

Barranca Properties, LLC

c/o Lowenstein Sandler LLP
One Lowenstein Drive
Roseland, NJ 07068
Attention: Ken Slutsky

January 16, 2024

City of Irvine
City Hall
One Civic Center Plaza
Irvine, CA 92623-9575
Attn: Oliver Chi, City Manager

Re: City of Irvine CFD No. 2013-3 (B), Improvement Area
No. 14 -- Conditions for Issuance of Bonds and Administrative
Memorandum

Dear Mr. Chi:

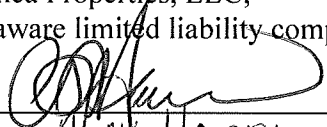
In late 2022, Barranca Properties, LLC (“Barranca”) acquired from Heritage Fields El Toro, LLC (“Heritage Fields”) the property now being considered to represent all of the land in Improvement Area No. 14 (“IA No. 14”) of City of Irvine Community Facilities District No. 2013-3(B) (“CFD No. 2013-3(B)"). Barranca has been provided copies of the Great Park Framework Plan Implementation Agreement, dated for reference purposes as of October 11, 2022, between the City and Heritage Fields (the “Framework Plan Agreement”), as supplemented by that certain side letter between the City and Heritage Fields, dated October 11, 2022 (the “Side Letter”). The Framework Plan Agreement and Side Letter establish certain conditions for the issuance of bonds of each improvement area of CFD No. 2013-3(B), such as proposed IA No. 14, that are secured by special taxes levied within the improvement area. Such conditions with respect to issuing bonds for an improvement area with non-residential property only include that (i) 100% of the anticipated square footage of taxable non-residential property, the special taxes of which are the basis for the sizing of bonds, shall have received a Certificate of Occupancy from the City and (ii) the amount of bonds to be issued shall be sized so that there is no expected special tax levy on assessor’s parcels designated as Final Mapped Property or Undeveloped Property pursuant to the Rate and Method of Apportionment of Special Taxes of the improvement area (the “Bond Issuance Parameters”). On January 12, 2024, the City approved an administrative memorandum regarding the levy of the “Pro Rata Share” of the “Guaranteed Amount” within the improvement areas of CFD No. 2013-3(B), such as proposed IA No. 14 (the “Administrative Memo”).

Barranca expects to develop its land in IA No. 14 as a non-residential project and to retain ownership of the project after it is completed. In light of these circumstances, it is important that,

City of Irvine
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as the sole landowner, qualified elector and future special taxpayer in IA No. 14, Barranca receive assurances from the City that, consistent with the Framework Plan Agreement, Side Letter and Administrative Memo, but independent of them, (i) bonds that may be secured by special taxes levied in IA No. 14 be issued in accordance with the Bond Issuance Parameters and (ii) the amount of special taxes levied in IA No. 14 to pay IA No. 14's Pro Rata Share of the Guaranteed Amount (as defined in the IA No. 14 Rate and Method of Apportionment of Special Taxes) be determined in accordance with the Administrative Memo. By its signature below, the City acknowledges and thereby provides such assurances to Barranca and with respect to IA No. 14.

Barranca Properties, LLC,
a Delaware limited liability company

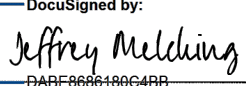
By: 
Name: Alex Henson
Title: Vice President


By its signature below, the City acknowledges its consent and agreement to the contents of this letter.

City of Irvine, a municipal corporation

DocuSigned by:
By: 
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Oliver Chi
City Manager

Agreed as to form:

DocuSigned by:

BABE8686180C4BB...
Jeffrey Melching, City Attorney

Attest:
DocuSigned by:

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City Clerk of the City of Irvine

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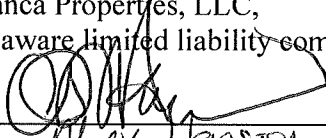
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Barranca Properties, LLC,
a Delaware limited liability company

By: 
Name: Alex Jensen
Title: Vice President

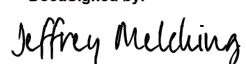
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City of Irvine, a municipal corporation

DocuSigned by:

By: Oliver Chi
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Oliver Chi
City Manager

Agreed as to form:

DocuSigned by:

Jeffrey Melching
DABE8886180C4BB...
Jeffrey Melching, City Attorney

Attest:
DocuSigned by:

City Clerk of the City of Irvine
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