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**FIRST AMENDMENT TO ACQUISITION AGREEMENT**

**by and between the**

**TEMECULA PUBLIC FINANCING AUTHORITY**

**and**

**MERITAGE HOMES OF CALIFORNIA, INC.**

**dated as of August 1, 2025**

**relating to:**  
**Temecula Public Financing Authority**  
**Community Facilities District No. 23-02**  
**(Prado)**

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THIS FIRST AMENDMENT TO ACQUISITION AGREEMENT, dated as of August 1, 2025 (“Amendment No. 1”), is by and between the Temecula Public Financing Authority, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the “Authority”), for the Authority’s Temecula Public Financing Authority Community Facilities District No. 23-02 (Prado) (the “CFD”), and Meritage Homes of California, Inc., a California corporation (the “Developer”). This Amendment No. 1 amends that certain Acquisition Agreement, dated as of January 23, 2024 (the “Acquisition Agreement”), by and between the Authority for the CFD, and the Developer. Capitalized terms used in this Amendment No. 1 and not otherwise defined herein have the meanings given such terms in Section 1.01 of the Acquisition Agreement.

#### RECITALS:

WHEREAS, the Authority and the Developer have entered into the Acquisition Agreement in order to provide for the use of proceeds of special taxes levied and bonds issued by the Authority for the CFD deposited to an acquisition account of an improvement fund, to pay costs of Facilities and Discrete Components thereof authorized to be funded by the CFD that are to be constructed by the Developer; and

WHEREAS, Attachment A to the JCFA generally described the “CFD Designated Facilities” that would be authorized to be financed by the CFD, which included, among others, the acquisition and construction of Temecula Center Drive including the acquisition of any related right-of-way and other land needed for the installation of Temecula Center Drive; and

WHEREAS, the definition of “Actual Cost” in the Acquisition Agreement that may be paid for an Acquisition Improvement includes “the out-of-pocket cost to the Developer of any real property or interest therein that the Developer must acquire from one or more entities that are not Affiliates of the Developer and which acquisition is required for the construction of a facility and which real property or interest therein is required to be conveyed to the public entity that will own or operate the facility”; and

WHEREAS, Exhibit B to the Acquisition Agreement identified a “Budgeted Cost” for the Temecula Center Drive, Ynez Road and Date Street improvements of \$1,950,000; however, that Budgeted Cost did not include the acquisition of right-of-way for Temecula Center Drive; and

WHEREAS, the Authority and the Developer now desire to amend Exhibit B to the Acquisition Agreement to update the Budgeted Cost of the Discrete Components of Temecula Center Drive, Ynez Road and Date Street to include the Developer’s cost of acquiring the 2.497 acres of right-of-way for Temecula Center Drive in the amount of \$1,971,788.

#### AGREEMENT:

In consideration of the mutual promises and covenants set forth herein, and for other consideration the receipt and sufficiency of which are hereby acknowledged, the Authority, for the CFD, and the Developer agree that the foregoing recitals, as applicable to each, are true and correct and further make the agreements set forth below.

Section 1. Substitution of New Exhibit B. The Acquisition Agreement is hereby amended by deleting Exhibit B thereto and by inserting therein, in lieu thereof, Exhibit A attached to this Amendment No. 1.

Section 2. Substitution of New Exhibit C. The Acquisition Agreement is hereby amended by deleting Exhibit C thereto and by inserting therein, in lieu thereof, Exhibit B attached to this Amendment No. 1.

Section 3. Coordination of Payment Request – Heirloom Farms Acquisition Agreement. The Parties acknowledge that the Facilities described in this Amendment No. 1 are the same facilities described in the Acquisition Agreement between the Developer and the Authority, dated February 23, 2021, relating to the Temecula Public Financing Authority Community Facilities District No. 20-01 (Heirloom Farms) (the “Heirloom Farms Acquisition Agreement”). The Developer acknowledges that any payment request for the Facilities must not overlap with or relate to the same expenditures as any payment request made under the Heirloom Farms Acquisition Agreement; provided, however, the portion of the approved Purchase Price of a Facility that is not paid by Community Facilities District No. 20-01 (Heirloom Farms) may be paid by the CFD and vice versa.

Section 4. Counterparts. This Amendment No. 1 may be executed in counterparts, each of which shall be deemed an original.

Section 5. Interpretation of Agreement. Captions used in this Amendment No. 1 are for convenience of reference only and shall not affect the interpretation or meaning of this Amendment No. 1 or the Acquisition Agreement.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 1 as of the day and year first-above written.

TEMECULA PUBLIC FINANCING  
AUTHORITY, for the TEMECULA PUBLIC  
FINANCING AUTHORITY COMMUNITY  
FACILITIES DISTRICT NO. 23-02 (PRADO)

By: \_\_\_\_\_  
Aaron Adams,  
Executive Director

MERITAGE HOMES OF CALIFORNIA, INC.,  
a California corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT A TO AMENDMENT NO. 1**

**ACQUISITION AGREEMENT**

**AMENDED EXHIBIT B**

**FACILITIES ELIGIBLE FOR ACQUISITION FROM THE  
DEVELOPER AND RELATED BUDGETED COSTS**

<b>FACILITIES</b>	<b>BUDGETED COSTS</b>
Temecula Center Drive, Ynez Road & Date Street Improvements: Improvements include the acquisition of the Temecula Center Drive right-of-way, grading, removal of asphalt berms, sawcut and removal of existing asphalt, paving, grind and overlay of existing asphalt, curb and gutter, sidewalk, landscaping, irrigation, signing and striping, street lights, traffic control, storm drain and other appurtenant improvements necessary to complete Temecula Center Drive.	\$3,921,788
Traffic Signal at Temecula Center Drive & Ynez Road: Improvements include traffic signal, traffic signal interconnect on Ynez Road from Temecula Center Drive to Equity Drive, and other appurtenant improvements necessary to complete the traffic signal at Temecula Center Drive and Ynez Road.	\$750,000

**EXHIBIT B TO AMENDMENT NO. 1**

**AMENDED EXHIBIT C**

**FORM OF PAYMENT REQUEST**

**PAYMENT REQUEST NO. \_\_\_\_\_**

The undersigned (the “Developer”), hereby requests payment in the total amount of \$\_\_\_\_\_ for the Facilities (as defined in the Acquisition Agreement, dated as of January 23, 2024, between (a) the Temecula Public Financing Authority (the “Authority”), for and on behalf of the Temecula Public Financing Authority Community Facilities District No. 23-02 (Prado), and (b) the Developer), all as more fully described in Attachment 1 hereto. In connection with this Payment Request, the undersigned hereby represents and warrants to the Authority as follows:

1. He(she) is a duly authorized officer of the Developer, qualified to execute this Payment Request for payment on behalf of the Developer and is knowledgeable as to the matters set forth herein.

2. To the extent that this payment request is with respect to a completed Facility, the Developer has submitted or submits herewith to the City of Temecula (the “City”) as-built drawings or similar plans and specifications for the items to be paid for as listed in Attachment 1 hereto with respect to any such completed Facility, and such drawings or plans and specifications, as applicable, are true, correct and complete.

3. All costs of the Facilities for which payment is requested hereby are Actual Costs (as defined in the Agreement referenced above) and have not been inflated in any respect. The items for which payment is requested have not been the subject of any prior payment request submitted to the Authority, including any payment request pursuant to that certain Acquisition Agreement between the Developer and the Authority, dated February 23, 2021 with respect to Temecula Public Financing Authority Community Facilities District No. 20-01 (Heirloom Farms), except that the portion of the Purchase Price of the Facility that is not paid by Community Facilities District No. 20-01 (Heirloom Farms) may be paid by the CFD and vice versa.

4. Supporting documentation (such as third party invoices) is attached with respect to each cost for which payment is requested.

5. There has been compliance with applicable laws relating to prevailing wages for the work to construct the Facilities for which payment is requested.

6. The Facilities for which payment is requested were constructed in accordance with all applicable City or other governmental standards, and in accordance with the as-built drawings or plans and specifications, as applicable, referenced in paragraph 2 above.

7. The Developer is in compliance with the terms and provisions of the Acquisition Agreement and no portion of the amount being requested to be paid was previously paid.

8. The Purchase Price for each Facility (a detailed calculation of which is shown in an Attachment 2 hereto for each such Facility), has been calculated in conformance with the terms of Section 5.06 of the Acquisition Agreement.

9. Neither the Developer nor any Affiliate (as defined in the Acquisition Agreement) is in default in the payment of ad valorem real property taxes or special taxes or special assessments levied in the CFD (as defined in the Acquisition Agreement), except as follows:  
\_\_\_\_\_.

I hereby declare under penalty of perjury that the above representations and warranties are true and correct.

**DEVELOPER:**

MERITAGE HOMES OF CALIFORNIA, INC.

By: \_\_\_\_\_  
Authorized Representative of the Developer

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

**AUTHORITY:**

Payment Request Approved for Submission  
to the Finance Director of the City of Temecula

By: \_\_\_\_\_  
Director of Public Works

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

**ATTACHMENT 1  
AMENDED EXHIBIT C**

*[list here all Facilities for which payment is requested,  
and attach support documentation]*

**ATTACHMENT 2  
AMENDED EXHIBIT C**

**CALCULATION OF PURCHASE PRICE**

[Use a separate sheet for each Facility  
for which payment is being requested]

- |    |  |          |
|----|--|----------|
| 1. | Description (by reference to Exhibit B to the Acquisition Agreement) of the Facility   | _____    |
| 2. | Actual Cost (list here total of supporting invoices and/or other documentation supporting determination of Actual Cost):   | \$ _____ |
| 3. | Budgeted Cost:   | \$ _____ |
| 4. | Permitted Addition to Budgeted Cost (to the extent, and only to the extent, that Actual Cost exceeds Budgeted Cost), consisting of Savings (Actual Costs less than Budgeted Cost) carried forward from prior acquired Facilities (see first paragraph of Section 5.06A) and not previously applied to cover cost overruns (Actual Costs greater than Budgeted Cost) on previously acquired Facilities: | \$ _____ |
| 5. | Subtractions from Purchase Price:  |          |
|    | A.    Holdback for Lien releases (see Section 5.06(C) of the Acquisition Agreement)  | \$ _____ |
|    | B.    Retention (see Section 5.06(D) of the Acquisition Agreement)   | \$ _____ |
| 6. | Total disbursement requested (amount listed in 3, plus amount, if any, listed in 4 (total of amounts in 3 and 4 not to exceed amount listed in 2), less amounts, if any, listed in 5)  | \$ _____ |