RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES OF COMMUNITY FACILITIES DISTRICT NO. 2025-1 OF THE MORENO VALLEY UNIFIED SCHOOL DISTRICT

A Special Tax (as defined herein) shall be levied on and collected from all Assessor's Parcels in Community Facilities District ("CFD") No. 2025-1 of the Moreno Valley Unified School District ("School District") each Fiscal Year commencing in Fiscal Year 2025/2026, in an amount determined by the Board through the application of the Rate and Method of Apportionment of Special Taxes ("RMA") described below. All the real property within the District, unless exempted by law or by provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

SECTION A
DEFINITIONS

For purposes of this RMA, the terms hereinafter set forth have the following meanings:

"Acreage" means the number of acres 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 Administrator may rely on the land area shown on the applicable Final Map.

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

"Administrative Expenses" means any ordinary and necessary expense incurred by the School District on behalf of the District related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes, including, but not limited to, the reasonable expenses of collecting delinquencies, the administration of Bonds, the proportionate payment of salaries and benefits of any School District employee whose duties are directly related to the administration of the District, and reasonable costs otherwise incurred in order to carry out the authorized purposes of the District including a proportionate amount of School District general administrative overhead related thereto.

"Administrator" means an official of the School District or designee thereof, responsible for determining the levy and collection of the Special Taxes.

"Annual Special Tax" means the Special Tax levied in any Fiscal Year on any Assessor's Parcel.

"Assessor's Parcel" means a parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel Number within the boundaries of the District.

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

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

"Assigned Annual Special Tax" means the Special Tax of that name described in Section D hereof.

"Backup Annual Special Tax" means the Special Tax of that name described in Section E hereof.

"Board" means the Governing Board (Board of Trustees) of the School District, or its designee, acting as the Legislative Body of the District.

"Bond Index" means the national Bond Buyer Revenue Index, commonly referenced as the 25- Bond Revenue Index. In the event the Bond Index ceases to be published, the index used shall be based on a comparable index for revenue bonds maturing in 30 years with an average rating equivalent to Moody's A1 and/or Standard & Poor's A+, as determined by the Board.

"Bond Yield" means the yield of the last series of Bonds issued. For purposes of this calculation the yield of the Bonds shall be the yield calculated at the time such Bonds are issued, pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, for the purpose of the Non-Arbitrage (Tax) Certificate or other similar bond issuance document.

"Bonds" means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which the Special Taxes have been pledged for repayment.

"Building Square Footage" or **"BSF"** means the assessable square footage within the perimeter of a residential structure, not including any carport, covered or uncovered walkway, garage, overhang, patio, enclosed patio, detached accessory structure, or similar area for such Unit.

"City" means the City of Moreno Valley, California.

"County" means the County of Riverside, California.

"Developed Property" means all Assessor's Parcels of Taxable Property for which building permit(s) were issued on or before May 1 of the prior Fiscal Year, provided that such Assessor's Parcels were created on or before January 1 of the prior Fiscal Year, as reasonably determined by the Administrator**.**

"District" means Community Facilities District No. 2025-1 of the School District.

"Exempt Property" means all Assessor's Parcels designated as being exempt from Special Taxes pursuant to Section L hereof.

"Final Map" means a final tract map, parcel map, lot line adjustment, or functionally equivalent map or instrument that creates individual Lots, recorded in the Office of the County Recorder.

"Fiscal Year" means the period commencing on July 1 of any year and ending on the following June 30.

"Goals and Policies" means the "Local Goals and Policies" for Community Facilities Districts established by the School District approved by the Board by Resolution No. 2001-02-41 on January 15, 2002, as amended from time to time.

"Land Use Class or Classes" means the tax classifications depicted in Table 1 for all Assessor's Parcel of Developed Property based on the Zone in which such Assessor's Parcel is located according to the definitions of "Zone A", "Zone B", "Zone C", and "Zone D" of this RMA and the Building Square Footage of such Assessor's Parcel.

"Lot" means an individual legal lot created by a Final Map for which a building permit for residential construction has been or could be issued.

"Maximum Special Tax" means for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Section C, which can be levied by the District in a given Fiscal Year on such Assessor's Parcel.

"Mitigation Agreement" means the School Facilities Funding and Mitigation Agreement made and entered into as of March 13, 2025 by and among the School District and Highpointe MV 1 LLC.

"Net Taxable Acreage" means the total Acreage of Developed Property expected to exist within a particular Zone in the District after all Final Maps are recorded.

"Partial Prepayment Amount" means the amount required to prepay a portion of the Special Tax obligation for an Assessor's Parcel as described in Section I hereof.

"Prepayment Administrative Fees" means any fees or expenses of the School District or the District associated with the prepayment of the Special Tax obligation of an Assessor's Parcel. Prepayment Administrative Fees shall include among other things the cost of computing the Prepayment Amount, redeeming Bonds, and recording any notices to evidence the prepayment and redemption of Bonds.

"Prepayment Amount" means the amount required to prepay the Special Tax obligation in full for an Assessor's Parcel as described in Section H hereof.

"Present Value of Taxes" means for any Assessor's Parcel the present value of (i) the unpaid portion, if any, of the Annual Special Tax applicable to such Assessor's Parcel in the current Fiscal Year and (ii) the Special Taxes expected to be levied on such Assessor's Parcel in each remaining Fiscal Year, as determined by the Administrator, until the termination date specified in Section K, but in no event longer than 35 Fiscal Years. The discount rate used for this calculation shall be equal to (a) the Bond Yield after Bond issuance or (b) the most recently published Bond Index prior to Bond issuance.

"Proportionately" means that the ratio of the actual Annual Special Tax levy to the applicable Assigned Annual Special Tax is equal for all applicable Assessor's Parcels. In the case of Developed Property subject to apportionment of the Annual Special Tax under Step Four of Section G, "Proportionately" shall mean that the quotient of (i) the Annual Special Tax less the Assigned Annual Special Tax divided by (ii) the Backup Annual Special Tax less the Assigned Annual Special Tax is equal for all applicable Assessor's Parcels.

"Provisional Undeveloped Property" means all Assessor's Parcels of Taxable Property that would otherwise be classified as Exempt Property pursuant to Section L, but cannot be classified as Exempt Property because to do so would reduce the Net Taxable Acreage below the required minimum Acreage set forth in Section L, as applicable.

"Reserve Fund Credit" means an amount equal to the lesser of (i) the reduction in the applicable reserve fund requirement(s) resulting from the redemption of Bonds with the Prepayment Amount or (ii) ten percent (10%) of the amount of Bonds which will be redeemed. If a surety bond or other credit instrument satisfies the reserve requirement or the reserve requirement is underfunded at the time of the prepayment, no Reserve Fund Credit shall be given.

"School District" means the Moreno Valley Unified School District, a public school district organized and operating pursuant to the Constitution and laws of the State of California.

"Special Tax" means any of the special taxes authorized to be levied by the District pursuant to the Act and this RMA.

"Special Tax Requirement" means the amount required in any Fiscal Year to pay (i) the debt service or the periodic costs on all outstanding Bonds, (ii) Administrative Expenses, (iii) the costs associated with the release of funds from an escrow account or accounts established in association with the Bonds, (iv) any amount required to establish or replenish any reserve funds (or accounts thereof) established in association with the Bonds, and (v) the collection or accumulation of funds for the acquisition or construction of school facilities and certain costs associated with the maintenance and operations of school facilities authorized by the District provided that the inclusion of such amount does not cause an increase in the levy of Special Tax on Undeveloped Property or Provisional Undeveloped Property as set forth in Steps Two and Three of Section G, less (vi) any amount(s) available to pay debt service or other periodic costs on the Bonds pursuant to any applicable bond indenture, fiscal agent agreement, trust agreement, or equivalent agreement or document. In arriving at the Special Tax Requirement the Administrator shall take into account the reasonably anticipated

delinquent Special Taxes, provided that the amount included cannot cause the Annual Special Tax of an Assessor Parcel of Developed Property to increase by greater than ten percent (10%) of what would have otherwise been levied.

"Taxable Property" means all Assessor's Parcels which are not Exempt Property.

"Undeveloped Property" means all Assessor's Parcels of Taxable Property which are not Developed Property or Approved Property.

"Unit" means each separate residential dwelling unit, including but not limited to, a single family attached or detached unit, condominium, an apartment unit, mobile home, or otherwise, excluding hotel and motels.

"Zone" means the areas identified as a Zone of the District as described in the definitions of "Zone A", "Zone B", "Zone C" , and "Zone D".

"Zone A" means the property initially shown as Lots 1 through 64 of Tentative Tract No. 38442 of the City, subject to interpretation by the Administrator at the time a Final Map is recorded.

"Zone B" means the property initially shown as Lots 65 through 108 of Tentative Tract No. 38442 of the City, subject to interpretation by the Administrator at the time a Final Map is recorded.

"Zone C" means the property initially shown as Lots 34 through 38 and 90 through 135 of Tentative Tract No. 38443 of the City, subject to interpretation by the Administrator at the time a Final Map is recorded.

"Zone D" means the property initially shown as Lots 1 through 33 and 39 through 89 of Tentative Tract No. 38443 of the City, subject to interpretation by the Administrator at the time a Final Map is recorded.

SECTION B
CLASSIFICATION OF ASSESSOR'S PARCELS

Each Fiscal Year, commencing with Fiscal Year 2025/2026, all Assessor's Parcels within the District shall be classified as either Taxable Property or Exempt Property and assigned to either Zone A, Zone B, Zone C, or Zone D. In addition, each Assessor's Parcel of Taxable Property shall be classified as Developed Property, Undeveloped Property or Provisional Undeveloped Property. Developed Property shall be further assigned to a Land Use Class, according to Table 1 below, based on the Zone within which the Assessor's Parcel is located and the Building Square Footage of each Unit.

Table 1
Land Use Classification

Zone	Land Use Class	Building Square Footage
Zone A	1	< 1,500
Zone A	2	1,500 - 1,800
Zone A	3	> 1,800
Zone B	4	< 1,900
Zone B	5	1,900 - 2,100
Zone B	6	> 2,100
Zone C	7	< 2,100
Zone C	8	2,100 - 2,300
Zone C	9	2,301 - 2,500
Zone C	10	>2,500
Zone D	11	< 1,900
Zone D	12	1,900 - 2,100
Zone D	13	> 2,100

SECTION C
MAXIMUM SPECIAL TAX RATE

1. Developed Property

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property shall be the greater of the amount derived by the application of the (a) Assigned Annual Special Tax or (b) Backup Annual Special Tax.

2. Approved Property

The Maximum Special Tax for each Assessor's Parcel classified as Approved Property shall be derived by the application of the Assigned Annual Special Tax.

3. Undeveloped Property

The Maximum Special Tax for each Assessor's Parcel classified as Undeveloped Property or Provisional Undeveloped Property shall be derived by the application of the Assigned Annual Special Tax.

SECTION D
ASSIGNED ANNUAL SPECIAL TAXES

1. Developed Property

The Assigned Annual Special Tax for each Assessor's Parcel of Developed Property will be determined in accordance with Table 2 below, subject to increases as described below.

Table 2

Fiscal Year 2025/2026
Assigned Annual Special Taxes for
Developed Property

Zone	Land Use Class	Building Square Footage	Assigned Annual Special Tax Rate
Zone A	1	< 1,500	$2,471.00 per Unit
Zone A	2	1,500 - 1,800	$2,667.70 per Unit
Zone A	3	> 1,800	$2,846.50 per Unit
Zone B	4	< 1,900	$2,891.20 per Unit
Zone B	5	1,900 - 2,100	$3,070.00 per Unit
Zone B	6	> 2,100	$3,204.20 per Unit
Zone C	7	< 2,100	$3,141.60 per Unit
Zone C	8	2,100 - 2,300	$3,186.30 per Unit
Zone C	9	2,301 - 2,500	$3,454.50 per Unit
Zone C	10	>2,500	$3,499.20 per Unit
Zone D	11	< 1,900	$2,891.20 per Unit
Zone D	12	1,900 - 2,100	$3,070.00 per Unit
Zone D	13	> 2,100	$3,204.20 per Unit

2. Approved Property, Undeveloped Property and Provisional Undeveloped Property

The Fiscal Year 2025/2026 Assigned Annual Special Tax for each Assessor's Parcel of Approved Property, Undeveloped Property, or Provisional Undeveloped Property located within Zone A shall be $34,872.00 per acre of Acreage, subject to increases as described below.

The Fiscal Year 2025/2026 Assigned Annual Special Tax for each Assessor's Parcel of Approved Property, Undeveloped Property, or Provisional Undeveloped Property located within Zone B shall be $30,312.00 per acre of Acreage, subject to increases as described below.

The Fiscal Year 2025/2026 Assigned Annual Special Tax for each Assessor's Parcel of Approved Property, Undeveloped Property, or Provisional Undeveloped Property located within Zone C shall be $23,362.00 per acre of Acreage, subject to increases as described below.

The Fiscal Year 2025/2026 Assigned Annual Special Tax for each Assessor's Parcel of Approved Property, Undeveloped Property, or Provisional Undeveloped Property located within Zone D shall be $30,272.00 per acre of Acreage, subject to increases as described below.

3. Increases in the Assigned Annual Special Tax

a. Developed Property

On each July 1, commencing July 1, 2026, the Assigned Annual Special Tax rate applicable to Developed Property shall be increased by two percent (2.00%).

b. Approved Property, Undeveloped Property and Provisional Undeveloped Property

On each July 1, commencing July 1, 2026, the Assigned Annual Special Tax rate per acre of Acreage for Approved Property, Undeveloped Property and Provisional Undeveloped Property shall be increased by two percent (2.00%).

SECTION E
BACKUP ANNUAL SPECIAL TAX

Each Fiscal Year, each Assessor's Parcel of Developed Property shall be subject to a Backup Annual Special Tax.

1. Calculation of the Backup Annual Special Tax Rate

The Backup Annual Special Tax rate for an Assessor's Parcel of Developed Property within a Final Map shall be the rate per Lot calculated in accordance with the following formula in Fiscal Year 2025/2026 or such later Fiscal Year in which such Final Map is created, subject to increases as described below:

$$B = (U \times A) / L$$

The terms above have the following meanings:

B	=	Backup Annual Special Tax per Lot for the applicable Fiscal Year
U	=	Assigned Annual Special Tax per Acre of Undeveloped Property in the Fiscal Year the calculation is performed for such Zone
A	=	Acreage of Taxable Property expected to exist within such Final Map at the time of calculation, as determined by the Administrator
L	=	Number of Lots within the applicable Final Map at the time of calculation

In the event Lots within a Final Map are located within different Zones, such Final Map shall be divided into separate areas according to the boundaries of each Zone for the purpose of calculating the Backup Annual Special Tax applicable to such Lots.

2. Changes to a Final Map

If the Final Map(s) described in the preceding paragraph are subsequently changed or modified, then the Backup Annual Special Tax for each Assessor's Parcel of Developed Property changed or modified in each such Final Map shall be a rate per square foot of Acreage calculated as follows:

a. Determine the total Backup Annual Special Tax revenue anticipated to apply to the changed or modified Assessor's Parcels prior to the change or modification.

b. The result of paragraph a above shall be divided by the Acreage of Taxable Property of the modified Assessor's Parcels, as reasonably determined by the Administrator.

c. The result of paragraph b above shall be divided by 43,560. The result is the Backup Annual Special Tax per square foot of Acreage that shall be applicable to the modified Assessor's Parcels, subject to increases as described below.

3. Increase in the Backup Annual Special Tax

Each July 1, commencing the July 1 following the initial calculation of the Backup Annual Special Tax rate for Developed Property within a Final Map, the Backup Annual Special Tax for each Lot within such Final Map shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

SECTION F
REDUCTION OF THE SPECIAL TAX PRIOR TO BOND SALE

Prior to the issuance of the first series of Bonds, the Maximum Special Tax and Assigned Annual Special Tax on Taxable Property may be reduced in accordance with, and subject to, the conditions set forth in this Section F and the terms of the Mitigation Agreement without the need for any proceedings to make changes as permitted or required under the Act.

Prior to the issuance of the first series of Bonds the Administrator may review information regarding the current and expected value of residential units within the District and prepare an analysis estimating the total property tax burden of completed homes within the District. The Maximum Special Tax and Assigned Annual Special Tax on Taxable Property may be reduced with the written consent of the Administrator to a level such that the resulting estimated total property tax rate complies with the School District's Goals and Policies and the terms of the Mitigation Agreement.

With respect to any Assessor's Parcel for which the Special Tax is reduced, the Board shall indicate in the records of the District that there has been a reduction of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act to indicate the reduction of the Special Tax obligation by executing a certificate in substantially the form attached herein as Exhibit A.

SECTION G
METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX

Commencing Fiscal Year 2025/2026 and for each subsequent Fiscal Year, the Board shall levy Annual Special Taxes on all Taxable Property in accordance with the following steps:

Step One: The Special Tax shall be levied on each Assessor's Parcel of Developed Property at the Assigned Annual Special Tax applicable to each such Assessor's Parcel.

Step Two: If additional moneys are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Assigned Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

Step Three: If additional moneys are needed to satisfy the Special Tax Requirement after the second step has been completed, the Special Tax on each Assessor's Parcel of Developed Property, for which the Maximum Special Tax is the Backup Annual Special Tax, shall be increased Proportionately from the Assigned Annual Special Tax up to 100% of the Backup Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

Step Four: If additional moneys are needed to satisfy the Special Tax Requirement after the third step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Undeveloped Property up to 100% of the Assigned Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

SECTION H
PREPAYMENT OF SPECIAL TAXES

1. Special Tax Prepayment Times and Conditions

The Special Tax obligation of an Assessor's Parcel of Taxable Property may be prepaid, if there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcel. An owner of an Assessor's Parcel intending to prepay the Special Tax shall provide the School District with written notice of intent to prepay. Within thirty (30) days of receipt of such written notice, the Administrator shall determine the Prepayment Amount for such Assessor's Parcel and shall notify such owner of such Prepayment Amount.

2. Special Tax Prepayment Calculation

The Prepayment Amount shall be calculated according to the following formula:

$$P = PVT - RFC + PAF$$

The terms above have the following meanings:

P	=	Prepayment Amount
PVT	=	Present Value of Taxes
RFC	=	Reserve Fund Credit
PAF	=	Prepayment Administrative Fees

3. Special Tax Prepayment Procedures and Limitations

The amount representing the Present Value of Taxes attributable to the prepayment less the Reserve Fund Credit attributable to the prepayment shall, prior to the issuance of Bonds, be deposited into a separate account held with the School District and disbursed in accordance with the Mitigation Agreement and after the issuance of Bonds be deposited into the applicable account or fund established under the trust agreement, indenture agreement or fiscal agent agreement and used to pay debt service or redeem Bonds. The amount representing the Prepayment Administrative Fees attributable to the prepayment shall be retained and deposited into the applicable account by the District.

With respect to any Assessor's Parcel for which the Special Tax is prepaid, the Board shall indicate in the records of the District that there has been a prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act to indicate the prepayment of the Special Tax obligation and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Special Tax shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Assigned Annual Special Taxes that may be levied on Taxable Property and net of Administrative Expenses excluding Provisional Undeveloped Property, after such prepayment shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Administrator. Such determination shall include identifying all Assessor's Parcels that are expected to be classified as Exempt Property.

Notwithstanding the above, the ability to prepay the Special Tax obligation of an Assessor's Parcel may be suspended, by the Administrator, acting in his or her absolution and sole discretion for and on behalf of the District, without notice to the owners of property within the District for a period of time, not to exceed sixty (60) days, prior to the scheduled issuance of Bonds by the District to assist in the efficient preparation of the required bond market disclosure.

SECTION I
PARTIAL PREPAYMENT OF SPECIAL TAXES

1. Partial Prepayment Times and Conditions

The Special Tax obligation for Assessor's Parcels of Taxable Property may be partially prepaid in increments of ten (10) Units, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcels at the time the Special Tax obligation would be partially prepaid. An owner of an Assessor's Parcel(s) intending to partially prepay the Special Tax shall provide the District with written notice of their intent to partially prepay. Within thirty (30) days of receipt of such written notice, the Administrator shall determine the Partial Prepayment Amount of such Assessor's Parcel and shall notify such owner of such Partial Prepayment Amount.

2. Partial Prepayment Calculation

The Partial Prepayment Amount shall be calculated according to the following formula:

$$\mathbf{PP = PVT \times F - RFC + PAF}$$

The terms above have the following meanings:

PP	=	the Partial Prepayment Amount
PVT	=	Present Value of Taxes
F	=	the percent by which the owner of the Assessor's Parcel is partially prepaying the Special Tax obligation
RFC	=	Reserve Fund Credit
PAF	=	Prepayment Administrative Fees

3. Partial Prepayment Procedures and Limitations

The amount representing the Present Value of Taxes attributable to the prepayment less the Reserve Fund Credit attributable to the prepayment shall, prior to the issuance of Bonds, be deposited into a separate account held with the School District and disbursed in accordance with the Mitigation Agreement and after the issuance of Bonds be deposited into the applicable account or fund established under the trust agreement or indenture agreement or fiscal agent agreement and used to pay debt service or redeem Bonds. The amount representing the Prepayment Administrative Fees attributable to the prepayment shall be retained and deposited into the applicable account by the District.

With respect to any Assessor's Parcel for which the Special Tax obligation is partially prepaid, the Board shall indicate in the records of the District that there has been a partial prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act to indicate the partial prepayment of the Special Tax obligation and the partial release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such prepaid portion of the Special Tax shall cease. Additionally, the notice shall indicate that the Assigned Annual Special Tax and the Backup Annual Special Tax if applicable for the Assessor's Parcel has been reduced by an amount equal to the percentage which was partially prepaid.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Taxes that may be levied on Taxable Property, excluding Provisional Undeveloped Property, after such

partial prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such partial prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Administrator. Such determination shall include identifying all Assessor's Parcels that are expected to be classified as Exempt Property.

Notwithstanding the above, the ability to prepay the Annual Special Tax obligation of an Assessor's Parcel may be suspended, by the Administrator, acting in his or her absolution and sole discretion for and on behalf of the District, without notice to the owners of property within the District for a period of time, not to exceed sixty (60) days, prior to the scheduled issuance of Bonds by the District to assist in the efficient preparation of the required bond market disclosure.

SECTION J
ANNUAL SPECIAL TAX
REMAINDER

In any Fiscal Year which the Special Taxes collected from Developed Property exceeds the amount needed to make regularly scheduled annual interest and principal payments on outstanding Bonds and pay Administrative Expenses, the School District may use such amount for acquisition, construction or financing of school facilities and certain costs associated with the maintenance and operations of school facilities in accordance with the Act, District proceedings and other applicable laws as determined by the Board.

SECTION K
TERMINATION OF SPECIAL TAX

The Special Tax shall be levied for a term of five (5) Fiscal Years after the final maturity of the last series of Bonds, provided that the Special Tax shall not be levied later than Fiscal Year 2065/2066. However, the Special Tax may cease to be levied in an earlier Fiscal Year if the Board has determined (i) that all required interest and principal payments on the Bonds have been paid, (ii) all authorized facilities of the District have been acquired and all reimbursements have been paid, and (iii) all other obligations of the District have been satisfied.

SECTION L
EXEMPTIONS

The Administrator shall classify as Exempt Property in the chronological order in which each Assessor Parcel becomes (i) owned by the State of California, federal or other local governments, (ii) used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization, (iii) owned by a homeowners' association, (iv) burdened with a public or utility easements making impractical their utilization for other than the purposes set forth in the easement, or (v) any other Assessor's Parcels at the reasonable discretion of the Board, provided that no such classification would reduce the Net Taxable Acreage to less than the amounts listed below in Table 3 for such Zone ("Minimum Taxable Acreage").

Table 3

Minimum Taxable Acreage

Location	Minimum
Zone A	4.8904
Zone B	4.4401
Zone C	7.2562
Zone D	8.4776

Notwithstanding the above, the Administrator or Board shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of the Acreage of all Taxable Property to less than the

Minimum Taxable Acreage for such Zone. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property within such Zone to less than the Minimum Taxable Acreage for such Zone will be classified as Provisional Undeveloped Property, as applicable, and will continue to be subject to Special Taxes accordingly.

SECTION M
APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Administrator to be received by the Administrator not later than six (6) months after having paid the first installment of the Special Tax that is disputed. The reissuance or cancellation of a building permit is not an eligible reason for appeal. In order to be considered sufficient, any notice of appeal must (i) specifically identify the property by address and Assessor's Parcel Number, (ii) state the amount in dispute and whether it is the whole amount or only a portion of the Special Tax, (iii) state all grounds on which the property owner is disputing the amount or application of the Special Tax, including a reasonably detailed explanation as to why the amount or application of such Special Tax is incorrect, (iv) include all documentation, if any, in support of the claim, and (v) be verified under penalty of perjury by the person who paid the Special Tax or his or her guardian, executor or administrator. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the representative's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy), but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) as the representative's decision shall indicate.

SECTION N
MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes and shall be subject to the same penalties, the same procedure, sale and lien priority in the case of delinquency; provided, however, that the District may directly bill all or a portion of the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of ten percent (10%) of the Special Tax will attach at 5:00 p.m. on the date the Special Tax becomes delinquent and interest at 1.5% per month of the Special Tax will attach on the July 1 after the delinquency date and the first of each month thereafter until such Special Taxes are paid.

EXHIBIT A

CERTIFICATE TO AMEND SPECIAL TAX DISTRICT CERTIFICATE

1. Pursuant to Section F of the Rate and Method of Apportionment of Community Facilities District No. 2025-1 of the Moreno Valley Unified School District ("District") hereby approves a reduction in the Assigned Annual Special Tax for Developed Property, Provisional Undeveloped Property and Undeveloped Property within the District.

    a. The information in Tables 2 relating to the Fiscal Year 2025/2026 Assigned Annual Special Tax for Developed Property within the District shall be modified as follows:

Table 2

Fiscal Year 2025/2026
Assigned Annual Special Taxes
for Developed Property

Zone	Land Use Class	Building Square Footage	Assigned Annual Special Tax Rate
Zone A	1	< 1,500	$_,___.__ per Unit
Zone A	2	1,500 - 1,800	$_,___.__ per Unit
Zone A	3	> 1,800	$_,___.__ per Unit
Zone B	4	< 1,900	$_,___.__ per Unit
Zone B	5	1,900 - 2,100	$_,___.__ per Unit
Zone B	6	> 2,100	$_,___.__ per Unit
Zone C	7	< 2,100	$_,___.__ per Unit
Zone C	8	2,100 - 2,300	$_,___.__ per Unit
Zone C	9	2,301 - 2,500	$_,___.__ per Unit
Zone C	10	>2,500	$_,___.__ per Unit
Zone D	11	< 1,900	$_,___.__ per Unit
Zone D	12	1,900 - 2,100	$_,___.__ per Unit
Zone D	13	> 2,100	$_,___.__ per Unit

    b. The Fiscal Year 2025/2026 Assigned Annual Special Tax for each Assessor's Parcel of Undeveloped Property or Provisional Undeveloped Property located within Zone A shall be $__,___ per acre of Acreage, subject to increases as described below.

    The Fiscal Year 2025/2026 Assigned Annual Special Tax for each Assessor's Parcel of Undeveloped Property or Provisional Undeveloped Property located within Zone B shall be $__,___ per acre of Acreage, subject to increases as described in Section D of the RMA.

    The Fiscal Year 2025/2026 Assigned Annual Special Tax for each Assessor's Parcel of Undeveloped Property or Provisional Undeveloped Property located within Zone C shall be $__,___ per acre of Acreage, subject to increases as described in Section D of the RMA.

    The Fiscal Year 2025/2026 Assigned Annual Special Tax for each Assessor's Parcel of Undeveloped Property or Provisional Undeveloped Property located within Zone D shall be $__,___ per acre of Acreage, subject to increases as described in Section D of the RMA.

Date: _____, 20___ By: _____
Administrator