

RESOLUTION NO. TPFA 2025-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS FOR COMMUNITY FACILITIES DISTRICT NO. 23-02 (PRADO), AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS

THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. This Board of Directors has conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982 (the “Law”), to form the Temecula Public Financing Authority Community Facilities District No. 23-02 (Prado) (the “District”), to authorize the levy of special taxes upon the land within the District, and to issue bonds secured by the special taxes, the proceeds of which are to be used to finance certain public improvements (the “Facilities”), all as described in the Resolutions entitled “A Resolution of the Board of Directors of the Temecula Public Financing Authority of Formation of Temecula Public Financing Authority Community Facilities District No. 23-02 (Prado), Authorizing the Levy of a Special Tax Within the District, and Preliminarily Establishing an Appropriations Limit for the District” (the “Resolution of Formation”) and “A Resolution of the Board of Directors of the Temecula Public Financing Authority Determining the Necessity to Incur Bonded Indebtedness Within Temecula Public Financing Authority Community Facilities District No. 23-02 (Prado),” which Resolutions were adopted by this Board of Directors on February 27, 2024.

Section 2. Pursuant to the Resolutions described in Section 1, an election was held within the District on February 27, 2024 and the then qualified elector of the District approved the propositions of the incurrence of the bonded debt, the establishment of the appropriations limit and the levy of the special tax by more than two-thirds of the votes cast at said special election.

Section 3. At the time of the formation of the District, the Authority and Meritage Homes of California, Inc. (“Meritage”) entered into an Acquisition Agreement, dated as of January 23, 2024 (the “Acquisition Agreement”) pursuant to which Meritage has agreed to construct some of the improvements authorized to be funded by the District; and the Authority now desires to enter into an amendment to the Acquisition Agreement.

Section 4. There has been submitted to this Board of Directors for its approval an amendment to the Acquisition Agreement (the “First Amendment to Acquisition Agreement”), a Fiscal Agent Agreement (the “Fiscal Agent Agreement”) providing for the issuance of the Bonds (as defined in Section 8 below) and the use of the proceeds of the Bonds to finance the Facilities, as well as a Preliminary Official Statement (the “Preliminary Official Statement”) describing the Bonds, a bond purchase agreement to be used in connection with the sale of the Bonds (the “Purchase Contract”) and a Continuing Disclosure Agreement relating to the Bonds (the “Continuing Disclosure Agreement”), and this Board of Directors, with the aid of City of Temecula staff, has reviewed said documents and found them to be in proper order.

Section 5. On April 24, 2001, the Board of Directors adopted Resolution No. TPFA 01-02 approving local goals and policies for community facilities districts (the “Goals and Policies”) and the proposed Bonds are consistent with the Goals and Policies.

Section 6. Pursuant to Section 5852.1 of the California Government Code, certain information relating to the Bonds is set forth in Exhibit A attached to this Resolution, and such information is hereby disclosed and made public.

Section 7. Following the adoption of this Resolution, all conditions, things and acts required to exist, to have happened and to have been performed precedent to the issuance of the Bonds and the levy of said special taxes as contemplated by this Resolution and the documents referred to herein exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Law.

Section 8. Pursuant to the Law, this Resolution and the Fiscal Agent Agreement, special tax bonds of the Temecula Public Financing Authority (the “Authority”) for the District in an aggregate principal amount not to exceed \$20,000,000 are hereby authorized to be issued, such bonds to be designated the “Temecula Public Financing Authority Community Facilities District No. 23-02 (Prado) 2025 Special Tax Bonds” (the “Bonds”). The Bonds shall be executed in the form set forth in and otherwise as provided in the Fiscal Agent Agreement.

The Board of Directors hereby finds and determines that (a) the Bonds satisfy the requirements of Section 53345.8(a) of the Law in that the appraised value of the real property in the District is more than three times the principal amount of the Bonds, based upon the appraised value of the real property in the District as determined by Integra Realty Resources in its appraisal of the property in the District subject to the levy of the special taxes for the District; (b) the Bonds, when issued, will be in compliance with the applicable requirements of the Goals and Policies; and (c) the District and the Bonds are consistent with the requirements set forth in Section VIII E. of the City of Temecula’s Budget and Fiscal Policies as contained in the City’s Fiscal Year 2025-26 Annual Operating Budget. The Board of Directors further finds that the sale of the Bonds at negotiated sale as contemplated by the Purchase Contract will result in a lower overall cost.

Section 9. The Fiscal Agent Agreement with respect to the Bonds, in the form presented to the Board of Directors at this meeting, is hereby approved. The Executive Director, the Assistant Executive Director and the Treasurer (each, a “Designated Officer”), each acting alone, are hereby authorized to execute and deliver the Fiscal Agent Agreement in said form, with such additions thereto or changes therein as are approved by a Designated Officer upon consultation with the Authority’s General Counsel and Bond Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Fiscal Agent Agreement by a Designated Officer. The Secretary is hereby authorized to countersign the Fiscal Agent Agreement. The date, manner of payment, interest rate or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Bonds shall be as provided in the Fiscal Agent Agreement as finally executed.

Section 10. The Purchase Contract between the Authority and Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), in the form presented to the Board of Directors at

this meeting, is hereby approved. The Designated Officers, each acting alone, are hereby authorized to accept the offer of the Underwriter to purchase the Bonds contained in the Purchase Contract; provided that the aggregate principal amount of the Bonds sold thereby is not in excess of \$20,000,000, the true interest cost of the Bonds is not in excess of 6.50% and the Underwriter's discount is not in excess of 1.50% of the aggregate principal amount of the Bonds. The Designated Officers, each acting alone, are hereby authorized to execute and deliver the Purchase Contract in said form (if the requirements of the preceding sentence are satisfied), with such additions thereto or changes therein as are recommended or approved by a Designated Officer upon consultation with the Authority's General Counsel and Bond Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Purchase Contract by a Designated Officer. The Secretary does not need to countersign the Purchase Contract.

Section 11. The Preliminary Official Statement, in the form presented to the Board of Directors at this meeting, is hereby approved. The Designated Officers are hereby authorized, for and in the name and on behalf of the Authority, to make changes to the Preliminary Official Statement prior to its dissemination to prospective investors, and to bring the Preliminary Official Statement into the form of a final official statement (the "Official Statement") including such additions thereto or changes therein as are recommended or approved by any such officer upon consultation with Authority's General Counsel and Disclosure Counsel. The Executive Director is hereby authorized and directed to execute and deliver the Official Statement. The Underwriter is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds and is directed to deliver copies of the Official Statement to all actual purchasers of the Bonds.

The Designated Officers, each acting alone, are hereby authorized to execute a certificate or certificates to the effect that the Official Statement and the Preliminary Official Statement were deemed "final" as of their respective dates for purposes of Rule 15c2-12 of the Securities Exchange Act of 1934, and each Designated Officer is authorized to so deem such statements final.

Section 12. The Continuing Disclosure Agreement related to the Bonds, in the form appended as Appendix E to the Preliminary Official Statement, is hereby approved. The Designated Officers, each acting alone, are hereby authorized, for and in the name of and on behalf of the Authority, to execute and deliver the Continuing Disclosure Agreement in said form, with such additions thereto or changes therein as are deemed necessary, desirable or appropriate by a Designated Officer upon consultation with the Authority's General Counsel and Disclosure Counsel, the approval of such changes to be conclusively evidenced by the execution and delivery by a Designated Officer of the Continuing Disclosure Agreement. The Secretary does not need to countersign the Continuing Disclosure Agreement.

Section 13. The Authority hereby covenants, for the benefit of the Bondowners, to commence and diligently pursue to completion any foreclosure action regarding delinquent installments of any amount levied as a special tax for the payment of interest or principal of the Bonds, said foreclosure action to be commenced and pursued as more completely set forth in the Fiscal Agent Agreement.

Section 14. The Bonds, when executed, shall be delivered to the Fiscal Agent (as defined in the Fiscal Agent Agreement) for authentication. The Fiscal Agent is hereby requested

and directed to authenticate the Bonds by executing the Fiscal Agent's certificate of authentication and registration appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the Underwriter in accordance with written instructions executed on behalf of the Authority by a Designated Officer, which instructions each Designated Officer acting alone is hereby authorized, for and in the name and on behalf of the Authority, to execute and deliver to the Fiscal Agent. Such instructions shall provide for the delivery of the Bonds to the Underwriter upon payment of the purchase price therefor.

Section 15. The First Amendment to Acquisition Agreement between the Authority and Meritage, in the form presented to the Board of Directors at this meeting, is hereby approved. The Designated Officers, each acting alone, are hereby authorized to execute and deliver the First Amendment to Acquisition Agreement in said form, with such additions thereto or changes therein as are approved by a Designated Officer upon consultation with the Authority's General Counsel and Bond Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the document by a Designated Officer.

Section 16. The firm of Webb Municipal Finance, LLC is hereby designated as special tax consultant to the Authority for the Bonds, the firm of Fieldman, Rolapp & Associates, Inc. is hereby confirmed as Municipal Advisor to the Authority for the Bonds, and the law firm of Stradling Yocca Carlson & Rauth LLP is hereby confirmed as Bond Counsel and Disclosure Counsel to the Authority for the Bonds. The Executive Director is hereby authorized to execute an agreement with Webb Municipal Finance, LLC, and an addendum to the Master Engagement Letter, dated June 13, 2024, with Stradling Yocca Carlson & Rauth LLP, in each case for their services in connection with the Bonds, each in a form acceptable to the Authority's General Counsel.

Section 17. All actions heretofore taken by the officers and agents of the Authority with respect to the establishment of the District and the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the proper officers of the Authority (including the Designated Officers and the Secretary) are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with this Resolution, and any certificate, agreement, and other document described in the documents herein approved. Whenever in this Resolution any officer of the Authority is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

Section 18. This Resolution shall take effect upon its adoption.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of the Temecula Public Financing Authority this 23rd day of September, 2025.

Brenden Kalfus, Chair

ATTEST:

Randi Johl, Secretary

[SEAL]

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss
CITY OF TEMECULA)

I, Randi Johl, Secretary of the Temecula Public Financing Authority, do hereby certify that the foregoing Resolution No. TPFA 2025- was duly and regularly adopted by the Board of Directors of the Temecula Public Financing Authority at a meeting thereof held on the 23rd day of September, 2025, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

Randi Johl, Secretary

EXHIBIT A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by Fieldman, Rolapp & Associates, Inc., the Authority's Municipal Advisor, which have been represented to have been provided in good faith:

- (A) True Interest Cost of the Bonds: 5.34%
- (B) Finance Charges: \$603,000
- (C) Net Proceeds to be Received: \$13,015,539 (net of Finance Charges, reserves or capitalized interest)
- (D) Total Payment Amount through Maturity (sum of all Bond debt service): \$34,906,739

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates on August 14, 2025.

The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date used for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual principal amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates on the Bonds at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the Authority's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of the Bonds sold will be determined based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates on the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the principal of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Authority.