CITY OF RANCHO CORDOVA
Community Facilities District No. 2018-2
(Community Places and Neighborhood Greens)

Annexation No. 10

UNANIMOUS APPROVAL
of Annexation to a Community Facilities District
and Related Matters

To the City Council
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 956703

Members of the City Council:

This constitutes the Unanimous Approval (the "Unanimous Approval") of TPG AG EHC III (LEN) CA 2 L.P, the record owner(s) (the "Property Owner") of the fee title to the real property identified below (the "Property") contemplated by Section 53339.3 et seq. of the Mello-Roos Community Facilities Act of 1982, as amended (the "Act") to annexation of the Property to the "City of Rancho Cordova Community Facilities District No. 2018-2 (Community Places and Neighborhood Greens) (the "CFD"), and it states as follows:

1. Property Owner. This Unanimous Approval is submitted by the Property Owner (whether one or more) identified below as or for the recorded owner(s) of the Property identified below. The Property Owner warrants to the City of Rancho Cordova (the "City") that they are such Property Owner or is legally authorized to execute this Unanimous Approval for and on behalf of such Property Owner.

2. Approval of Annexation. This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the annexation of the Property to the CFD. The CFD was formed to finance the municipal services (the "Services") described in Exhibit A hereto and made a part hereof.

3. Approval of Special Tax and the Facilities. This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the levy of special taxes (the "Special Taxes") on the Property to finance the Services, according to the Rate and Method of Apportionment of Special Taxes for the CFD attached hereto as Exhibit B and made a part hereof (the "Rate and Method"). Exhibit B describes the maximum special tax rate for the Services. This annexed property will be placed into Tax Zone A with local neighborhood greens or Tax Zone B without local neighborhood greens for purposes of computation of the Special Tax.

4. Approval of the Appropriations Limit. This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the appropriations limit established for the CFD.

5. **Waivers and Vote**. The Property Owner hereby confirms that this Unanimous Approval constitutes its approval and unanimous vote as described herein and as contemplated by Section 53339.3 et seq. of the Act and Article XIIIA of the California Constitution. The Property Owner hereby waives all other rights with respect to the annexation of the Property, the levy of the Special Taxes on the Property and the other matters covered in this Unanimous Approval.

6. **Recordation of Amendment to Notice of Special Tax Lien.** The Notice of Special Tax Lien for the CFD was heretofore recorded in the Office of the County Recorder of the County of Sacramento, State of California on September 14, 2018, recorded at Book 20180914 at Page 0535.

The Property Owner hereby authorizes and directs the City Clerk to execute and cause to be recorded in the Office of the County Recorder of the County of Sacramento an amendment to the Notice of Special Tax Lien for the CFD as required by Section 3117.5 of the California Streets and Highways Code. The amendment to the Notice of Special Tax Lien shall include the Rate and Method as an exhibit thereto.

7. **City Warranted**. The Property Owner warrants to the City that the presentation of this Unanimous Approval, any votes, consents or waivers contained herein, and other actions mandated by the City for the annexation of the Property to the CFD shall not constitute or be construed as events of default or delinquencies under any existing or proposed financing documents entered into or to be entered into by the Property Owner for the Property, including any "due-on-encumbrance" clauses under any existing security instruments secured by the Property. If requested by the City, the Property Owner agrees, at its own expense, to supply to the City, current title evidence so that the City may verify ownership for the annexation to the CFD.

8. **Due Diligence and Disclosures.** The Property Owner agrees to cooperate with the City and its attorneys and consultants and to provide all information and disclosures required by the City about the Special Taxes to purchasers of the Property or any part of it.

9. **Agreements.** The Property Owner further agrees to execute such additional or supplemental agreements as may be required by the City to provide for any of the actions and conditions described in this Unanimous Approval, including any cash deposit required to pay for the City's costs in annexing the Property to the CFD.

10. **The Property.** The Property is identified as follows:

County of Sacramento Assessor's Parcel Numbers:
067-0040-026-0000, 067-0040-017-0000, 067-0040-018-0000: The property consists of a total of 104.88 acres.

The property consists of a total of 104.88 acres.

By executing this Unanimous Approval, the Property Owner agrees to all of the above.

The Petitioner (record owner) of the Property is:

TPG AG EHC III (LEN) CA 2, L.P.,
a Delaware limited partnership

By: Essential Housing Asset Management LLC, an Arizona limited liability Company, its Authorized Agent

By: Wendy Stoeckel
Wendy Stoeckel, its Authorized Representative

Dated: July 21, 2026

The address to which the ballots for the CFD elections are to be sent:

ATTN: Jacquelyn Trommer
ADDRESS: 1025 Creekside Ridge Drive Suite 240
Roseville, CA 95678

<u>EXHIBIT A</u>

CITY OF RANCHO CORDOVA
Community Facilities District No. 2018-2
(Community Places and Neighborhood Greens)

LIST OF FACILITIES AND SERVICES AUTHORIZED TO BE FUNDED

The City of Rancho Cordova (the "City") is establishing Community Facilities District No. 2018-2 (Community Places and Neighborhood Greens) (the "CFD") to fund, in whole or in part, the following facilities and services (the terms "facilities" and "services" shall have the meaning as given in the Mello-Roos Community Facilities Act of 1982.

AUTHORIZED FACILITIES

The CFD is being established to fund the maintenance, operations, servicing, rehabilitation and replacement of CFD Facilities. The costs associated with the initial capital improvements required for the construction or installation of the Facilities are not included in the costs to be funded by the CFD. A general list of the Facilities to be operated, maintained and serviced by the CFD include:

1. **Community Plazas.** Community Plazas are a component of the Community Places category of City Open Space, as defined in the City's Open Space Guidelines. Community Plazas are typically located in Village and Town Centers to provide areas for congregation, socializing and community events/activities. Two Community Plazas are planned for the CFD.

   Specific amenities will be determined on a site-by-site basis. Typical amenities may include, but are not limited to, expanded public gathering space; outdoor seating and shade structures; signage and lighting; trash and recycling receptacles; bicycle parking; features of interest such as fountains, art work, engaging landscapes and other unique structures/treatments; hardscape areas; and formal landscaping in planter boxes; and general landscaping elements including trees, shrubs, grasses, vines and ground covers.

2. **Bicycle Trails.** Bicycle Trails are a component of the Green Infrastructure category of City Open Space as defined in the City's Open Space Guidelines. A system of Bicycle Trails, defined as the *Class I Bicycle Trails East of Sunrise Boulevard* in the City's Bicycle Trails Master Plan, is planned for the CFD. This system of trails will have an estimated 250,530 linear feet of bicycle trails (over 47 miles) that will be a part of the City's overall Bicycle Trail network.

   Primary trails are 16' in overall width (12' of asphalt pavement with a 2' shoulder on each side). Primary trails are typically located within a corridor of at least 50 feet in width, with larger widths up to 100 feet encouraged. Corridors of less than 50 feet in width may be accepted based on the unique opportunities and constraints within a given development project. Secondary trails feed into primary trails and provide connections to significant corridors and local trails. Secondary trails are 14' in overall width (10' of asphalt pavement with a 2' shoulder on each side) and are typically located within a corridor of at least 35 feet in width, with larger widths encouraged.

Typical amenities for Bicycle Trails may include, but are not limited to, native and/or draught tolerant plants; railings and edge protections; grade separated crossings; signage and lighting; shade trees; and trailheads where trails begin or connect to other trails. Trailheads are small open space areas that may include benches; signage and lighting; trash and recycling receptacles; maps; and other elements to assist trail users.

3. **Neighborhood Greens.** Neighborhood Greens are the most commonly occurring component of the Community Places category of City Open Space, as defined in the City's Open Space Guidelines. Neighborhood Greens are small-scale urban and suburban open spaces serving as places to meet, gather, socialize, commune with nature or otherwise participate in passive recreation activities. Neighborhood Greens are typically located in small developed and landscaped areas generally within residential neighborhoods in new development areas.

   Specific amenities will be determined on a site-by-site basis. Typical amenities may include, but are not limited to, public gathering space; multi-purpose tables, benches and shade structures; signage and lighting; trash and recycling receptacles; water fountains, barbeque areas and bicycle parking; walking paths, including those with special paving materials; landscape areas and hardscape areas; and distinguished areas with a special design feature such as tree variety or other similar amenity.

4. **Other Facilities.** In addition to the facilities described above, the following features as described in the City's Open Space Guidelines may be maintained by the CFD:

Community Places	Green Infrastructure
Neighborhood Greens	Pedestrian Trails
Town Greens	Pedestrian Paseos
Community Gardens / Rose Gardens / Display Gardens	Utility Easements
Water Resources / Streams / Ponds / Lakes	Green Streets
Community Wide Open Space Facilities	Local Residential Street Landscape Enhancement
Outdoor Amphitheaters	Enhanced Detention Basins / Drainage Ways

Additionally, Facilities may include any other facilities permitted under the Mello-Roos Community Facilities Act of 1982, including the facilities described in Section 53313.5 of the California Government Code, as amended from time to time, provided that such facilities satisfy at least one of the following criteria: 1) augment, improve or expand existing CFD

Facilities that are primarily for the benefit of the CFD; or 2) repair or rehabilitate existing CFD Facilities.

AUTHORIZED SERVICES

The CFD is being established to fund the cost of all authorized CFD Services which are to include, but are not limited to:

1. **Capital Replacement.** Capital Replacement includes any and all costs associated with repairing and replacing any of the Facilities described above.

2. **Maintenance.** Maintenance includes any and all costs associated with maintaining, operating and servicing all of the Facilities described above. This includes, but is not limited to the cost of labor, mechanical and automotive expenses, maintenance services, materials and supplies, water, electricity and other utilities, refuse collection, sewage disposal, security services or other costs incurred for the Facilities.

3. **General CFD Costs.** General Costs include any and all administrative costs associated with the CFD including, but not limited to, the costs of setting the annual levy and the collection of Special Taxes, such as county tax collection fees, consultant fees, legal fees and city staff costs.

   Additionally, Services may include any other facilities permitted under the Mello-Roos Community Facilities Act of 1982, including the facilities described in Section 53313.5 of the California Government Code, as amended from time to time, provided that such services are related to at least one of the following criteria: 1) the augmentation, improvement or expansion of existing Facilities that are primarily for the benefit of the CFD; or 2) the reparation or rehabilitation of existing Facilities.

EXHIBIT B

CITY OF RANCHO CORDOVA

Community Facilities District No. 2018-2

(Community Places and Neighborhood Greens)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax as described herein and authorized under the Mello-Roos Community Facilities Act of 1982 (the "Act") shall be applicable to parcels of land within the Community Facilities District No. 2018-2 (Community Places and Neighborhood Greens) (the "CFD") of the City of Rancho Cordova (the "City"), including any parcels of land subsequently annexed into the CFD unless a separate Rate and Method of Apportionment of Special Tax is adopted at the time of annexation. The Special Tax shall be levied and collected as determined by the City through the application of the Rate and Method of Apportionment as described below.

A. Definitions

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

"Age-Qualified Residential Parcel" means a Residential Parcel within an age-qualified community as defined in the Fair Housing Act of 1968 or the 1995 Housing for Older Persons Act including amendments to those Acts.

"Age-Qualified Multi-Family Residential Parcel" means a Multi-Family Residential Parcel that meets the criteria for an Age-Qualified Residential Parcel.

"Age-Qualified Single Family Residential Parcel" means a Single Family Residential Parcel that meets the criteria for an Age-Qualified Residential Parcel.

"Administrative Expenses" means the actual or reasonably estimated costs incurred by the City acting for and on behalf of the CFD as administrator thereof, to determine, levy and collect the Special Taxes, in responding to public inquiries regarding the Special Taxes, including salaries of City employees and a proportionate amount of the City's general administrative overhead related thereto; the fees of consultants and legal counsel providing services related to the administration of the CFD; any amounts estimated or advanced by the City or CFD for any other administrative purposes; and any other costs required to administer the CFD as determined by the City.

"Annual Special Tax" means the total Special Tax levied against a Residential Parcel in the CFD in a Fiscal Year.

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

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

"Assessor's Parcel Number" means the Assessor's Parcel Number for any Parcel based on the County Assessor's secured property tax roll as of July 1 of each Fiscal Year.

"Authorized Facilities and Services" or "Facilities and Services" means the authorized facilities, maintenance activities and/or services, and expenses that may be funded by the CFD pursuant to the Act as amended, including, without limitation, the facilities and services authorized to be funded by the CFD as set forth in the documents adopted by the City Council at the time the CFD was formed.

"Base Year" means the Fiscal Year beginning July 1, 2018 and ending June 30, 2019.

"Building Permit" means a building permit issued by the City prior to the June 30 preceding the Fiscal Year in which the Special Tax is being levied.

"Capital Replacement Reserve Fund(s)" means a fund or funds that may be maintained for the CFD to provide for the accumulation and holding of funds for long-term capital projects, asset replacement, or other large anticipated expenditures.

"CFD" or "CFD No. 2018-2" means Community Facilities District No. 2018-2 (Community Places and Neighborhood Greens) of the City of Rancho Cordova.

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

"City" means the City of Rancho Cordova.

"City Council" means the City Council of the City of Rancho Cordova, acting as legislative body of the CFD.

"County" means the County of Sacramento.

"Developed Residential Parcel" means any residential parcel for which a building permit has been issued by the City prior to the start of the current Fiscal Year.

"Dwelling Unit" means each separate residential dwelling unit that comprises an independent facility capable of conveyance or rental separate from adjacent residential dwelling units.

"Final Subdivision Map" means a subdivision of property creating residential buildable lots by recordation of a Final Subdivision Map or parcel map pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.), or recordation of a condominium plan pursuant to the California Civil Code 1352, that creates individual lots for which building permits may be issued without further subdivision and is recorded prior to June 30 preceding the Fiscal Year in which the Special Tax is being levied.

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

"**Maximum Annual Special Tax"** means the Maximum Special Tax that may be levied against a Taxable Parcel in a Fiscal Year determined in accordance with Section C and Section D.

"Maximum Special Tax Rate" means the amount shown in Section C that is used in calculating the Maximum Annual Special Tax that may be levied on a Residential Parcel based on its residential land use and the number of residential Dwelling Units on the Parcel for a Fiscal Year.

"Multi-Family Residential Parcel" means a Residential Parcel with authorized residential use to consist of two or more for-rent Dwelling Units that share common walls, including, but not limited to, apartments and Residential Property that are not for sale to an end user and are under common management.

"Operating Reserve Fund" means a fund that may be maintained for the CFD each Fiscal Year to provide necessary cash flow to pay for the operation, maintenance and servicing of the CFD Facilities, Administrative Expenses and any other allowable CFD costs through the first six months of each Fiscal Year, which is at or around the time in which the City will receive the first allocation from the County of the annual Special Tax levy.

"Other Land Use Parcel" means a Taxable Parcel that does not have authorized residential use that is verified by issuance of a Building Permit for residential use, secured assessment roll classification for residential land use and assessed valuation that includes the improved value of residential Dwelling Unit(s) by the County Assessor, Final Subdivision Map or other authorization of the City or County allowing the Parcel to be used for residential purposes.

"Proportionately" means that the ratio of the Annual Special Tax to the Maximum Annual Special Tax is equal for all Taxable Parcels levied within the CFD.

"Public Parcel" means any Parcel, in its entirety, that is or is intended to be publicly owned and is normally exempt from the levy of general ad valorem property taxes under California law, including, but not limited to, public streets, schools, parks, fire stations, police stations, and public drainage ways; public landscaping, wetlands, greenbelts, and public open space. These parcels are exempt from the levy of Special Taxes and classified as Tax-Exempt Parcels.

"Residential Parcel" means a Taxable Parcel that does have authorized residential use. A Residential Parcel is further classified as either a Single-Family Residential or a Multi-Family Residential Parcel depending on the type of residential use authorized for the Parcel. Once classified as a Residential Parcel, no Parcel shall be removed from the Residential Parcel classification unless the Building Permit or other authorization expires, is revoked, or is otherwise terminated.

"Resolution of Formation" means the City Council resolution establishing the CFD and authorizing the levy the Special Tax.

"Single-Family Residential Parcel" means a Residential Parcel with authorized residential use to consist of one Dwelling Unit that may or may not share common walls with one or more other Dwelling Unit(s), including, but not limited to, detached homes, duplexes, triplexes, townhomes, condominiums, and other Residential Parcels that are for sale to an end user and are not under common management.

"Special Tax" means any Special Tax authorized to be levied in the CFD under the Act and the Resolution of Formation.

"Special Tax Requirement" means the amount, as determined by the CFD Administrator, for any Fiscal Year to: (i) pay the costs for the operation, maintenance and services of the Authorized Facilities and Services during such Fiscal Year based upon the service levels established at the time of formation or as may be amended by the City in the future, (ii) pay Administrative Expenses associated with the Special Tax, (iii) establish or replenish the Operating Reserve Fund, (iv) establish or replenish the Capital Replacement Reserve Fund(s), (v) pay incidental expenses related to the Authorized Facilities and Services as authorized pursuant to the Act, and less (vi) any excess funds available in the Operating Reserve Fund, the Capital Replacement Reserve Fund(s), or other funds associated with the CFD as determined by the CFD Administrator.

"Tax Escalation Factor" means an annual percentage increase equal to the greater of (i) the annual average Consumer Price Index (CPI), for San Francisco-Oakland-San Jose, All Urban Consumers (CPI-U) for the prior calendar year, or (ii) three percent (3%). If the CPI listed above is no longer published, the Administrator shall select a new tax escalation factor that is reasonably comparable to the CPI that is no longer published.

"Taxable Parcel" means any Parcel that is not a Tax-Exempt Parcel.

"Tax-Exempt Parcel" means a Parcel not subject to the Special Tax. Tax-Exempt Parcels are Public Parcels (subject to the limitations set forth in Section B), or privately owned Parcels that are non-developable, such as common areas, wetlands, and open space, all of which are exempt from the levy of Special Taxes as determined by the City.

"Tax Zone" means one of two (2) mutually exclusive tax zones identified in Exhibit 1 of this Rate and Method of Apportionment, which may be updated to include new assessor's parcels or new Tax Zones added to the CFD as a result of future annexations.

"Tax Zone A" means the Tax Zone that includes parcels located in a development that has local neighborhood greens within such development that will be maintained by the City.

"Tax Zone B" means the Tax Zone that includes parcels located in a development that does not have local neighborhood greens within such development or has local neighborhood greens that will be maintained by an entity or agency other than the City.

"Total Annual Special Tax" means the total of the Annual Special Taxes levied against all Residential Parcels in the CFD in a Fiscal Year.

"Total Maximum Annual Special Tax" means the total of the Maximum Special Taxes that could be levied against all Residential Parcels in the CFD in a Fiscal Year.

"Undeveloped Residential Parcel" means any residential parcel for which a building permit has not been issued by the City prior to the start of the current Fiscal Year.

B. Data Collection for the Annual Special Tax Levy

On July 1 of each Fiscal Year, commencing with the Base Year, the Administrator shall classify the Parcels in the CFD using the Definitions in Section A, the Parcel records of the Assessor's secured property tax roll as of July 1 and other City or County development approval records as follows:

i. *Each Parcel shall be assigned to either Tax Zone A or Tax Zone B;*

ii. *Each Parcel shall be classified as a Taxable Parcel or a Tax-Exempt Parcel;*

iii. *Each Taxable Parcel shall be further classified as a Residential*

Parcel or an Other Land Use Parcel;

iv. *Each Residential Parcel for shall be classified as a Single-Family Residential Parcel or a Multi-Family Residential Parcel;*

v. *Each Residential Parcel that meets the criteria for an Age-Qualified Residential Parcel shall be further designated as either an Age-Qualified Single Family Residential Parcel or an Age-Qualified Multi-Family Residential Parcel*

If a Tax-Exempt Parcel is converted to a Taxable Parcel as a result of the sale of a Tax-Exempt Parcel to a private owner for residential development, it shall become subject to the Special Tax.

Conversely, if a Taxable Parcel is converted to a Tax-Exempt Parcel as a result of either (i) the sale of the Taxable Parcel to a public entity, and such entity is normally exempt from the levy of general ad valorem property taxes under California law or (ii) the inability of the private owner to develop the parcel as described in the definition of “Tax-Exempt Parcel,” it shall become a Tax-Exempt Parcel.

C. Maximum Special Tax Rates

The annual Maximum Special Tax Rates for Residential Parcels for Base Year 2018/19 are as follows:

Residential Land Use	Maximum Special Tax per Dwelling Unit	
	Tax Zone A	Tax Zone B
Single Family Residential	$115.84	$28.49
Active Adult Single Family Residential Parcel	$78.54	$19.32
Multi-Family Residential Parcel	$60.48	$14.88
Active Adult Multi-Family Residential Parcel	$41.01	$10.09

For each Fiscal Year following the Base Year, each of the Maximum Annual Special Tax Rates shall be increased from the prior Fiscal Year’s respective Maximum Annual Special Tax Rates by multiplying such prior Fiscal Year Maximum Special Tax Rates by the Tax Escalation Factor.

The annual Maximum Special Tax Rates for Residential Parcels for Base Year 2025/26 **CFD Zone A** are as follows:

CFD ZONE A[1]

	Maximum Special Tax Per Dwelling Unit			CFD 2018-2
Residential Use Category	Community Plazas	Bicycle Trails	Neighborhood Greens	Maximum Special Tax per Dwelling Unit[2]
Single Family Residential	$7.406	$29.099	$111.922	$148.42 per Dwelling Unit
Active Adult Single Family[3]	$5.023	$19.730	$75.872	$100.62 per Dwelling Unit
Multi-Family Residential	$3.870	$15.202	$58.426	$77.49 per Dwelling Unit
Active Adult Multi-family[3]	$2.628	$10.292	$39.612	$52.53 per Dwelling Unit

1. CFD Zone A includes all parcels within developments that include planned or installed local Neighborhood Greens.
2. Special tax rates with odd cents are rounded down by one penny to even cents when levied for collection in two equal installments.
3. Active adult single family and multi-family parcels are those parcels that are located, or are to be located, within an age-restricted community designed for people who are 55 years of age or older. See "Age Qualified Single Family" and "Age Qualified Multi-Family" in the RMA.

The annual Maximum Special Tax Rates for Residential Parcels for Base Year 2025/26 **CFD Zone B** are as follows:

CFD ZONE B[4]				
	Maximum Special Tax Per Dwelling Unit			CFD 2018-2
Residential Use Category	Community Plazas	Bicycle Trails	Neighborhood Greens	Maximum Special Tax per Dwelling Unit[2]
Single Family Residential	$7.406	$29.099	N/A	$36.50 per Dwelling Unit
Active Adult Single Family[3]	$5.023	$19.730	N/A	$24.75 per Dwelling Unit
Multi-Family Residential	$3.870	$15.202	N/A	$19.07 per Dwelling Unit
Active Adult Multi-family[3]	$2.628	$10.292	N/A	$12.91 per Dwelling Unit

1. CFD Zone A includes all parcels within developments that include planned or installed local Neighborhood Greens.
2. Special tax rates with odd cents are rounded down by one penny to even cents when levied for collection in two equal installments.

3. Active adult single family and multi-family parcels are those parcels that are located, or are to be located, within an age-restricted community designed for people who are 55 years of age or older. See "Age Qualified Single Family" and "Age Qualified Multi-Family" in the RMA.
4. CFD Zone B includes all parcels within developments that do not include planned or installed local Neighborhood Greens or has planned or installed local Neighborhood Greens that will be maintained by an entity or agency other than the City .

D. Determination of Multi-Family Residential Parcel's Maximum Annual Special Tax

When a building permit is issued for a Multi-Family Residential Parcel, the Maximum Annual Special Tax for the Parcel for which such building permit has been issued for each Fiscal Year shall be determined by multiplying the number of Dwelling Units assigned to the Parcel times the Maximum Special Tax Rate for the Parcel as determined in *Section C*.

E. Levy of the Annual Special Tax

Each year, the CFD Administrator shall levy the Annual Special Tax commencing with Fiscal Year 2018-2019, and for each Fiscal Year thereafter as follows:

i. Each Year on July 1, the CFD Administrator shall determine the Special Tax Requirement for the current Fiscal Year.

ii. The Annual Special Tax shall be levied proportionately on each Developed Residential Parcel within each Tax Zone up to 100% of the applicable Maximum Annual Special Tax, not to exceed the Special Tax Requirement for the current Fiscal Year.

iii. If additional revenue is required to equal the Special Tax Requirement for the current Fiscal Year, the Annual Special Tax shall be levied proportionately on Undeveloped Residential Parcels up to 100% of the Maximum Annual Special Tax, not to exceed the remainder of the Annual Special Tax Requirement for which a Final Subdivision Map has been approved and Authorized Facilities have been accepted for maintenance by the City.

Under no circumstances will the Annual Special Tax levied in any Fiscal Year against any Residential Parcel be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the CFD by more than 10 percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

F. Manner of Collection

The Annual Special Tax will be collected in the same manner and at the same time as ad valorem property taxes, provided, however, that the Administrator or its designee may directly bill the Annual Special Tax and may collect the Annual Special Tax at a different time, such as on a monthly or other periodic basis, or in a different manner, if necessary, to meet the City's financial obligations.

The Administrator shall prepare a listing of the amount of the of the Annual Special Tax levy for each Taxable Parcel and send it to the County Auditor-Controller requesting that it be placed on the County's secured property tax roll for that Fiscal Year.

G. Limitations

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on any Other Land Use Parcel, Public Parcel or Tax-Exempt Parcel.

H. Duration of the Special Tax

Parcels in the CFD will remain subject to the Special Tax in perpetuity, unless and until such time the City determines the revenues are no longer needed, in which case the Special Tax shall cease to be levied and City shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished. The Notice of Cessation of Special Tax shall additionally identify the book and page of the Book of Maps of Assessment and Community Facilities Districts where the map of the boundaries of the CFD is recorded.

I. Appeals

Any taxpayer who believes that the amount of the Special Tax assigned to a Parcel is in error may file a notice with the City appealing the levy of the Special Tax. The City will then promptly review the appeal, and if necessary, meet with the applicant. If the City verifies that the Special Tax should be modified or changed, the Special Tax levy shall be corrected and, if applicable, a refund or revised tax bill shall be granted for the current Fiscal Year.

Interpretations may be made by Resolution of the City Council for purposes of clarifying any vagueness or ambiguity as it relates to the Maximum Annual Special Tax Rate, the method of apportionment, the classification of properties or any definition applicable to the CFD.

J. Prepayment of the Special Tax Obligation

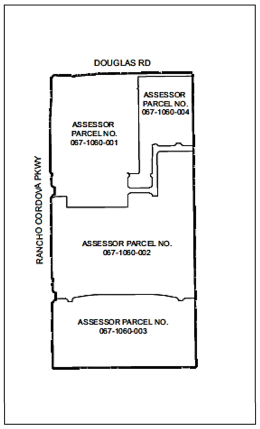
The Special Tax for a Taxable Parcel may not be prepaid. The Special Tax is collected to fund Authorized Facilities and Services in perpetuity, or until the City Council determines that the Special Tax should no longer be collected.

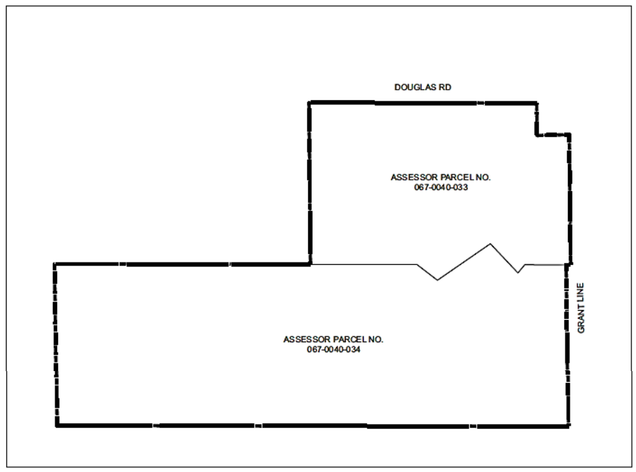
RATE AND METHOD OF APPORTIONMENT

EXHIBIT 1

TAX ZONE DESIGNATION

PROPOSED BOUNDARY OF
CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(COMMUNITY PLACES AND NEIGHBORHOOD GREENS)
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA





CLERK'S MAP STATEMENT

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF RANCHO CORDOVA THIS ______ DAY OF ____________ 2018.

____
CITY CLERK OF THE CITY OF RANCHO CORDOVA

CLERK'S MAP STATEMENT

I HEREBY CERTIFY THAT THE AREA SHOWN ON THIS MAP OF THE PROPOSED BOUNDARY OF COMMUNITY FACILITIES DISTRICT NO. 2018-2, (COMMUNITY PLACES AND NEIGHBORHOOD GREENS), CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AT A REGULARLY SCHEDULED MEETING THEREOF, HELD ON THE ____ DAY OF ____________ 2018. BY ITS RESOLUTION NO. ____________.

____
CITY CLERK OF THE CITY OF RANCHO CORDOVA

COUNTY RECORDER'S FILING STATEMENT

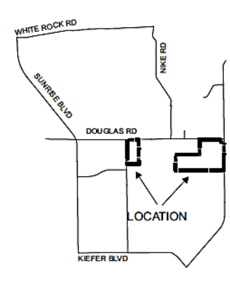
FILED THIS ______ DAY OF ______________ 2018. AT THE HOUR OF __________ O'CLOCK ____.M. IN BOOK ______ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NO. _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

DONNA ALLRED
COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, CALIFORNIA

BY: ______________________________
DEPUTY

FILE: ______________________________

VICINITY MAP



Legend
Boundary

1 " = 625 '

HARRIS & ASSOCIATES
22 EXECUTIVE PARK SUITE 200
IRVINE, CALIFORNIA 92614
800-827-4901

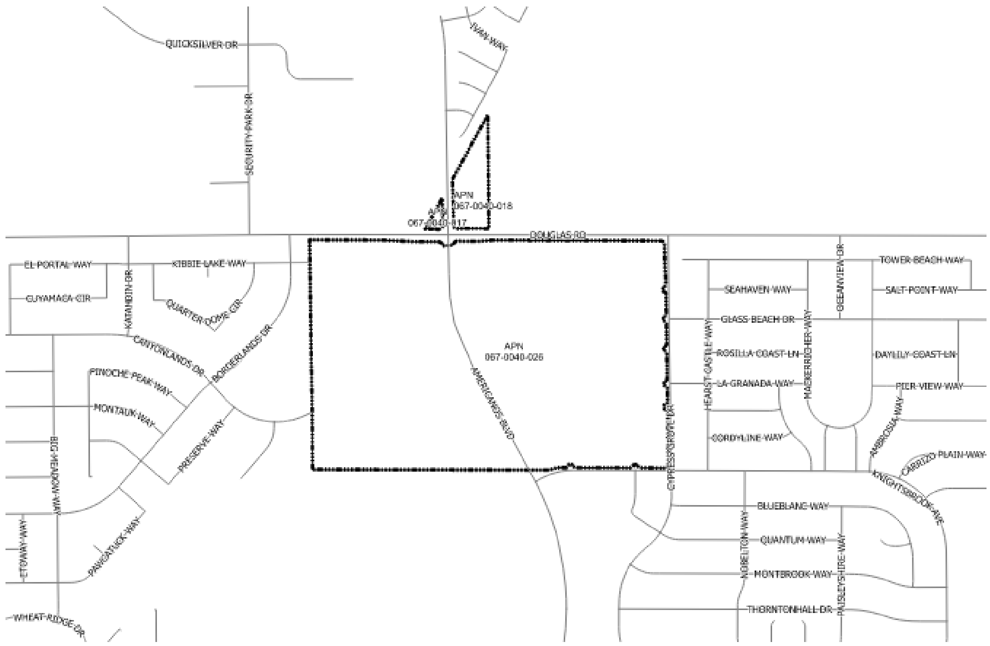
PROPOSED BOUNDARY MAP

City of Rancho Cordova
Community Facilities District No. 2018-2
County of Sacramento, California

Sheet 1 of 2

TAX ZONE BOUNDARY: DOUGLAS 103

PROPOSED BOUNDARY OF
ANNEXATION 10
(DOUGLAS 103) TO
CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(COMMUNITY PLACES AND NEIGHBORHOOD GREENS)
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA



CLERK'S MAP STATEMENT

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF RANCHO CORDOVA THIS ______ DAY OF ______________ 2026.

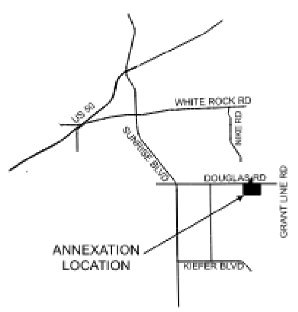
____
CITY CLERK OF THE CITY OF RANCHO CORDOVA

CLERK'S MAP STATEMENT

I HEREBY CERTIFY THAT THE AREA SHOWN ON THIS MAP OF THE PROPOSED ANNEXATION 10 TO COMMUNITY FACILITIES DISTRICT NO. 2018-2, (COMMUNITY PLACES AND NEIGHBORHOOD GREENS), CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AT A REGULARLY SCHEDULED MEETING THEREOF, HELD ON THE ____ DAY OF ______________ 2026. BY ITS RESOLUTION NO. ____________.

____
CITY CLERK OF THE CITY OF RANCHO CORDOVA

VICINITY MAP



COUNTY RECORDER'S FILING STATEMENT

FILED THIS ______ DAY OF ________________ 2026. AT THE HOUR OF ___________ O'CLOCK ____.M. IN BOOK _______ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NO. _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

DONNA ALLRED
COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, CALIFORNIA

BY: ______________________________________
DEPUTY

FILE: ______________________________________

REFERENCE THE SACRAMENTO COUNTY ASSESSOR'S MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS

Legend
Annexation Boundary

1:6,000

HARRIS & ASSOCIATES
101 PROGRESS, SUITE 250
IRVINE, CALIFORNIA 92618
800-827-4901

AMENDED PROPOSED BOUNDARY MAP

City of Rancho Cordova
Annexation 10 (Douglas 103)
Community Facilities District No. 2018-2
County of Sacramento, California

Sheet 1 of 1