

**REIMBURSEMENT AGREEMENT  
RE FORMATION OF PROPOSED  
COMMUNITY FACILITIES DISTRICT NO. 2021-1 (MEDITERRA)  
OF EAST VALLEY WATER DISTRICT**

THIS REIMBURSEMENT AGREEMENT RE FORMATION OF PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2021-1 (MEDITERRA) OF EAST VALLEY WATER DISTRICT (this “**Agreement**”) dated as of October 13, 2021 is entered into by and between East Valley Water District, a county water district that is organized and existing under the laws and constitution of the State of California (the “**District**”), and GREENSPOT CORRIDOR, LLC, a California limited liability company (the “**Owner**”).

RECITALS

A. The Owner is developing the Mediterra project within the District and has requested, together with Forestar (USA) Real Estate Group Inc., a Delaware corporation, that the District establish a community facilities district (the “**CFD**”) encompassing the Mediterra project pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 *et seq.*) (the “**Act**”).

B. The District and the Owner are desirous of entering into this Agreement in order to provide a mechanism by which the Owner may advance certain costs related to the costs of formation of the CFD, and to provide that the District will reimburse the Owner for the amounts advanced hereunder if and when the CFD is formed and bonds of the CFD (the “**Bonds**”) are issued.

AGREEMENT

1. Recitals. Each of the above recitals is incorporated herein and is true and correct.
2. Formation of CFD.

(a) In order to begin the process of analyzing the formation of the CFD by the District, the Owner has advanced to the District a sum totaling \$90,000 to pay the District’s costs incurred related to the formation of the CFD. The Owner shall have the right to notify the District at any time, in writing, of its intention to abandon the formation of the CFD. Upon receipt of such notice, the District shall instruct its consultants to cease work as soon as practicable. The Owner shall be responsible to pay all costs and expenses incurred by the District or any District consultant or advisor prior to the date on which the District’s consultants are notified of the Owner’s notice of abandonment.

(b) The District will provide to the Owner on request a summary of how the advances have been spent and the unexpended balance remaining. The amounts advanced by the Owner will be reimbursable to the Owner, without interest, from the proceeds of Bonds issued by the District when and if the Bonds are issued. In the event that Bonds are not issued to provide a source of reimbursement to the Owner, the District shall have no liability to the Owner to reimburse the Owner for any amounts which were previously advanced by the Owner and expended by the District in accordance with this Agreement.

(c) In the event that the parties are continuing to work toward the formation of the CFD and the amount on deposit with the District falls below \$5,000, the District shall request, and the Owner shall advance to the District within ten (10) business days of such request, an amount equal to the District's reasonable estimate of the remaining CFD formation costs that it will incur less the amount then on deposit with the District.

3. Reimbursement Procedure. If the CFD is formed, and following the sale of Bonds, the District shall reimburse the Owner the money advanced by the Owner to the District pursuant to Section 2 above within 30 days of receiving Bond proceeds. If the CFD is not formed, the District shall return any funds that have been advanced by the Owner and which are not expended for the purposes set forth in Section 2 above upon the completion or abandonment of the CFD formation. Such returned funds shall be without interest.

4. Notices. Any notice to be provided pursuant to this Agreement shall be delivered to the following addresses:

Owner:	Greenspot Corridor, LLC 10575 Oakdale Drive Rancho Cucamonga, CA 91730 Attention: Camille Bahri
District:	East Valley Water District 31111 Greenspot Road Highland, CA 92346 Attention: General Manager
With a copy to:	Stradling Yocca Carlson & Rauth 660 Newport Center Drive, Suite 1600 Newport Beach, CA 92660 Attention: Cyrus Torabi, Esq.

Each party may change its address for delivery of notice by delivering written notice of such change of address to the other party.

5. Assignment. The Owner may not assign its interest in this Agreement to another party (the "**New Owner**") without the prior written consent of the District, which shall not be unreasonably withheld or conditioned. In the event that the Owner has not been reimbursed under the terms of this Agreement prior to an assignment of this Agreement to a New Owner, if and when Bonds are sold, the District shall reimburse money advanced by the Owner to the Owner and shall reimburse money advanced by the New Owner, if any, to the New Owner.

6. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent permitted by law.

7. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the matters provided for herein.

8. Amendments. This Agreement may be amended or modified only by written instrument signed by all parties.

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

10. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

11. No Third Party Beneficiaries. No person or entity shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than the District and the Owner, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

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

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

EAST VALLEY WATER DISTRICT

By: \_\_\_\_\_  
General Manager

Date: \_\_\_\_\_

GREENSPOT CORRIDOR, LLC, a California  
limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_