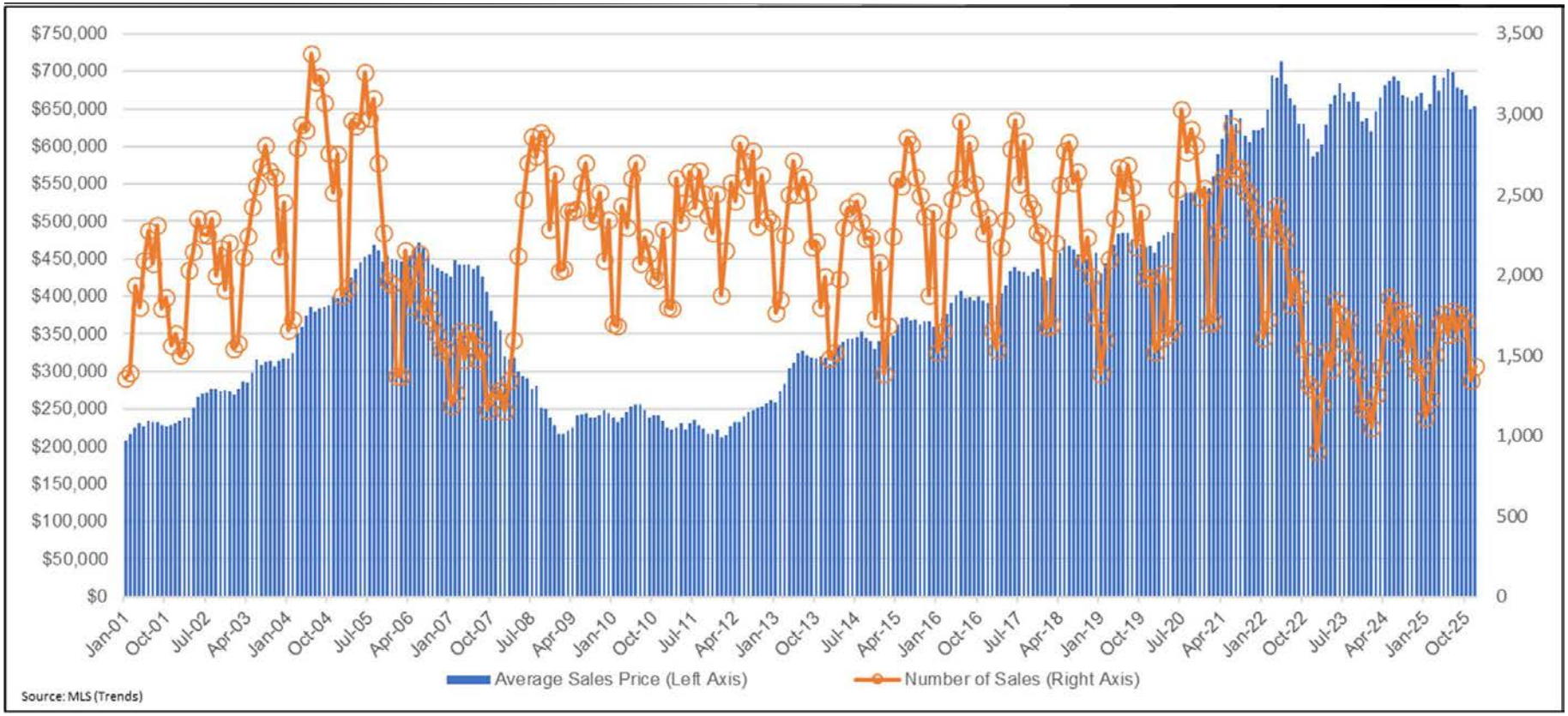
Existing home sales totaled an estimated 18,598 transactions in 2025, representing a slight 0.5% increase from the 18,514 sales recorded in 2024. By comparison, sales averaged 26,715 annually between 2017 and 2022 before declining to an average of 18,098 sales between 2023 and 2025, a decrease of approximately 32.2%. This decline is attributed to elevated mortgage rates, limited housing inventory, higher home prices, and broader economic uncertainty. Despite softer sales volume, existing home prices have continued to rise modestly, reaching an average of $676,211 in 2025, a 0.9% increase from 2024. Overall, home prices have increased approximately 43.9% between 2019 (pre-pandemic) and 2025. Looking ahead, existing home sales in 2026 are projected to increase modestly to approximately 19,062 units, reflecting a 2.5% gain, while average pricing is expected to rise 1.0% to approximately $682,979. Market conditions appear to be transitioning from a period of slower sales and strong price appreciation toward a more balanced environment characterized by increased inventory, improved sales activity, and moderate price growth. While higher interest rates remain a concern, many buyers who delayed purchasing decisions are becoming more willing to accept mortgage rates in the six-percent range for the right home.

Existing Housing Home Sales	Sacramento-Roseville-Arden-Arcade MSA								Two-Year Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026f
Existing-Home Sales	28,237	26,993	26,371	27,487	28,838	22,361	17,181	18,514	18,598	19,062
Annual Percent Change:	-0.7%	-4.4%	-2.3%	4.2%	4.9%	-22.5%	-23.2%	7.8%	0.5%	2.5%
Existing-Home Median Price	$423,670	$454,383	$469,993	$516,484	$614,899	$659,279	$651,665	$670,254	$676,211	$682,973
Annual Percent Change:	7.9%	7.2%	3.4%	9.9%	19.1%	7.2%	-1.2%	2.9%	0.9%	1.0%



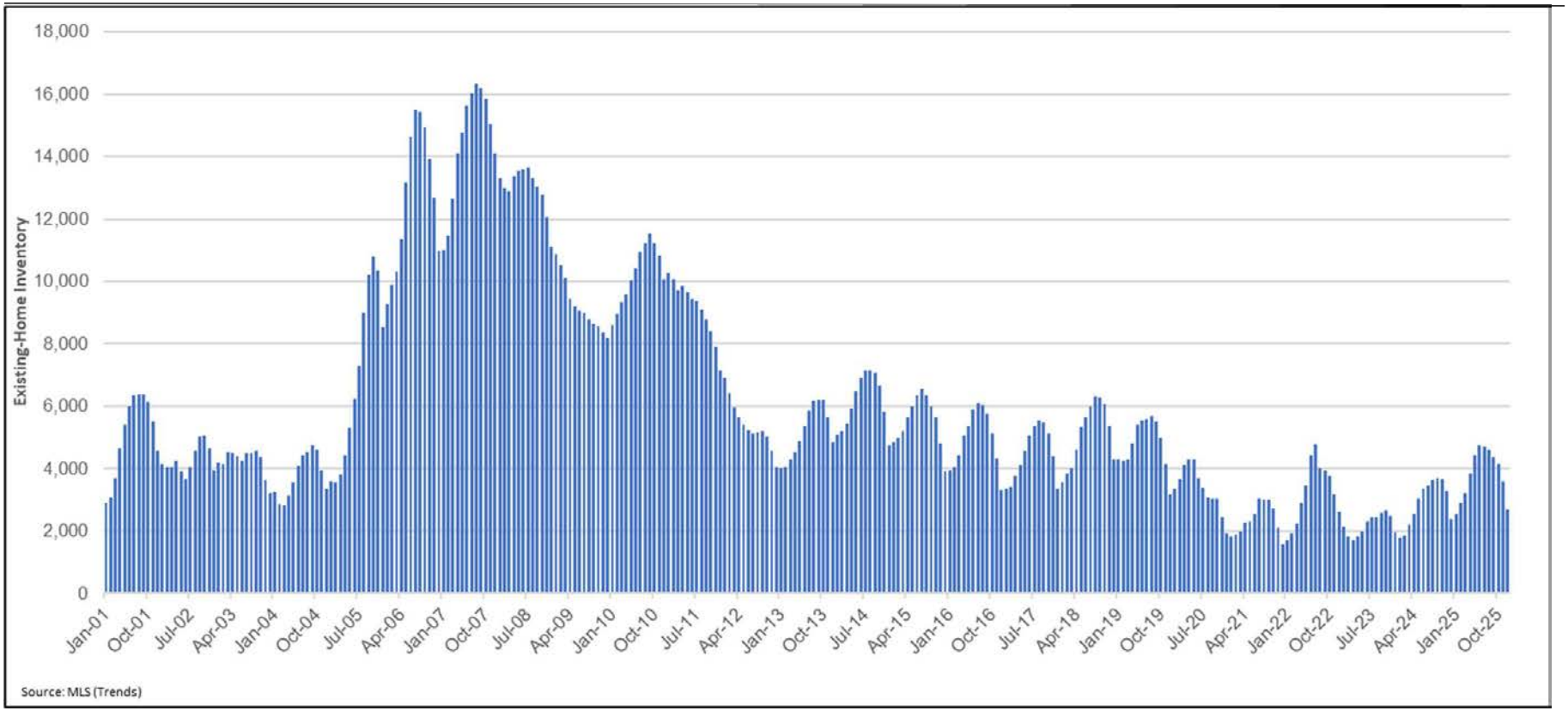
Existing Housing Market

Existing Housing Sales and Pricing -- Monthly



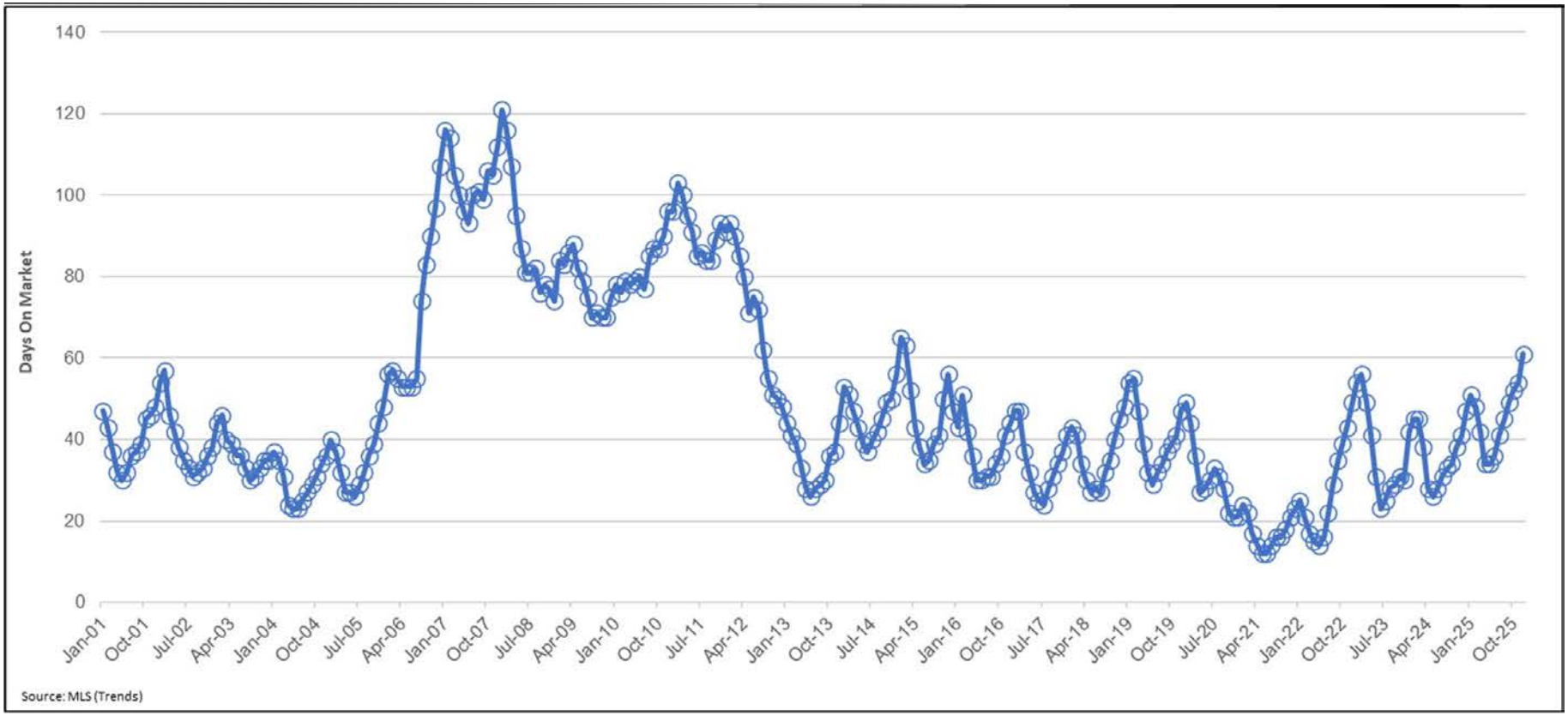
Existing Housing Market

Existing Housing Inventory -- Monthly



Existing Housing Market

Existing Housing Days on Market (DOM) -- Monthly



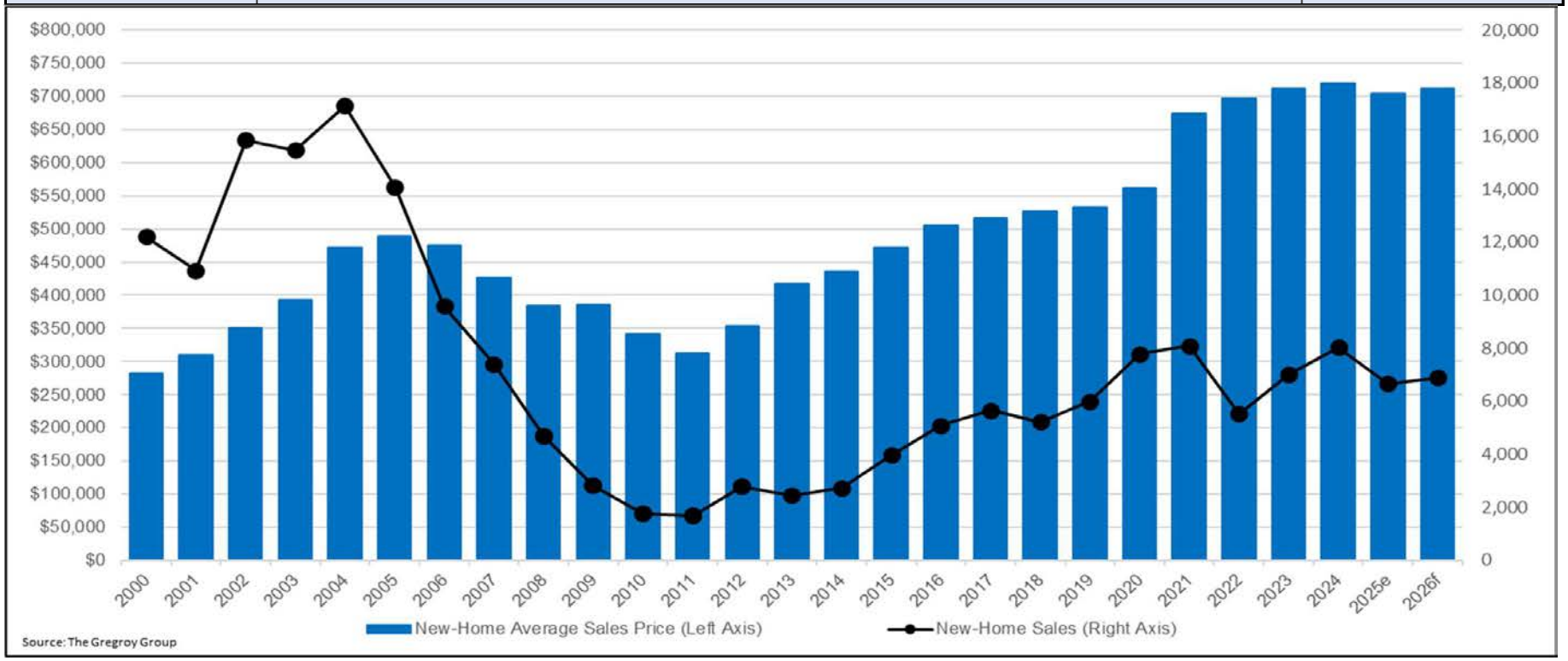
New Housing Market

New Housing Market

New Housing Sales and Pricing -- Annual

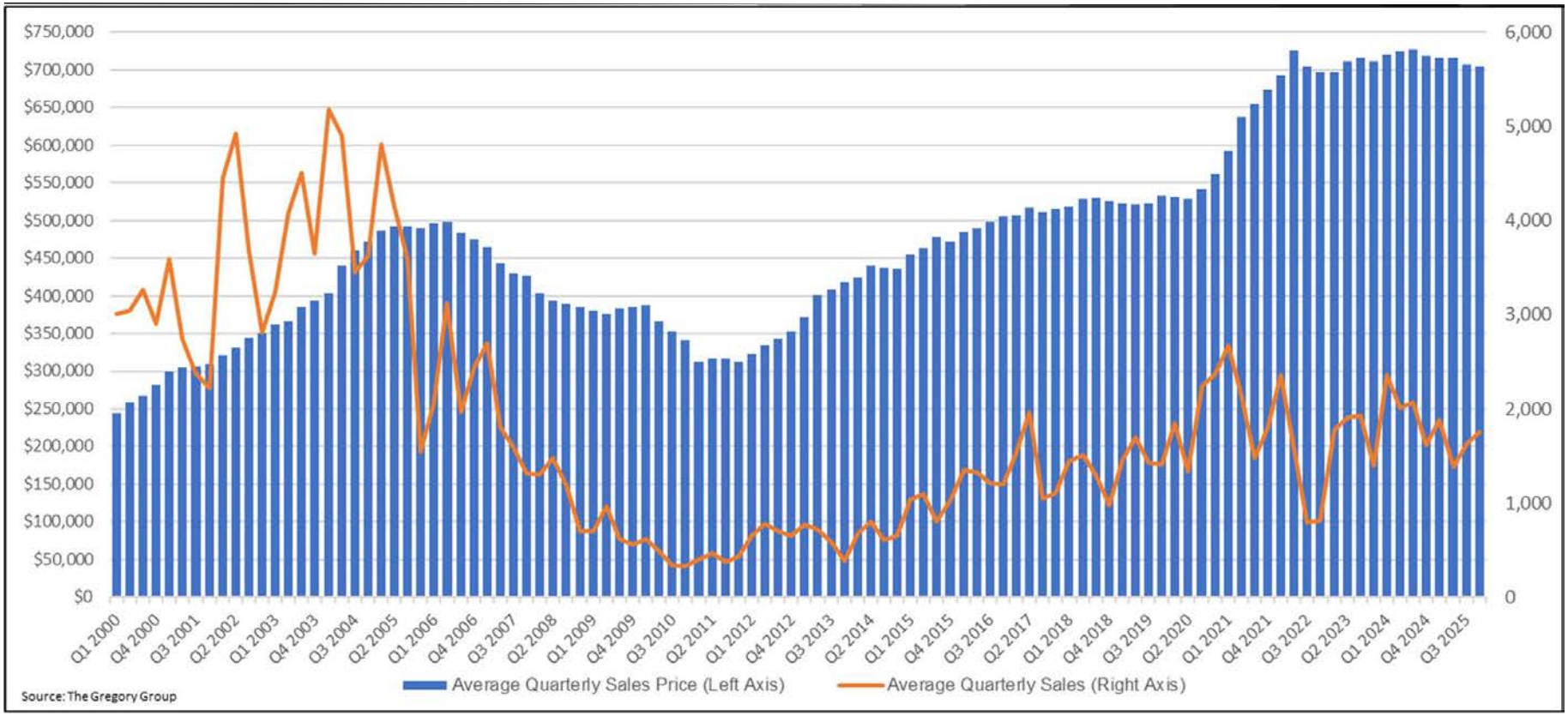
New-home sales declined 17.1% in 2025, totaling 6,665 transactions, but are projected to rebound by 3.5% in 2026 to approximately 6,898 sales. Between 2017 and 2024, new-home sales averaged 6,673 units annually, which is generally consistent with the current sales pace. New-home pricing declined modestly by 2.0% in 2025 to an average of $704,948 and is forecast to increase 1.0% in 2026 to approximately $711,997. Despite this recent softening, new-home prices have risen significantly, increasing approximately 32.3% between 2019 (pre-pandemic) and 2025. While elevated mortgage interest rates have been a primary driver of the recent slowdown, concerns regarding job stability and broader economic uncertainty have also influenced buyer activity. As market conditions stabilize, 2026 is expected to represent a transition toward a stronger and more active new-home market in the years ahead; however, the Iran war may have material impacts on the economy and housing market.

New Housing Home Sales	Sacramento-Roseville-Arden-Arcade MSA								Two-Year Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026f
New -Home Sales	5,663	5,234	5,996	7,790	8,099	5,538	7,019	8,044	6,665	6,898
Annual Percent Change:	11.3%	-7.6%	14.6%	29.9%	4.0%	-31.6%	26.7%	14.6%	-17.1%	3.5%
New -Home Average Price	$515,562	$526,456	$532,718	$562,166	$673,800	$696,922	$711,883	$719,065	$704,948	$711,997
Annual Percent Change:	1.9%	2.1%	1.2%	5.5%	19.9%	3.4%	2.1%	1.0%	-2.0%	1.0%



New Housing Market

New Housing Sales and Pricing -- Quarterly



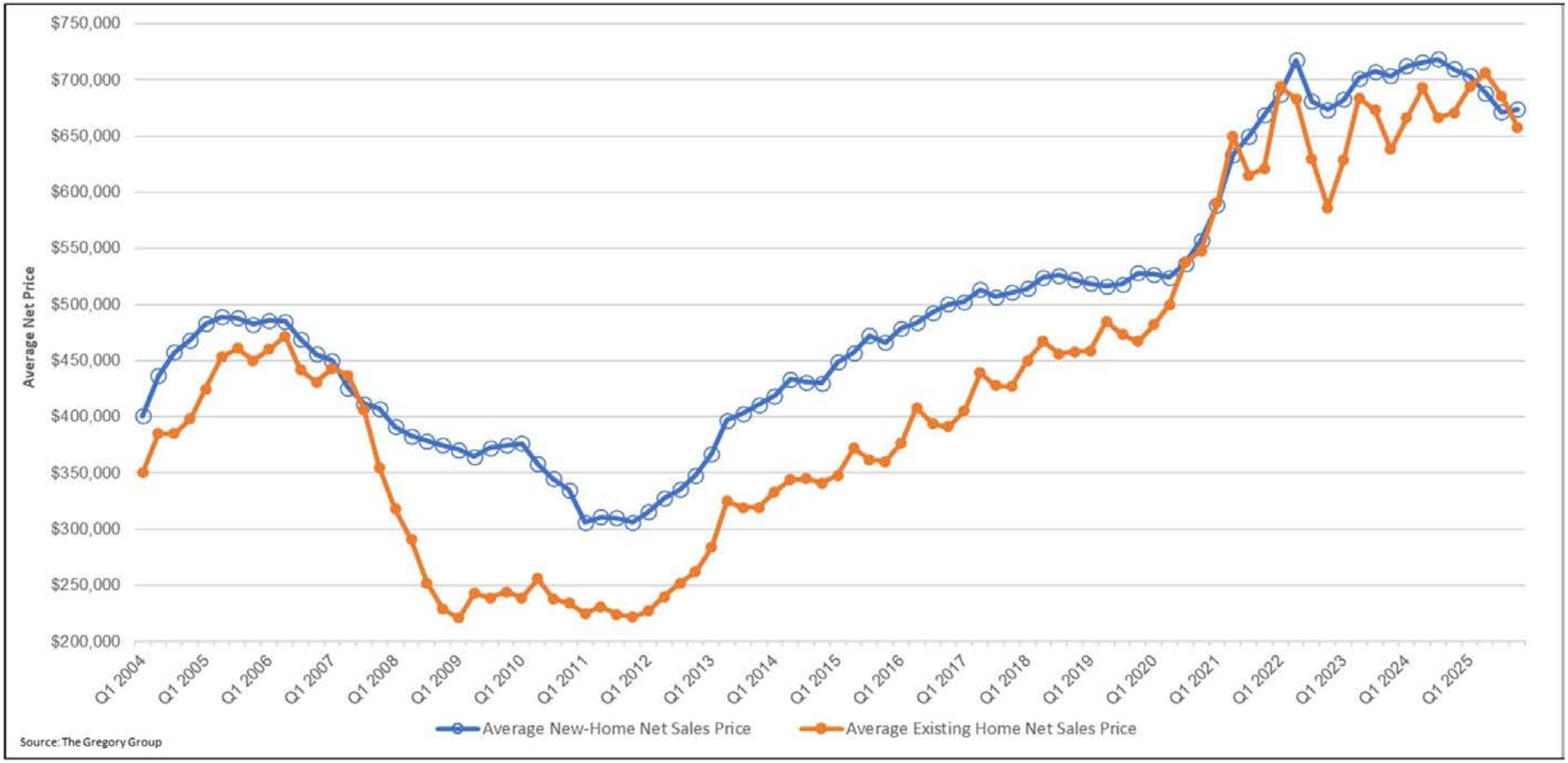
New Housing Market

New Home Capture

Year	El Dorado County Sales	Placer County Sales	Sacramento County Sales	Sutter County Sales	Yolo County Sales	Yuba County Sales	Sacramento Region Sales
2004	1,055	3,309	9,385	624	1,391	1,391	17,155
2005	580	2,609	7,718	802	1,136	1,249	14,094
2006	366	2,600	4,731	445	915	550	9,607
2007	329	2,147	3,433	299	633	575	7,416
2008	114	1,317	2,538	68	480	178	4,695
2009	118	1,112	1,196	20	244	151	2,841
2010	35	863	739	24	88	27	1,776
2011	40	663	786	16	105	58	1,668
2012	136	1,087	1,259	10	226	64	2,782
2013	166	889	1,138	0	204	61	2,458
2014	183	1,048	1,258	8	169	73	2,739
2015	351	1,503	1,793	13	199	127	3,986
2016	559	1,643	2,327	27	409	122	5,087
2017	637	1,866	2,540	92	464	54	5,663
2018	328	1,676	2,674	109	278	169	5,234
2019	259	1,592	3,220	92	505	328	5,996
2020	417	2,300	3,885	94	670	424	7,790
2021	358	2,958	3,859	102	432	390	8,099
2022	228	2,170	2,557	53	166	364	5,538
2023	271	2,571	3,351	33	434	359	7,019
2024	268	2,268	4,441	82	518	467	8,044
2025	256	2,033	3,531	94	199	552	6,665
Averages (2004 - 2025):	**321**	**1,828**	**3,107**	**141**	**448**	**352**	**6,198**

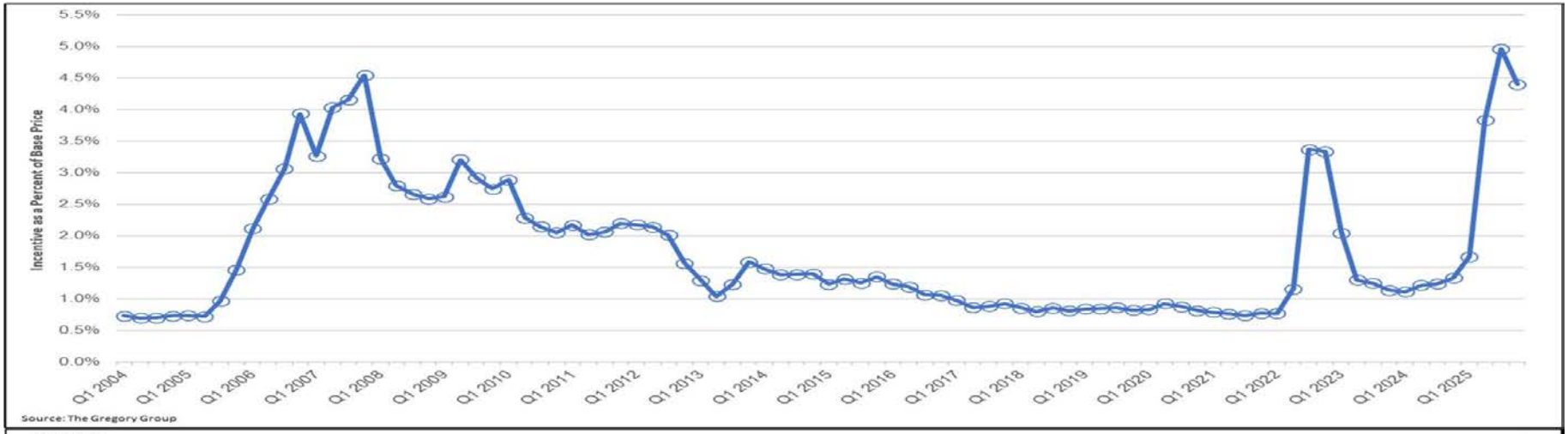
New Housing Pricing – New-Homes Versus Existing Homes

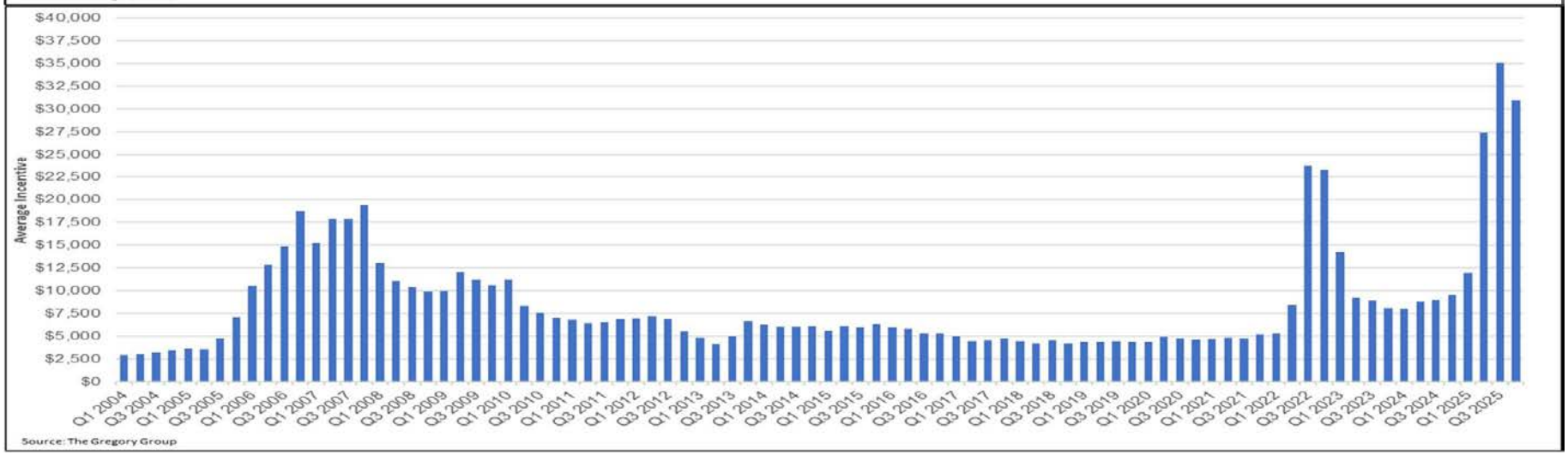
There have been several periods when the net effective price of a new home has fallen below that of an existing home. This occurred during the Great Recession, when builders rapidly reduced pricing, and again during the pandemic when both builders and homeowners competed aggressively to raise prices. More recently, during the second and third quarters of 2025, the net price of new homes (base price less incentives) once again dropped below existing home pricing. Builders have generally responded more quickly than homeowners in adjusting pricing and offering incentives. As a result, buyers are currently more likely to find competitive value in the new-home market compared to the resale market. This shift is also reflected in resale broker marketing, which increasingly directs prospective buyers toward new-home communities. This pricing dynamic is not expected to persist indefinitely. Existing home sellers will likely respond by reducing asking prices or removing homes from the market, with delisting already emerging as a notable trend in the resale market. Nevertheless, the current conditions signal a potential inflection point, suggesting that existing home pricing may soften in the future. In the interim, buyers who might typically focus on resale housing may find new homes to represent a compelling value opportunity.



New Housing – Incentives as a Percent of Base Price

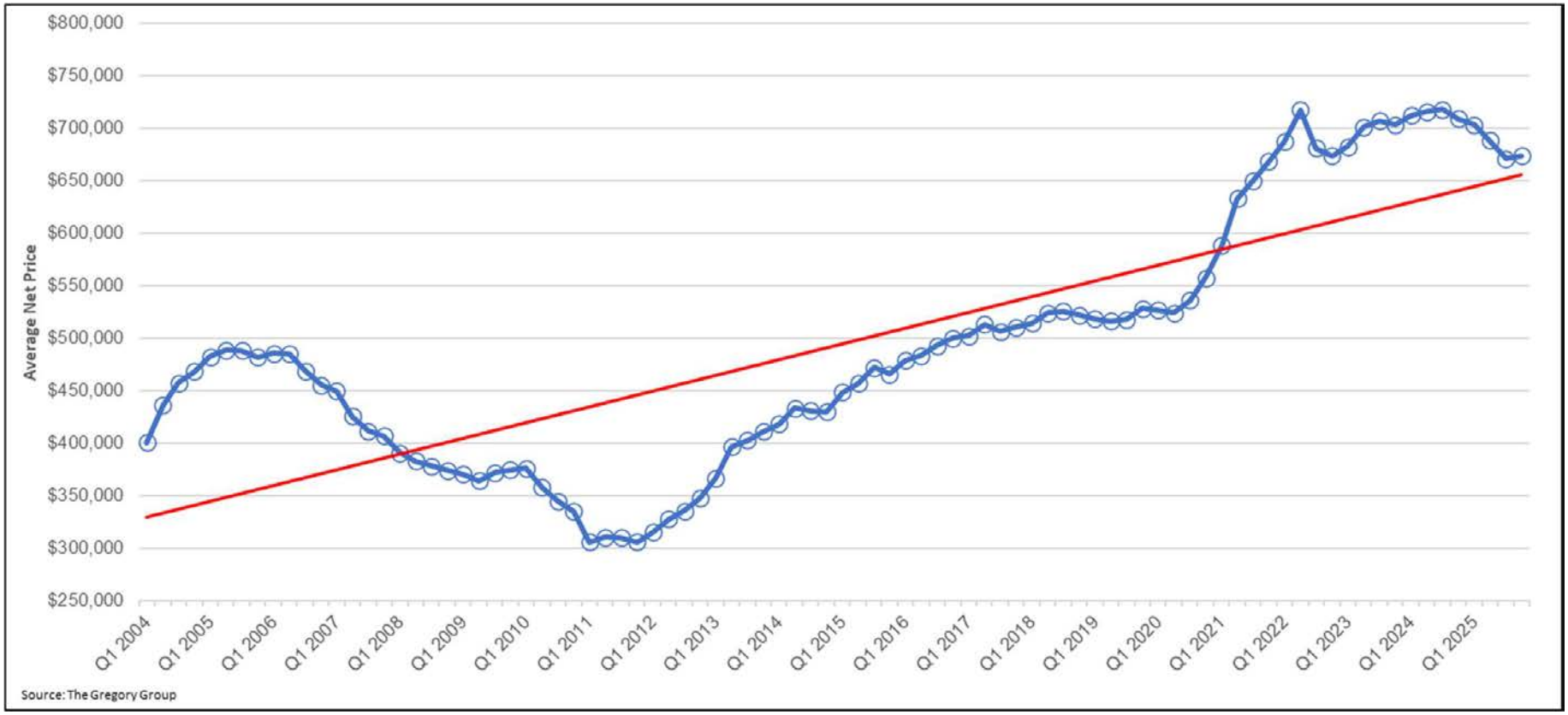
With increased use of incentives in the new-home market, the current average incentive equals approximately 4.4% of the average base price. Although this represents a slight decline from 5.0% in the previous quarter, it remains among the highest levels ever recorded and the most significant since late 2006 and 2007 during the Great Recession, when incentives averaged between 3.9% and 4.5%. Because current base prices are substantially higher than during the Great Recession, the absolute dollar value of incentives is also significantly greater. The average incentive currently totals approximately $31,021, down from $35,048 in the previous quarter (a decline of 11.5%). This compares to average incentives of $23,724 in the third quarter of 2022 and $23,255 in the fourth quarter of 2022, when mortgage interest rates rose sharply in response to inflation.





New Housing – Historical Average New Net Price

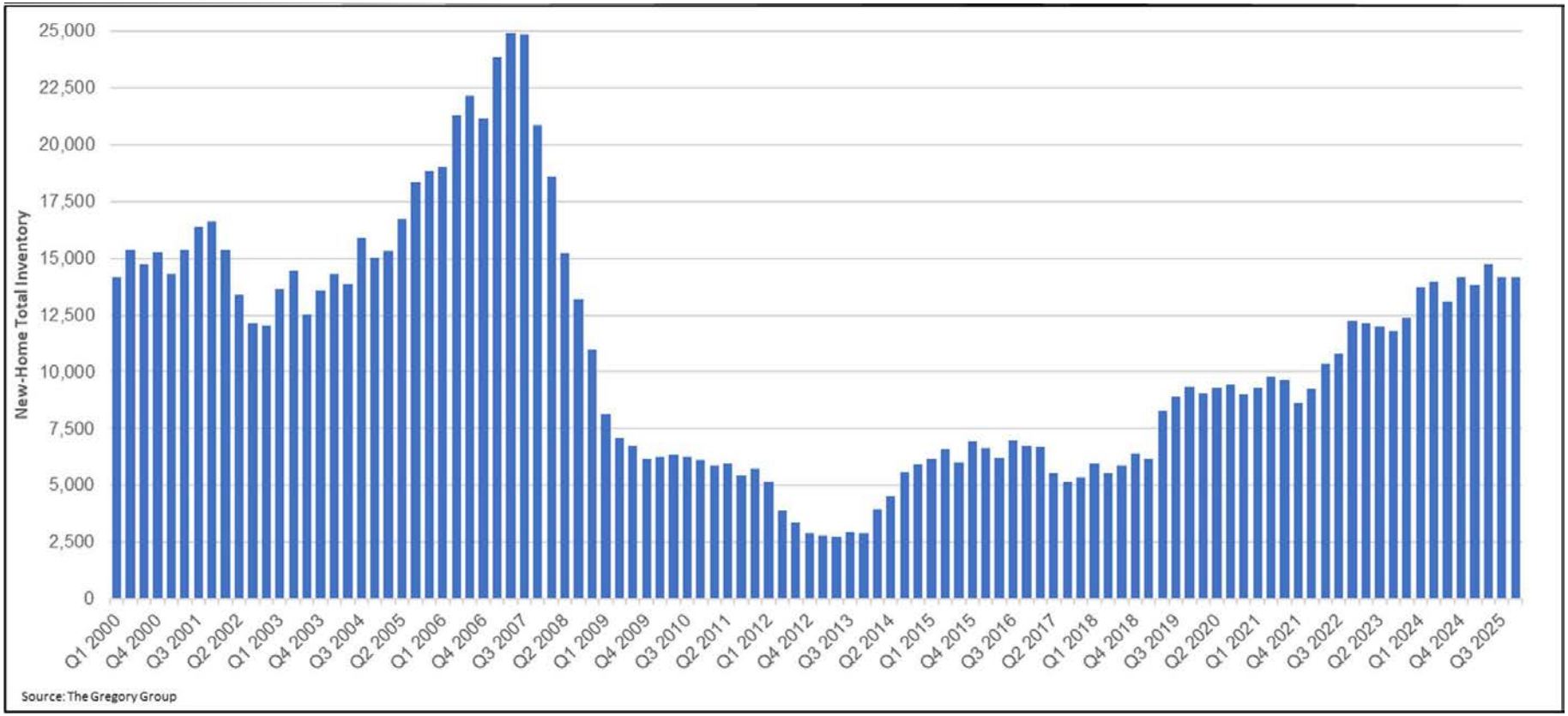
Net pricing in the Sacramento Region has declined since the fourth quarter of 2024 in response to slowing sales activity. Since reaching a recent peak in the third quarter of 2024, the net price has fallen by approximately 6.2%, reflecting a 3.1% reduction in base pricing combined with a 244.6% increase in incentives. Despite this decline, the current net price remains approximately $17,553 above the long-term trendline established since 2004. This suggests that net pricing could potentially decrease by an additional $17,553, or about 2.6%, to realign with historical market trends.



New Housing Market

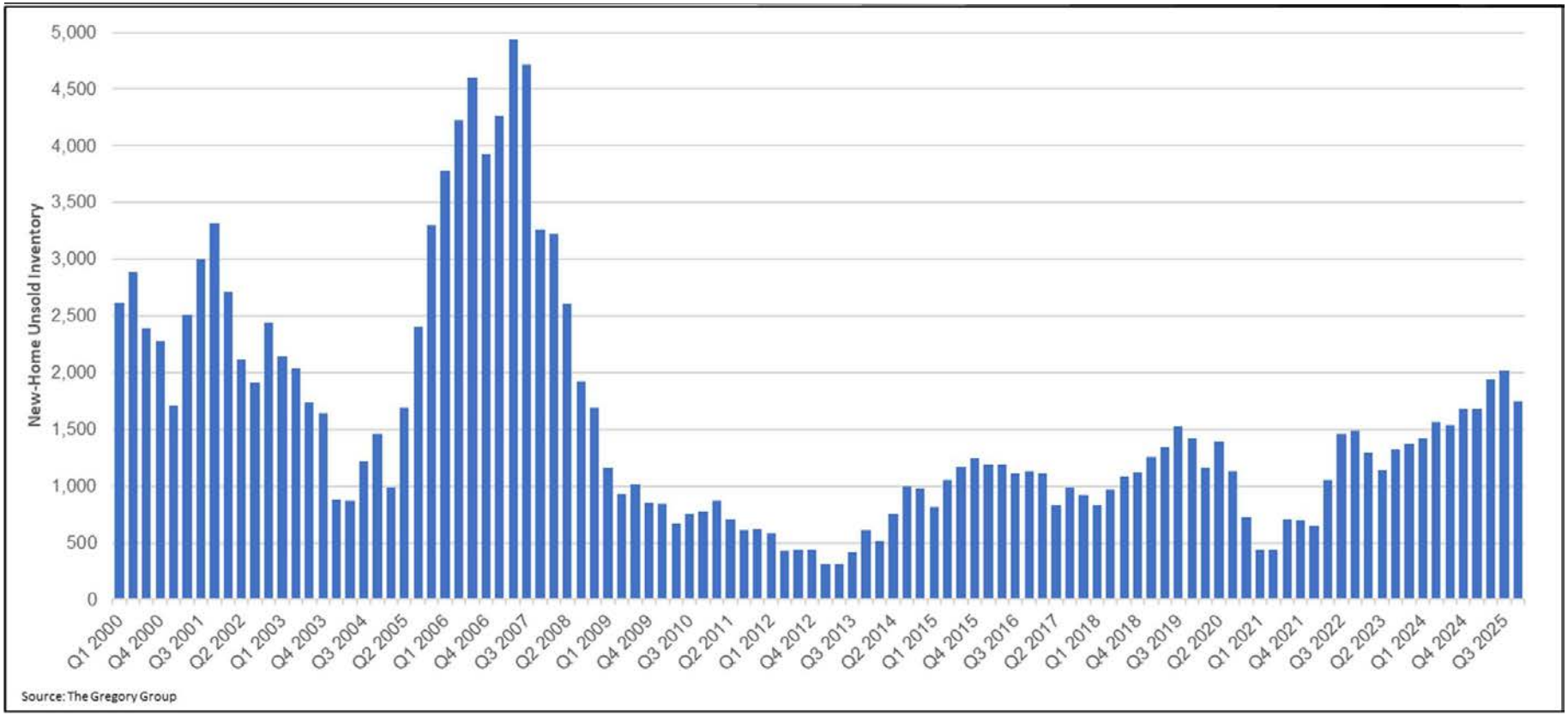
The Gregory Group

New Housing Total Inventory -- Quarterly



New Housing Market

New Housing Unsold Inventory -- Quarterly

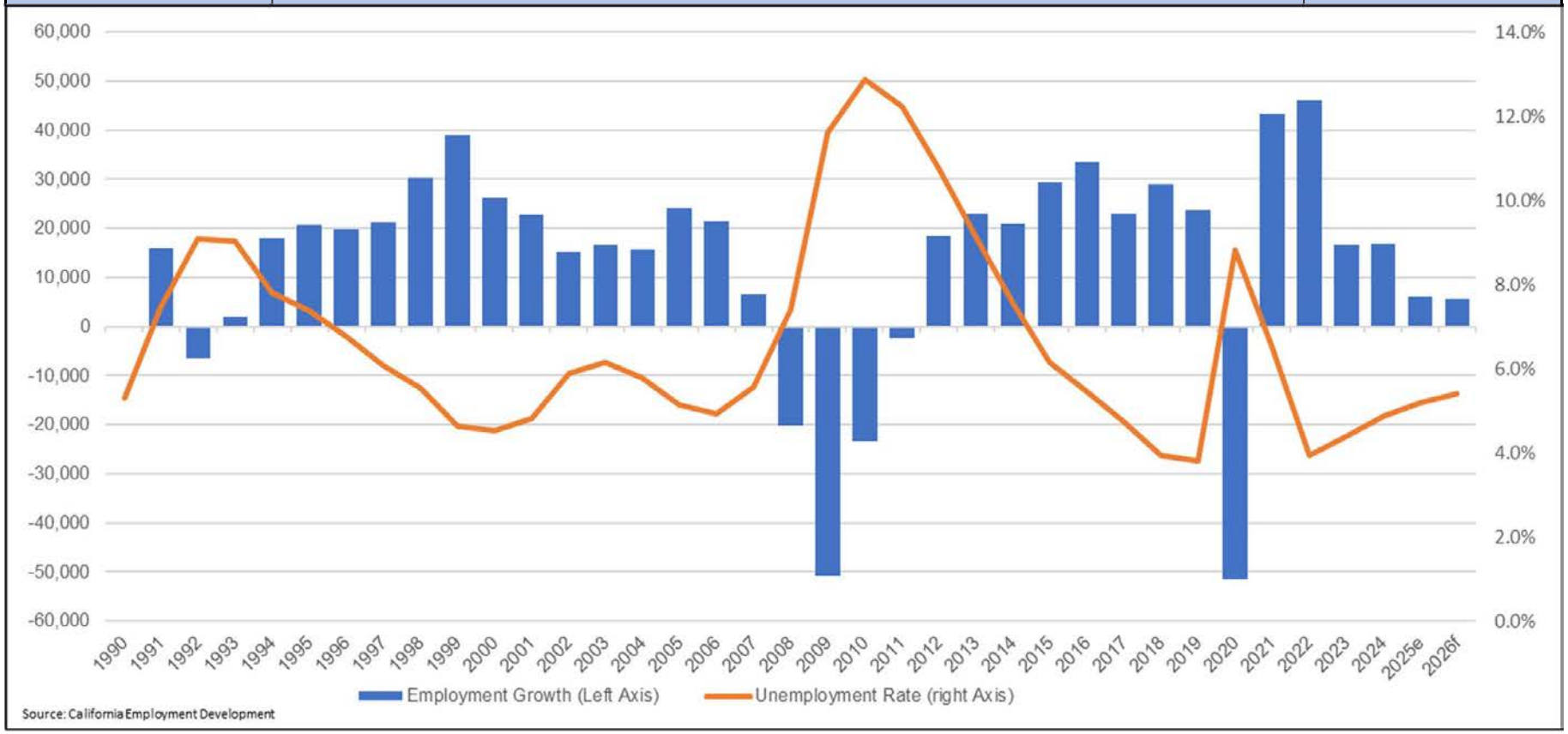


Economics and Demographics

Sacramento Region

Job growth has slowed considerably, with an estimated 6,000 positions added in 2025 compared to 16,800 in 2024, and a projected 5,730 jobs anticipated in 2026, representing annual growth rates of 1.5%, 0.5%, and 0.5%, respectively. At the same time, the unemployment rate increased to 5.2% in 2025 from 4.9% in 2024 and is forecast to rise to 5.4% in 2026. Persistent economic uncertainty and elevated interest rates continue to weigh on the financial outlook. Mortgage rates, which are expected to remain near six percent or above due in part to federal debt pressures, may temper near-term activity; however, productivity-driven economic expansion could support stronger growth prospects beginning in 2026 and beyond.

Employment History and Forecast	Sacramento-Roseville-Arden-Arcade MSA/Yuba City MSA								Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026f
Non-Farm Employment:	1,016,200	1,045,200	1,068,800	1,017,200	1,060,500	1,106,700	1,123,200	1,140,000	1,146,000	1,151,730
Change From Prior Year:	23,000	29,000	23,600	-51,600	43,300	46,200	16,500	16,800	6,000	5,730
Annual Percent Change:	2.3%	2.9%	2.3%	-4.8%	4.3%	4.4%	1.5%	1.5%	0.5%	0.5%
Unemployment Rate	4.7%	3.9%	3.8%	8.8%	6.5%	3.9%	4.4%	4.9%	5.2%	5.4%

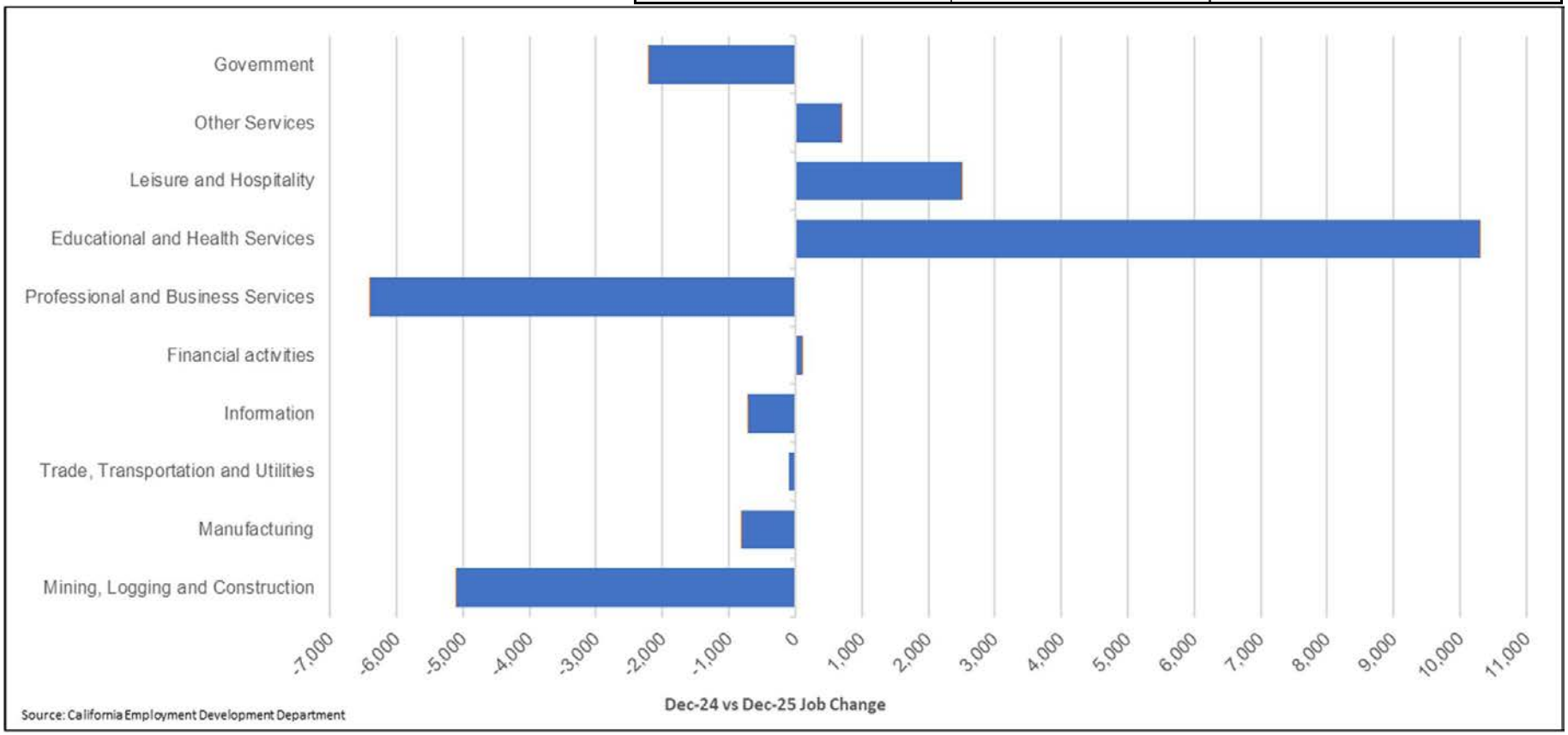


Source: California Employment Development

Employment by Sector

Reflecting the slowdown in overall job growth, six of the ten major employment sectors reported year-over-year job losses, while four sectors expanded. Professional and Business Services experienced the largest decline, losing 6,400 jobs (down 4.6%), followed by Mining, Logging, and Construction, which fell by 5,100 jobs (down 6.5%). Offsetting some of these losses, Education and Health Services recorded the strongest growth, adding 10,300 jobs (up 4.8%), followed by Leisure and Hospitality, which increased by 2,500 jobs (up 2.1%). Overall, jobs increased by 6,000 in 2025.

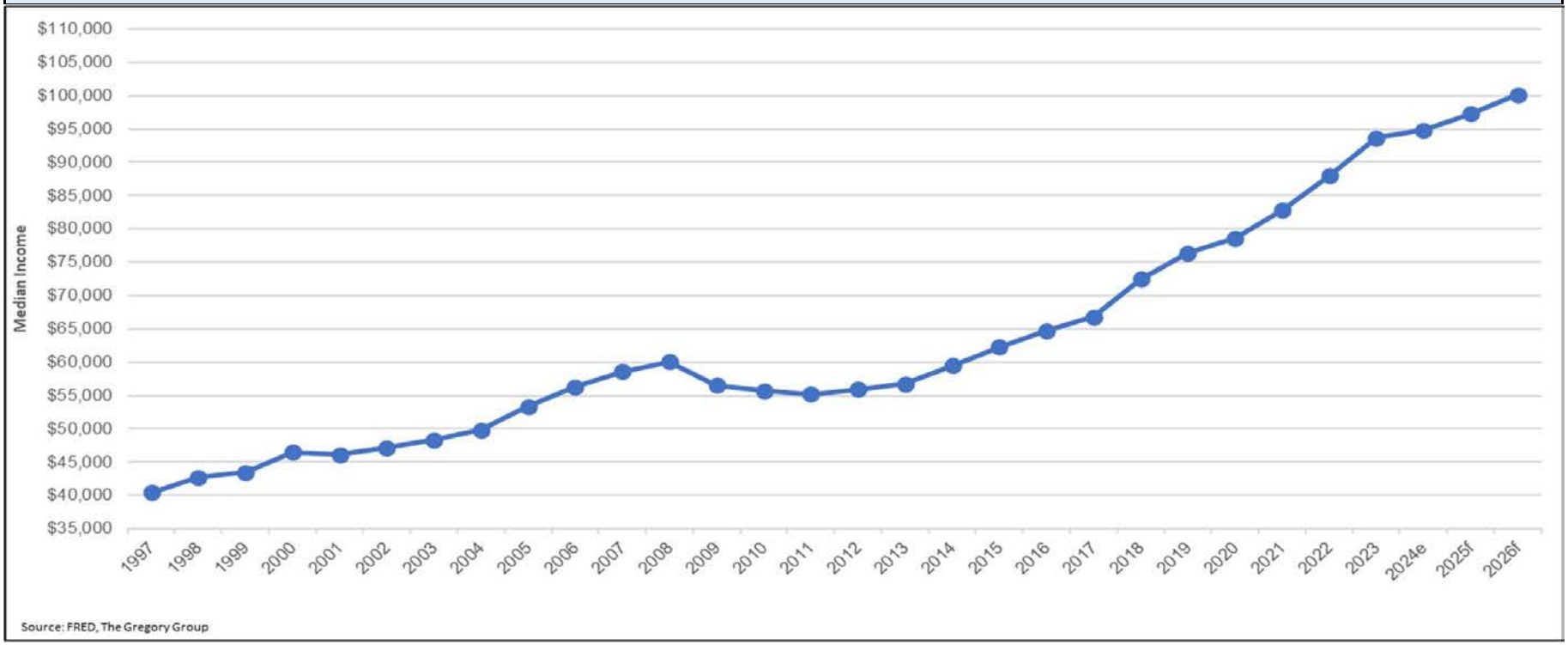
Employment Category	Sacramento-Roseville-Arden-Arcade MSA/Yuba City MSA			
	Dec-24	Dec-25	Number Change	Percent Change
Mining, Logging and Construction	78,000	72,900	-5,100	-6.5%
Manufacturing	42,400	41,600	-800	-1.9%
Trade, Transportation and Utilities	185,600	185,500	-100	-0.1%
Information	9,600	8,900	-700	-7.3%
Financial activities	48,000	48,100	100	0.2%
Professional and Business Services	138,200	131,800	-6,400	-4.6%
Educational and Health Services	216,300	226,600	10,300	4.8%
Leisure and Hospitality	117,100	119,600	2,500	2.1%
Other Services	39,700	40,400	700	1.8%
Government	280,400	278,200	-2,200	-0.8%



Median Income

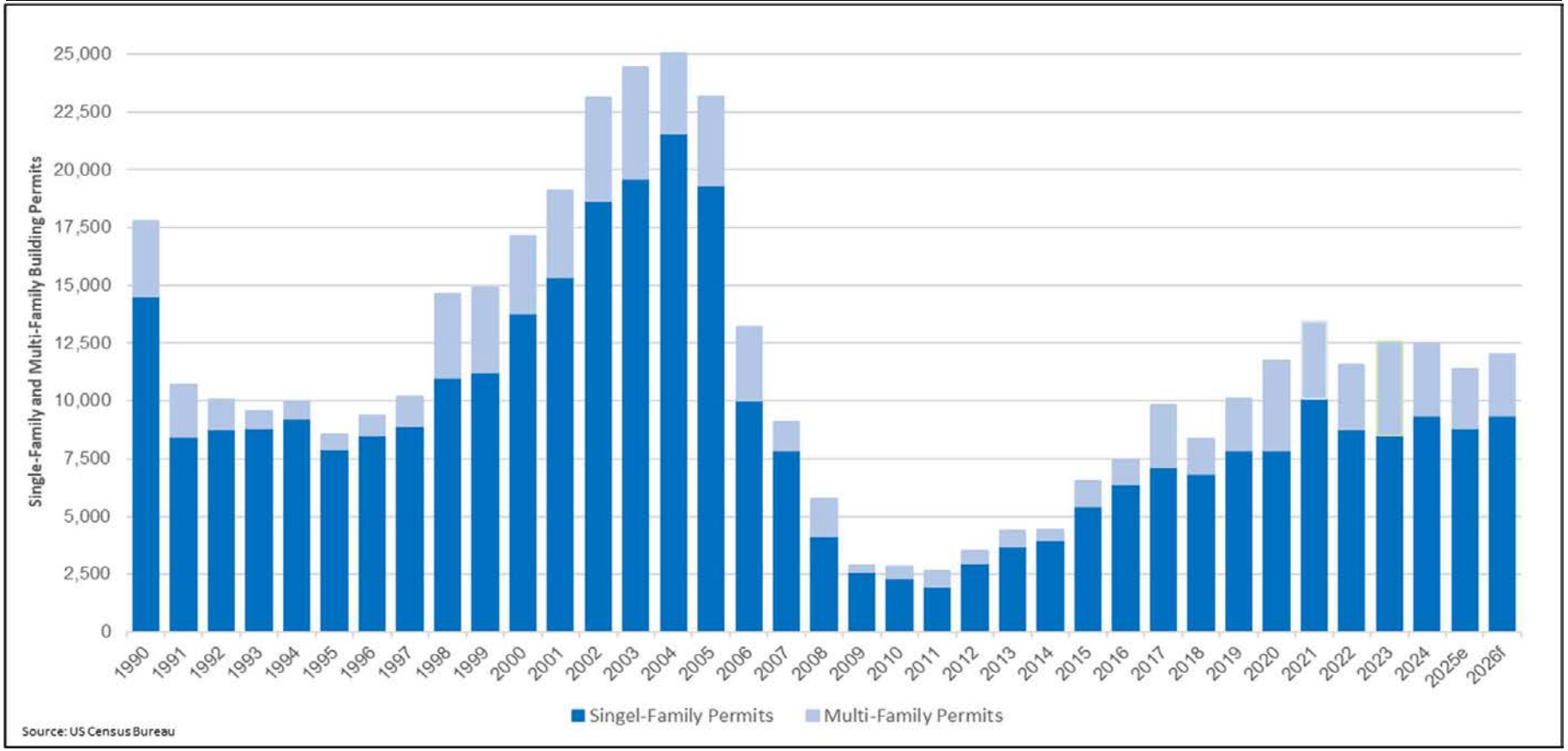
Median household income rose by 6.25% in 2022 and 6.44% in 2023 but slowed to 1.28% growth in 2024. Income gains are projected to moderate to 2.55% in 2025, with a slight acceleration to 3.00% anticipated in 2026. While a strong labor market supported wage growth in recent years, elevated interest rates and economic uncertainty have led to reduced employment expansion and more measured wage increases. As economic growth moderates, income growth is expected to remain comparatively restrained.

Median Income/ County	Sacramento-Roseville-Arden-Arcade MSA									
	2017	2018	2019	2020	2021	2022	2023	2024e	2025f	2026f
El Dorado County	$78,464	$81,869	$86,202	$87,792	$87,689	$104,859	$107,063	$108,411	$111,154	$114,489
Placer County	$81,366	$89,175	$97,688	$100,662	$103,588	$106,114	$110,020	$111,406	$114,224	$117,651
Sacramento County	$62,959	$69,475	$71,891	$72,953	$79,611	$83,985	$89,984	$91,117	$93,423	$96,225
Sutter County	$54,102	$57,879	$60,910	$65,791	$63,246	$66,071	$71,968	$72,874	$74,718	$76,960
Yolo County	$64,900	$67,804	$70,951	$80,668	$76,247	$82,359	$91,192	$92,341	$94,677	$97,517
Yuba County	$53,822	$47,504	$56,607	$56,278	$60,764	$63,626	$71,493	$72,393	$74,225	$76,452
Estimated Region Median Income	$66,767	$72,492	$76,353	$78,592	$82,798	$87,975	$93,638	$94,834	$97,256	$100,177
Annual Percent Change	3.18%	8.57%	5.33%	2.93%	5.35%	6.25%	6.44%	1.28%	2.55%	3.00%



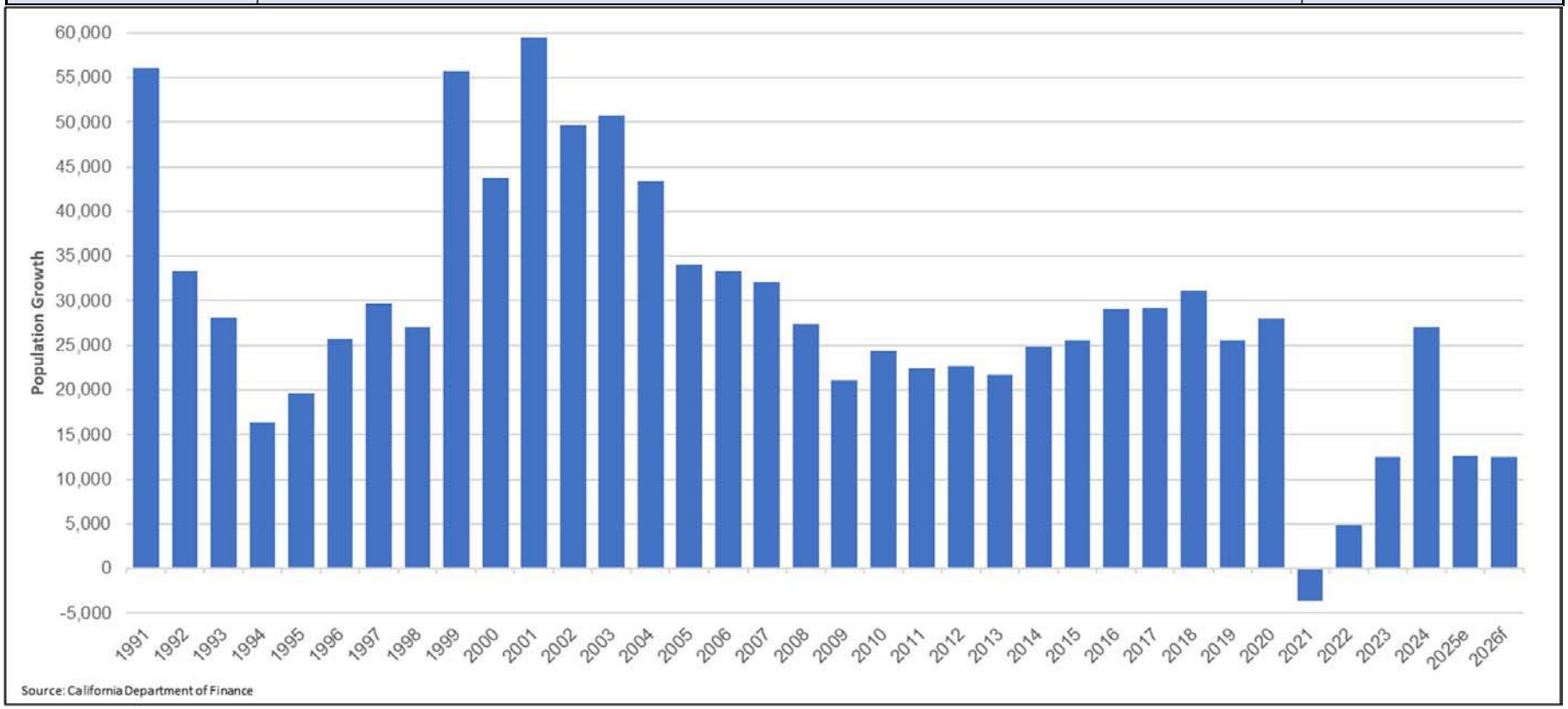
Building permit activity has remained elevated since the onset of the pandemic in 2020, supported by heightened housing demand. Total permits are estimated at 11,390 in 2025, reflecting an 8.8% year-over-year decline; however, these figures remain preliminary due to impacts from the government shutdown. As the housing market normalizes, with improving inventory levels, more stable interest rates, and continued economic expansion, total building permits are forecast to increase to approximately 12,016 in 2026, representing a 5.5% increase.

Building Permits	Sacramento-Roseville-Arden-Arcade MSA								Two-Year Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026f
Single-Family Permits	7,114	6,863	7,838	7,855	10,115	8,762	8,520	9,388	8,797	9,368
Multi-Family Permits	2,692	1,486	2,271	3,895	3,300	2,776	4,030	3,098	2,593	2,648
Total Permits	9,806	8,349	10,109	11,750	13,415	11,538	12,550	12,486	11,390	12,016
Annual Percent Change:	31.4%	-14.9%	21.1%	16.2%	14.2%	-14.0%	8.8%	-0.5%	-8.8%	5.5%



Post-pandemic population growth in the Sacramento Region has trailed historical averages, largely due to increased net outmigration from both the region and California overall. Population growth totaled 4,918 residents in 2022, followed by stronger gains in 2023 and 2024 of 12,532 and 26,979 residents, respectively. Growth persisted in 2025, though at a moderated pace, with an increase of 12,642 residents (0.5%), and is projected to total approximately 12,514 residents in 2026 (0.5%). Although births continue to outpace deaths, broader demographic shifts indicate that immigration levels are unlikely to generate substantial population acceleration in the near term. Longer-term population growth will likely be supported by the Sacramento Region's comparative affordability, livability, and housing supply, which continue to attract migration from higher-cost markets such as the Bay Area, Southern California, and other states.

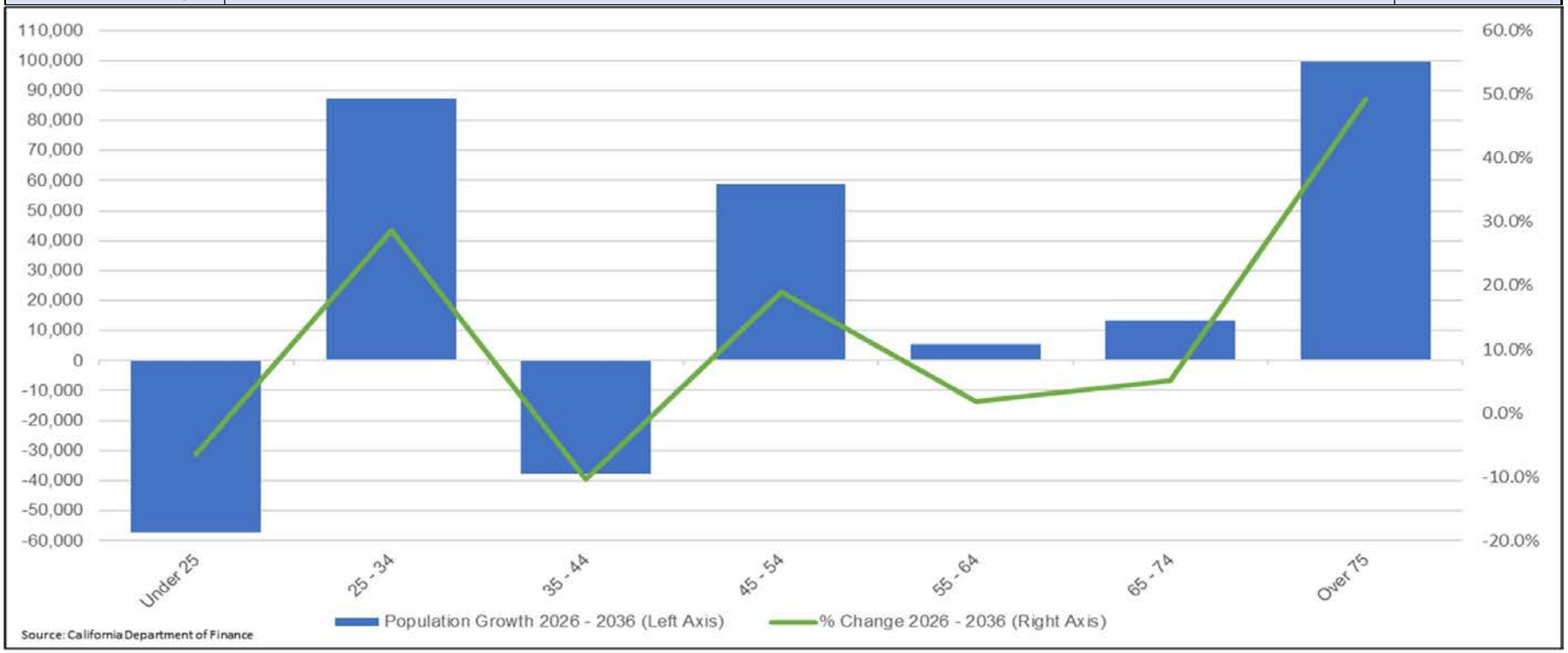
Population History and Forecast	Sacramento-Roseville-Arden-Arcade MSA/Yuba City MSA								Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026f
Population:	2,501,114	2,532,318	2,557,863	2,585,867	2,582,230	2,587,148	2,599,680	2,626,659	2,639,301	2,651,815
Change From Prior Year:	29,243	31,204	25,545	28,004	-3,637	4,918	12,532	26,979	12,642	12,514
Annual Percent Change:	1.2%	1.2%	1.0%	1.1%	-0.1%	0.2%	0.5%	1.0%	0.5%	0.5%



Population Change -- By Age and Over Time

Ten-year population projections by age cohort indicate notable growth in the 75-and-over age group, reflecting the aging of the Baby Boomer generation and increasing demand for downsizing opportunities, including smaller lot homes and single-level living. Concurrently, expanding Millennial and Gen Z populations are expected to drive demand as they enter prime homebuying years, supporting both first-time and move-up housing segments. Development that targets these entry-level and downsizing housing opportunities is expected to remain well positioned to capture future demand. By comparison, population growth is projected to be more moderate among individuals under age 25, those aged 35 to 44, and those aged 55 to 64, although growth within the 45 to 54 age cohort—commonly associated with move-up housing—has proven stronger than previously forecast.

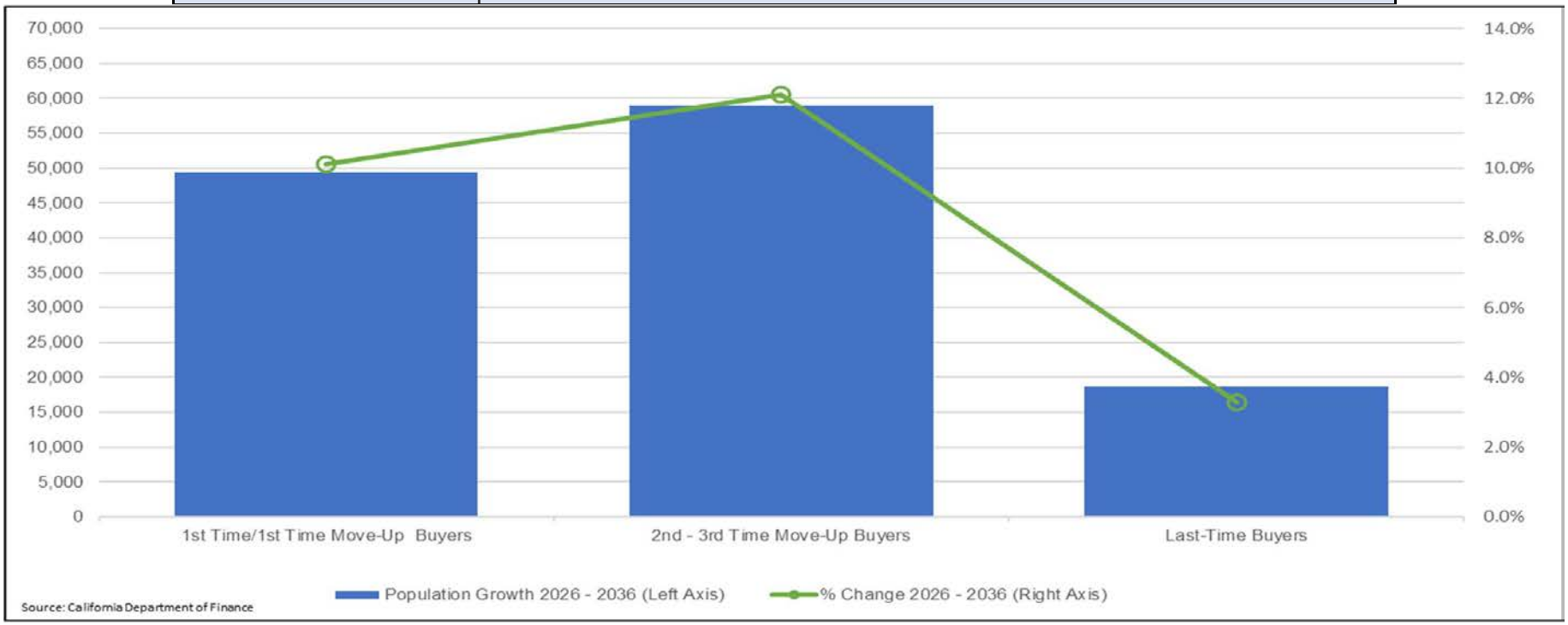
Population Growth by Age Range	Sacramento-Roseville-Arden-Arcade MSA/Yuba City MSA -- Age Distribution							
	0 - 24 Years	25 - 34 Years	35 - 44 Years	45 - 54 Years	55 - 64 Years	65 - 74 Years	75+ Years	Median Age (Est.)
Population (2026):	876,106	303,922	361,891	309,628	301,036	267,621	201,715	35.7
Distribution	33.4%	11.6%	13.8%	11.8%	11.5%	10.2%	7.7%	--
Population (2036):	818,890	391,079	324,132	368,546	306,335	281,053	301,172	--
Distribution	29.3%	14.0%	11.6%	13.2%	11.0%	10.1%	10.8%	--
Change From Prior Decade:	-57,216	87,157	-37,759	58,918	5,299	13,432	99,457	--
Decade Percent Change:	-6.5%	28.7%	-10.4%	19.0%	1.8%	5.0%	49.3%	--



Population Change -- By Buyer Category and Over Time

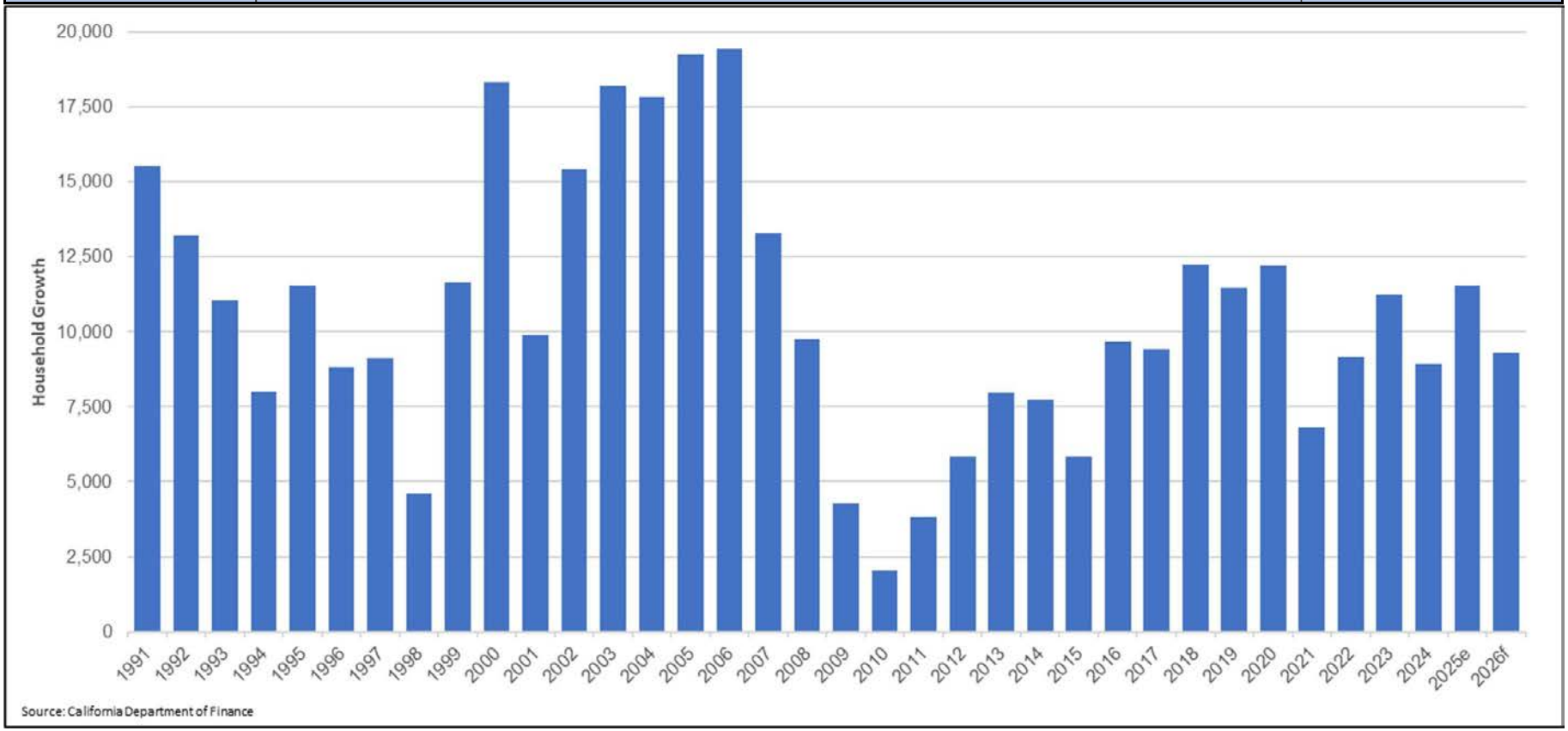
Buyer demand was also analyzed by generational cohort and housing stage. Over the next ten years, last-time buyers are expected to be comprised of the trailing Baby Boomer population and maturing Generation X households, which represent a comparatively smaller generation between the Baby Boomers and Millennials. Second- and third-time move-up buyers are anticipated to include later Generation X and a substantial share of Millennials, while first-time and first-time move-up buyers will be largely driven by later Millennials and the emerging Generation Z population. As a growing portion of the Baby Boomer generation transitions into aging-in-place, independent living, assisted living, and memory care housing options, younger and significantly larger generational groups will continue entering prime homebuying years. Although last-time buyer growth is projected to be more moderate, this cohort is expected to remain the largest buyer segment overall.

Population Growth by Buyer Category	Sacramento Region		
	1st Time/1st Time Move-Up	2nd - 3rd Time Move-Up	Last-Time
Population (2026):	488,740	486,701	568,657
Distribution	31.7%	31.5%	36.8%
Population (2036):	538,156	545,621	587,388
Distribution	32.2%	32.6%	35.1%
Change From Prior Decade:	49,416	58,920	18,731
Decade Percent Change:	10.1%	12.1%	3.3%

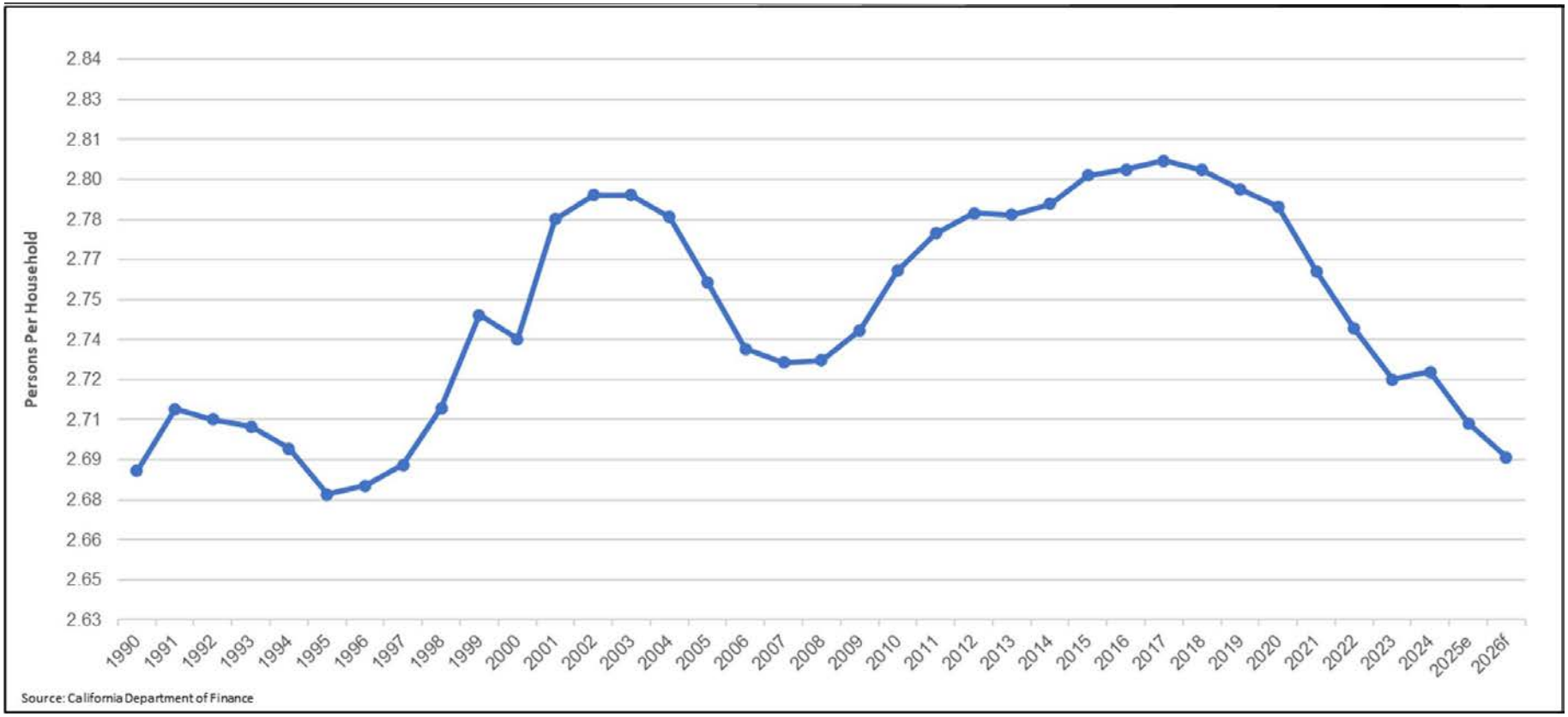


Household growth in the Sacramento Region has moderated in response to slower population expansion but remains comparatively strong. The region recorded an increase of approximately 11,540 households in 2025, representing 1.2% growth, and is projected to add 9,292 households in 2026, reflecting 1.0% growth. Household formation is a primary driver of housing demand and continued increases in households and population provide favorable conditions for the residential housing market. Concurrently, average household size is projected to decline from 2.80 persons in 2017 to 2.69 persons in 2026, influenced by declining birth rates, delayed marriage trends, and changes in immigration policy.

Households History and Forecast	Sacramento-Roseville-Arden-Arcade MSA/Yuba City MSA								Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026f
Households:	892,615	904,870	916,331	928,530	935,348	944,490	955,734	964,646	976,186	985,478
Change From Prior Year:	9,418	12,255	11,461	12,199	6,818	9,142	11,244	8,912	11,540	9,292
Annual Percent Change:	1.1%	1.4%	1.3%	1.3%	0.7%	1.0%	1.2%	0.9%	1.2%	1.0%
Persons Per Household:	2.80	2.80	2.79	2.78	2.76	2.74	2.72	2.72	2.70	2.69

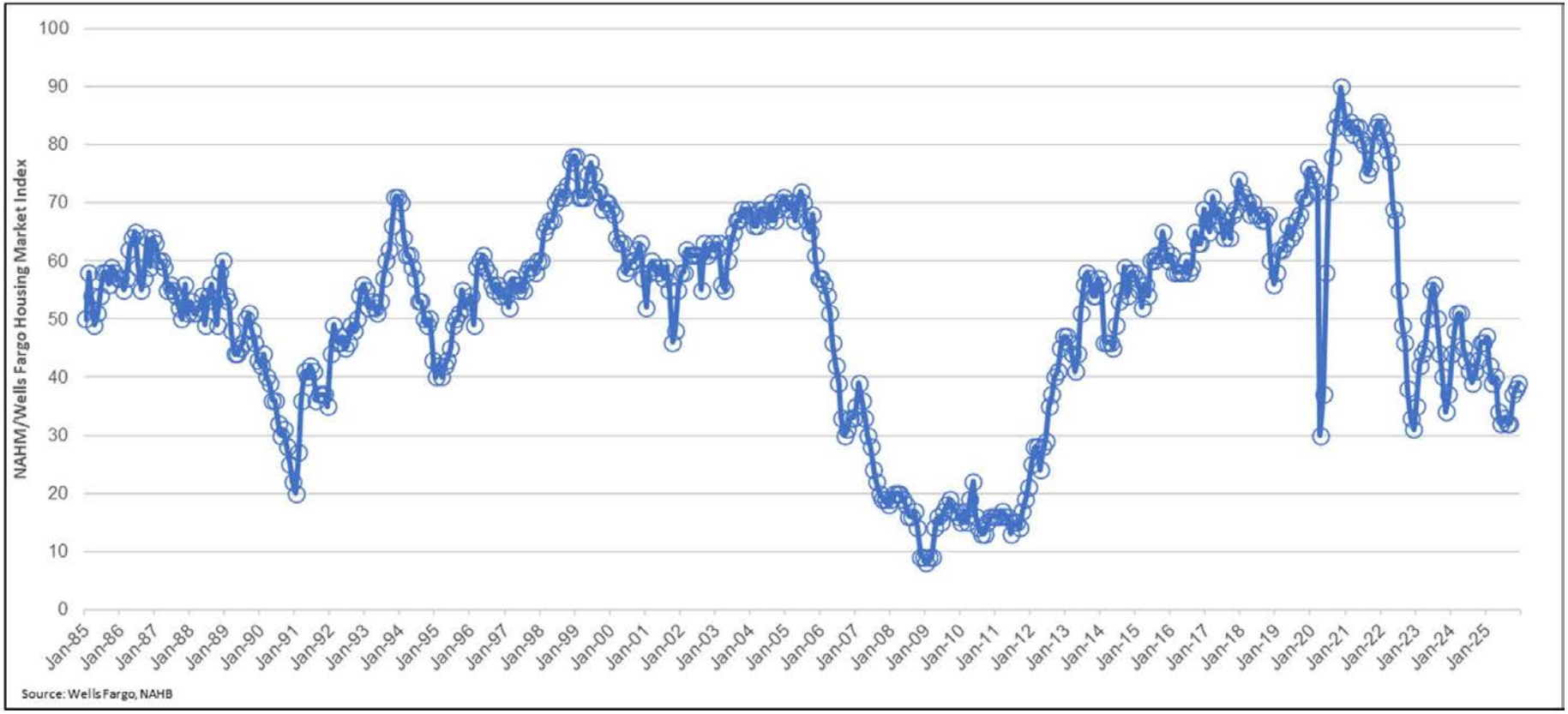


Persons Per Household



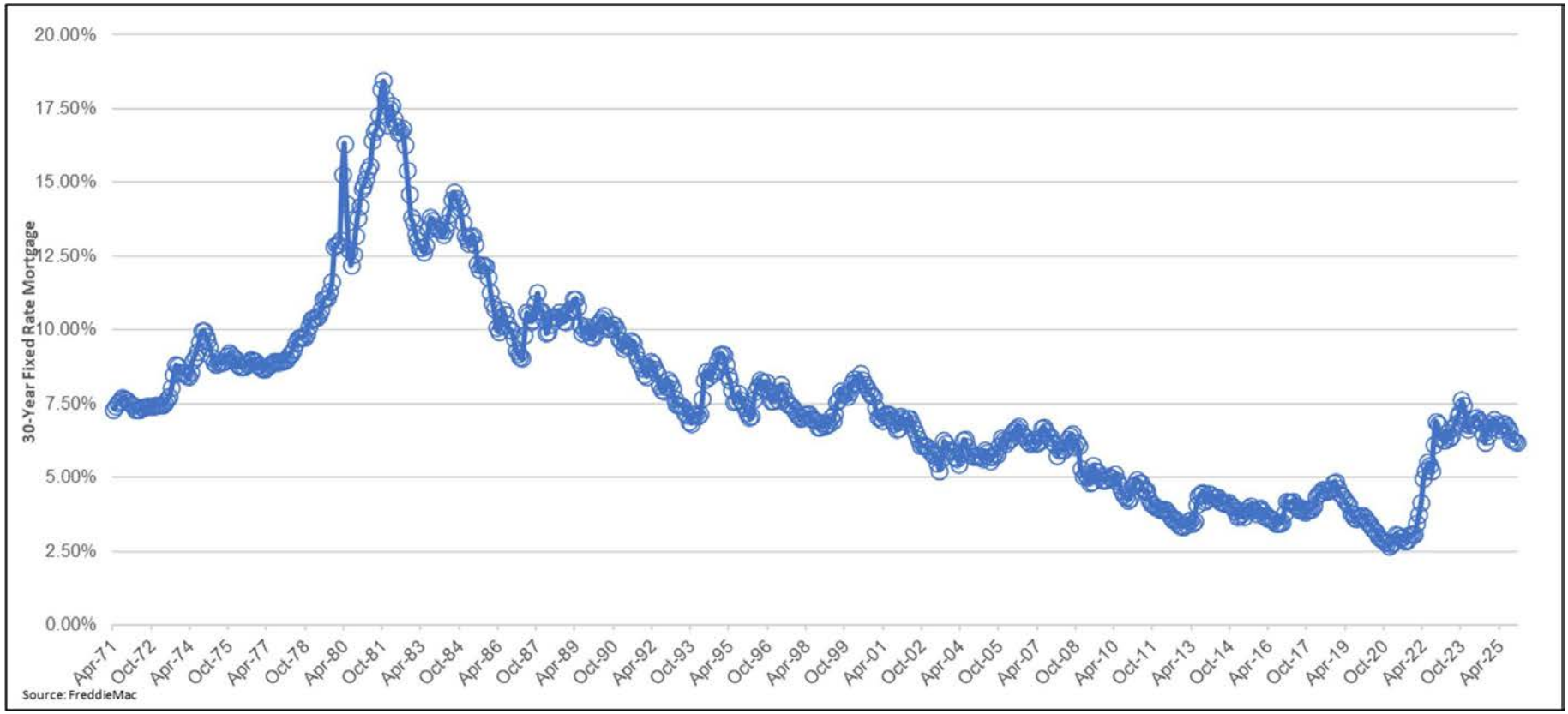
NAHB/Wells Fargo Housing Market Index

Builder optimism has rebounded from a low of 31 in December 2022 to 51 by March 2024, before falling to 39 in December 2025 amid concerns over the economy, mortgage rates, and the high costs of homeownership, including down payments, insurance, and taxes. Entering 2026, the index has climbed from a recent low of 32 in September, reflecting optimism that the housing market will prove more resilient in the year ahead. However, the beginning of 2026 has resulted in a slight downward trend of 37 (January and February) and 38 in (March). This is still higher than the 32 last recorded in September of 2025.



Conventional 30-Year Fixed Rate Mortgage Rates

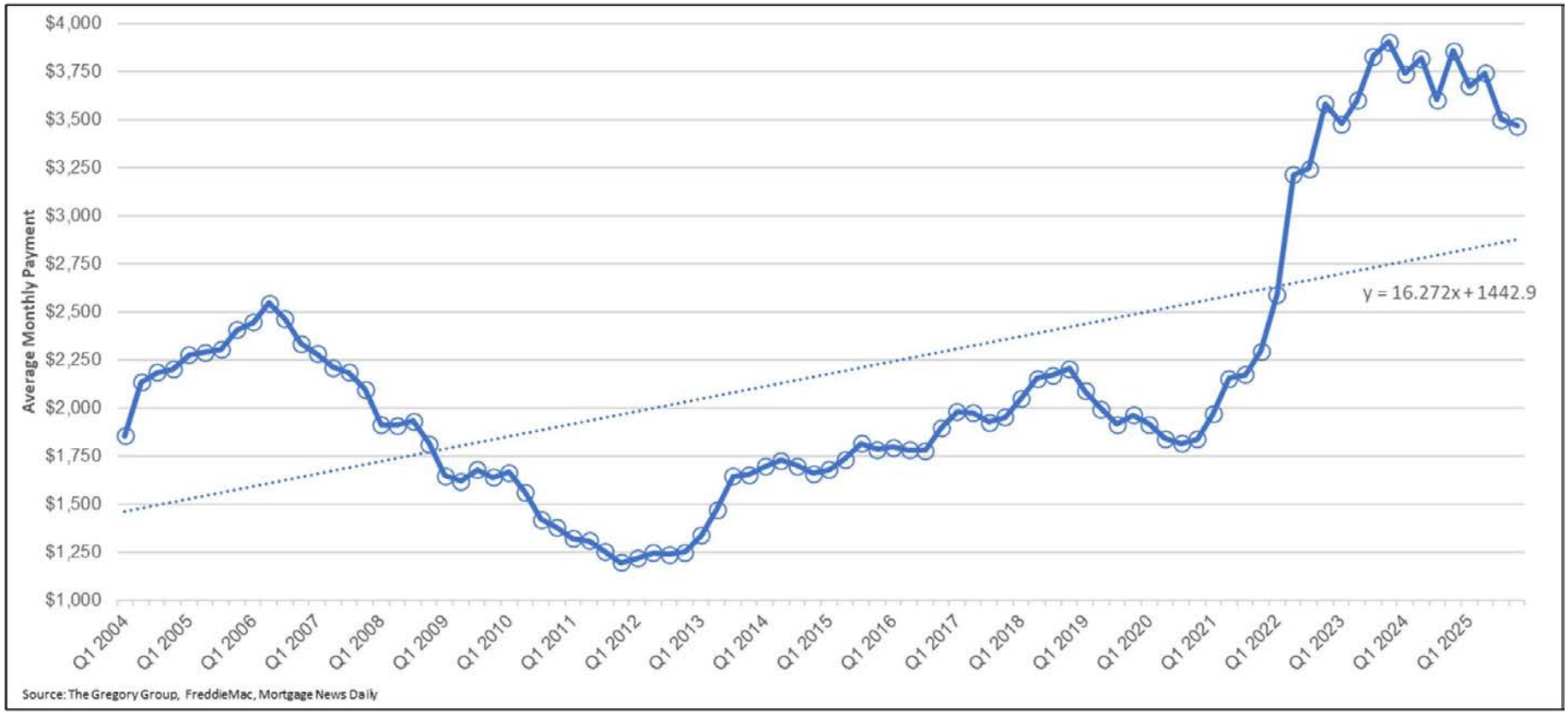
A large share of California homeowners—estimated at roughly 80%—currently hold mortgages below 5.0%, but the era of exceptionally low rates is over. With mortgage rates stabilizing in the six-percent range, home sale activity has seen a modest uptick. As of December 2025, the average rate of 6.19% has encouraged more buyers and refinancing activity, but, to-date, not enough to significantly impact overall sales or home prices. There has been little change since December, with average mortgage rates of 6.10% (January), 6.05% (February) and 6.18% (March).



New Housing Market

New Housing -- Average Monthly Principal Payment

The graph below illustrates the average monthly principal payment for a new home in the Sacramento Region, based on the average home price and a 30-year fixed-rate mortgage, alongside a visual comparison to the historical trendline. The calculation assumes a 20% down payment and includes only the principal—excluding property taxes, special assessments, insurance, or HOA fees. The data show a sharp rise in monthly principal payments, from a low of $1,814 in the third quarter of 2020 to $3,465 in the fourth quarter of 2025, representing a 91.0% increase. Over the past thirteen quarters, mortgage rates have fluctuated, staying relatively high with only minor increases or decreases. If rates were to return to the long-term trendline, the average monthly principal payment would need to drop to $2,875—a reduction of $590, or 17%.



Notes

The Sacramento MSA includes the four counties of El Dorado, Placer, Sacramento and Yolo

The Sacramento Region includes the six counties of El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba

All projections are provided by The Gregory Group

Sources include US Bureau of Economic Analysis, US Bureau of Labor Statistics, US Bureau of Census, Thomson Reuters/University of Michigan, Board of Governors of the Federal Reserve, NAHB/Wells Fargo Bank, National Association of Realtors, Zillow Real Estate Research, California Association of Realtors, Federal Reserve Bank of St. Louis, California Department of Finance, Google Maps, Sacramento County, City of Sacramento, American FactFinder, MLS (Trends), The Gregory Group

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CITY OF SACRAMENTO • GREENBRIAR COMMUNITY FACILITIES DISTRICT NO. 2018-03 (IMPROVEMENTS)
IMPROVEMENT AREA NO. 2 SPECIAL TAX BONDS, SERIES 2026

Mixed Sources
Product group from well managed forests, controlled sources and recycled wood or fibes.

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