

RESOLUTION 2020.09

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE EAST VALLEY WATER DISTRICT
DECLARING ITS INTENTION TO ESTABLISH COMMUNITY FACILITIES
DISTRICT NO. 2020-1 (HIGHLAND HILLS) OF EAST VALLEY WATER DISTRICT,
AND IMPROVEMENT AREA NOS. 1, 2 AND 3 THEREIN, TO AUTHORIZE THE
LEVY OF A SPECIAL TAX TO PAY THE COST OF ACQUIRING OR
CONSTRUCTING CERTAIN PUBLIC FACILITIES, AND PAYING FOR CERTAIN
INCIDENTAL EXPENSES AND TO PAY DEBT SERVICE ON BONDED
INDEBTEDNESS PROCEEDINGS**

WHEREAS, the East Valley Water District (the "District"), a county water district that is duly organized and existing under and by virtue of the laws of the State of California (the "State"), has received a petition from First American Title Insurance Company ("First American"), the owner of the territory that is described in Exhibit A (the "Property"), to establish Community Facilities District No. 2020-1 (Highland Hills) of East Valley Water District (the "Community Facilities District") and Improvement Area Nos. 1, 2 and 3 therein (each, an "Improvement Area" and collectively, the "Improvement Areas"), to finance: (1) the purchase, construction, expansion, improvement or rehabilitation of the public facilities described in Exhibit B (which attachment is incorporated herein by this reference), including all furnishings, equipment and supplies related thereto (collectively, the "Facilities"), which Facilities have a useful life of five years or longer; and (2) the incidental expenses to be incurred in connection with financing the Facilities, forming the Community Facilities District and the Improvement Areas therein and administering the Community Facilities District (the "Incidental Expenses");

WHEREAS, the Board of Directors of the District (the "Board"), acting as the legislative body of the Community Facilities District, further intends to approve an estimate of the costs of the Facilities and the Incidental Expenses for the Community Facilities District and each Improvement Area therein; and

WHEREAS, it is the intention of the Board to consider financing the Facilities and the Incidental Expenses through the formation of the Community Facilities District and each Improvement Area therein, and the sale of bonds in an amount not to exceed \$24,000,000 for the Community Facilities District, including \$12,000,000 for Improvement Area No. 1, \$5,000,000 for Improvement Area No. 2 and \$7,000,000 for Improvement Area No. 3 (collectively, the "Obligations"), and the levy of a special tax in the applicable Improvement Area to pay directly for the Facilities and to pay debt service on the Obligations, provided that the bond sale and special tax levy are approved at elections to be held for the Improvement Areas;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District as follows:

Section 1. Findings. The Board hereby specifically finds and declares that each of the statements, findings and determinations of the District set forth in the above recitals and in the preambles of the documents approved herein are true and correct.

Section 2. Intention. The Board declares its intention to conduct proceedings pursuant to the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53111 *et seq.*, the “Act”) for the establishment of the Community Facilities District and each Improvement Area therein with boundaries coterminous with the Property. It is further proposed that the boundaries of the Community Facilities District and each Improvement Area shall be the legal boundaries as described in Exhibit A, which boundaries shall, upon recordation of the boundary map for the Community Facilities District, include the entirety of any parcel subject to taxation by Community Facilities District, except where indicated on the boundary map, and as depicted on the boundary map of the Community Facilities District which is on file with the Secretary of the District. The Secretary of the District is hereby directed to sign the original boundary map of the Community Facilities District and record it with all proper endorsements thereon with the County Recorder of the County of San Bernardino within 15 days after the adoption of this resolution, all as required by Section 3111 of the Streets and Highways Code of the State of California.

Section 3. Name of the Community Facilities District. The name of the proposed Community Facilities District is “Community Facilities District No. 2020-1 (Highland Hills) of East Valley Water District.”

Section 4. Types of Facilities to be Financed by the Community Facilities District. The Facilities that are proposed to be provided within the Community Facilities District and each Improvement Area therein are public facilities as defined in the Act. The Board hereby finds and determines that the description of the Facilities and Incidental Expenses herein is sufficiently informative to allow taxpayers within the Community Facilities District and each Improvement Area therein to understand what the funds of the Community Facilities District and each Improvement Area therein may be used to finance, the Facilities to be constructed or acquired and the Incidental Expenses expected to be incurred, including the cost of planning and designing the Facilities, the costs of forming the Community Facilities District and each Improvement Area therein, issuing bonds, levying and collecting a special tax within the Community Facilities District and each Improvement Area therein and the annual administration costs of the Community Facilities District. The Board hereby finds that the proposed Facilities are necessary to meet increased demands placed upon the District as a result of development occurring in the Community Facilities District. The Facilities may be acquired from one or more of the property owners as completed public facilities or may be constructed by or on behalf of the District and paid for with bond proceeds and the proceeds of special taxes collected by the Community Facilities District.

Section 5. Special Taxes. Except where funds are otherwise available, it is the intention of the Board to levy annually in accordance with the procedures contained in the Act a special tax within each Improvement Area secured by recordation of a continuing lien against all non-exempt real property in the Improvement Area in an amount that is sufficient to pay for the Facilities and Incidental Expenses and the principal and interest and other periodic costs on bonds or other indebtedness issued to finance the Facilities and Incidental Expenses, including the establishment and replenishment of any reserve funds deemed necessary by the District, and any remarketing, credit enhancement and liquidity facility fees (including such fees for instruments which serve as the basis of a reserve fund in lieu of cash) attributable to the Community Facilities District. The rate and method of apportionment of special taxes (each, a “Rate and Method”) and manner of

collection of the special tax for each Improvement Area is described in detail in Exhibits C-1, C-2 and C-3, which attachments are incorporated herein by this reference. Exhibits C-1, C-2 and C-3 allow each landowner within the applicable Improvement Area to estimate the maximum amount that may be levied against each parcel.

If special taxes of the Community Facilities District are levied against any parcel used for private residential purposes: (i) the maximum special tax rate shall not be increased except to the extent permitted in the applicable Rate and Method; (ii) such special tax shall not be levied later than the fiscal year specified in the Rate and Method; and (iii) under no circumstances shall such special tax in an Improvement Area be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within the Improvement Area by more than ten percent (10%) above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults.

The Board hereby determines the Rate and Method for each Improvement Area set forth in Exhibits C-1, C-2 and C-3 to be reasonable. The special tax is apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act; and such special tax is not on or based upon the value or ownership of real property. In the event that a portion of the property within an Improvement Area shall become for any reason exempt, wholly or partially, from the levy of the special tax specified in the rate and method of the Improvement Area, the Board shall, on behalf of the Community Facilities District, cause the levy to be increased, subject to the limitation of the maximum special tax for a parcel as set forth in the applicable Rate and Method, to the extent necessary upon the remaining property within the Improvement Area which is not exempt in order to yield the special tax revenues required for the purposes described in this Section. The obligation to pay special taxes may be prepaid as provided in the Rates and Methods set forth in Exhibits C-1, C-2 and C-3, as such Rates and Methods may be amended hereafter.

Section 6. Public Hearing. A combined public hearing (the "Hearing") on the establishment of the Community Facilities District and each Improvement Area therein, the proposed Rates and Methods for each Improvement Area and the proposed issuance of bonds for each Improvement Area to finance the Facilities and the Incidental Expenses shall be held at 5:30 p.m., or as soon thereafter as practicable, on June 10, 2020, at the District, 31111 Greenspot Road, Highland, California 92346. If the Board determines to form the Community Facilities District and each Improvement Area therein, special elections will be held to authorize the issuance of the bonds for each Improvement Area and the levy of the special tax in accordance with the procedures contained in Government Code Section 53326. If such elections are held, the proposed voting procedure at the elections will be a landowner vote with each landowner who is the owner of record of land within each Improvement Area at the close of the Hearing, or the authorized representative thereof, having one vote for each acre or portion thereof owned within each Improvement Area. Ballots for the special elections may be distributed by mail or by personal service.

At the time and place set forth above for the Hearing, the Board will receive testimony as to whether the Community Facilities District and each Improvement Area therein shall be established and whether special taxes shall be levied in accordance with the proposed rates and methods of apportionment of the special tax, and whether Obligations for each Improvement Area shall be issued to finance Facilities and Incidental Expenses of the Community Facilities District.

At the time and place set forth above for the Hearing, any interested person, including all persons owning lands or registered to vote within the Improvement Areas, may appear and be heard.

Section 7. Notice. The Secretary of the District is hereby authorized and directed to publish a notice (the "Notice") of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the Community Facilities District. The Secretary of the District is further authorized and directed to mail a copy of the Notice to each of the landowners within the boundaries of the Improvement Areas at least 15 days prior to the Hearing. The Notice shall contain the text or a summary of this Resolution, the time and place of the Hearing, a statement that the testimony of all interested persons or taxpayers will be heard, a description of the protest rights of the registered voters and landowners in the Improvement Areas and a description of the proposed voting procedure for the elections required by the Act. Such publication shall be completed at least seven (7) days prior to the date of the Hearing.

Section 8. Reports re Facilities. Each District officer who is or will be responsible for providing the Facilities, if the Community Facilities District is established, is hereby directed to study the Community Facilities District and, at or before the time of the Hearing, file a report with the Board containing a brief description of the public facilities by type which will in his or her opinion be required to meet adequately the needs of the Community Facilities District and an estimate of the cost of providing those public facilities.

Section 9. Advance of Funds. The District may accept advances of funds or work-in-kind from any source, including, but not limited to, private persons or private entities, for any authorized purpose, including, but not limited to, paying any cost incurred by the District in creating the Community Facilities District and the Improvement Areas therein. The District may enter into an agreement with the person or entity advancing the funds or work-in-kind, to repay all or a portion of the funds advanced, or to reimburse the person or entity for the value, or cost, whichever is less, of the work-in-kind, as determined by the District, with or without interest.

Section 10. Maximum Bonded Indebtedness. The reasonably expected maximum principal amount of the Obligations is \$24,000,000 for the Community Facilities District, including \$12,000,000 for Improvement Area No. 1, \$5,000,000 for Improvement Area No. 2 and \$7,000,000 for Improvement Area No. 3.

Section 11. Appointment of Financing Team. Koppel & Gruber Public Finance is hereby appointed to act as special tax consultant with respect to the formation of the Community Facilities District and the Improvement Areas therein, the issuance of bonds thereby and the preparation of the Community Facilities District report required by Section 53321.5 of the Act. Stradling Yocca Carlson & Rauth, a Professional Corporation, is hereby appointed to act as bond counsel and special counsel with respect to the formation of the Community Facilities District and the bond issuances thereby.

Section 12. Reservation of Rights. Except to the extent limited in any bond resolution or trust indenture related to the issuance of bonds, the Board hereby reserves to itself all rights and powers set forth in Section 53344.1 of the Act (relating to tenders in full or partial payment).

Section 13. Other Actions. The President or Vice President of the Board or the General Manager or Chief Financial Officer of the District or the designee thereof and any other proper officers of the District, acting singly, are hereby authorized and directed to do any and all things and to execute and deliver any and all documents and certificates which such officers may deem necessary or advisable in order to effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

Section 14. Effect. This Resolution shall take effect immediately.

This Resolution shall take effect as of the 22nd day of April 2020.

ADOPTED this 22nd day of April 2020.

ROLL CALL:

Ayes: Directors: Carrillo, Coats, Goodrich, Morales, Smith

Noes: NONE

Absent: NONE

Abstain: NONE

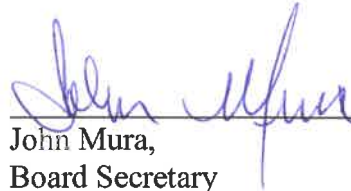


David E. Smith
Board President

April 22, 2020

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of Resolution 2020.09 adopted by the Board of Directors of East Valley Water District at its Regular Meeting held April 22, 2020.

ATTEST:



John Mura,
Board Secretary

EXHIBIT A

DESCRIPTION OF THE PROPOSED COMMUNITY FACILITIES DISTRICT

COMMUNITY FACILITIES DISTRICT BOUNDARY:

ALL THAT PORTION OF THE SOUTH 1/2 OF SECTION 27 AND ALL THAT PORTION OF THE NORTHWEST 1/4 OF SECTION 34 AND ALL THAT PORTION OF THE SOUTHWEST 1/4 OF SECTION 26, TOWNSHIP 1 NORTH, RANGE 3 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 27; THENCE SOUTH 89 DEG. 54' 09" WEST ALONG THE SOUTH LINE OF SAID SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 27, 900.00 FEET TO THE SOUTHWEST CORNER OF THAT PROPERTY DESCRIBED BY A DEED TO L.C. WAITE, ET AL., IN BOOK 255, PAGE 387, OF DEEDS, RECORDS OF SAID COUNTY; THENCE NORTH 00 DEG. 05' 55" WEST, ALONG THE WEST LINE OF SAID WAITE PROPERTY, 44.00 FEET TO THE MOST SOUTHERLY CORNER OF THAT PROPERTY DESCRIBED IN A DEED TO THE STATE OF CALIFORNIA IN INSTRUMENT NO. 90-248587, OFFICIAL RECORDS OF SAID COUNTY; THENCE NORTHEASTERLY AND NORTHWESTERLY FOLLOWING THE EASTERLY LINE OF SAID STATE PROPERTY, NORTH 26 DEG. 32' 20" EAST, 348.41 FEET; THENCE NORTH 35 DEG. 32' 55" WEST, 15.25 FEET; THENCE LEAVING SAID EASTERLY LINE FOLLOWING THE EASTERLY LINE OF THAT PROPERTY DESCRIBED AS PARCEL 1 OF EXHIBIT "B" OF THAT CERTIFICATE OF COMPLIANCE RECORDED AS INSTRUMENT NO. 94-414166, OFFICIAL RECORDS OF SAID COUNTY, NORTH 00 DEG. 53' 43" EAST, 143.13 FEET; THENCE NORTH 26 DEG. 29' 16" EAST, 32.07 FEET; THENCE SOUTH 89 DEG. 55' 10" EAST, 142.65 FEET; THENCE NORTH 29 DEG. 55' 47" EAST, 76.27 FEET; THENCE NORTH 18 DEG. 03' 10" EAST, 240.42 FEET; THENCE NORTH 07 DEG. 30' 31" EAST, 373.60 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 78.05 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 12 DEG. 26' 53" EAST; THENCE NORTHEASTERLY AND NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 228.08 FEET THROUGH A CENTRAL ANGLE OF 167 DEG. 32' 28"; THENCE ON A NON-TANGENT BEARING, NORTH 89 DEG. 51' 50" WEST, 66.09 FEET TO THE WEST LINE OF THAT CERTAIN "PARCEL 4" AS DESCRIBED IN A DEED TO RANCHO SAN ANDREAS COMPANY IN INSTRUMENT NO. 90-121848, OFFICIAL RECORDS OF SAID COUNTY; THENCE NORTH 03 DEG. 27' 45" EAST ALONG SAID WEST LINE OF SAID "PARCEL 4", 1275.72 FEET TO THE NORTH LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 27; THENCE SOUTH 89 DEG. 36' 39" EAST, 712.45 FEET; THENCE SOUTH 37 DEG. 24' 27" WEST, 355.45 FEET; THENCE SOUTH 78 DEG. 35' 55" EAST, 282.98 FEET; THENCE NORTH 37 DEG. 24' 27" EAST, 272.93 FEET; THENCE SOUTH 89 DEG. 54' 08" EAST, 973.55 FEET TO A POINT ON A NON-TANGENT CURVE, HAVING A RADIUS OF 225.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 88 DEG. 42' 29" WEST; THENCE SOUTHERLY AND SOUTHEASTERLY ALONG SAID

CURVE, AN ARC DISTANCE OF 196.64 FEET THROUGH A CENTRAL ANGLE OF 50 DEG. 04'24" ; THENCE TANGENT TO SAID CURVE, SOUTH 48 DEG. 46'53" EAST, 70.86 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 330.00 FEET; THENCE SOUTHEASTERLY AND NORTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 408.55 FEET THROUGH A CENTRAL ANGLE OF 70 DEG. 56'02"; THENCE TANGENT TO SAID CURVE, NORTH 60 DEG. 17'05" EAST, 64.25 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 120.00 FEET; THENCE NORTHEASTERLY AND SOUTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 212.19 FEET THROUGH A CENTRAL ANGLE OF 101 DEG. 18'50"; THENCE ON A NON-TANGENT BEARING, NORTH 69 DEG. 10'43" EAST, 60.04 FEET TO A POINT ON A NON-TANGENT CURVE, HAVING A RADIUS OF 10.00 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 70 DEG. 47'30" WEST; THENCE SOUTHEASTERLY AND EASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 16.47 FEET THROUGH A CENTRAL ANGLE OF 94 DEG. 23'32"; THENCE TANGENT TO SAID CURVE, NORTH 66 DEG. 23'58" EAST, 48.72 FEET; THENCE NORTH 37 DEG. 54'23" EAST, 41.98 FEET; THENCE NORTH 74 DEG. 14'49" EAST, 34.87 FEET; THENCE NORTH 25 DEG. 56'19" EAST, 183.42 FEET; THENCE NORTH 76 DEG. 40'51" EAST, 232.77 FEET; THENCE NORTH 84 DEG. 54'07" EAST, 226.46 FEET; THENCE NORTH 80 DEG. 23'01 EAST, 457.57 FEET; THENCE SOUTH 80 DEG. 28'59" EAST, 468.70 FEET; THENCE SOUTH 71 DEG. 36'45" EAST, 156.81 TO A POINT ON THE EAST LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 27; THENCE CONTINUING SOUTH 71 DEG. 36'45" EAST, 27.81 FEET; THENCE SOUTH 23 DEG. 50'05" EAST, 207.36 FEET; THENCE SOUTH 88 DEG. 24'29" WEST, 67.13 FEET; THENCE SOUTH 55 DEG. 52'51" WEST, 40.54 FEET; THENCE NORTH 70 DEG. 34'04" WEST, 9.46 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 27; THENCE CONTINUING NORTH 70 DEG. 34'04" WEST, 34.39 FEET; THENCE NORTH 82 DEG. 20'31" WEST, 86.75 FEET; THENCE SOUTH 74 DEG. 35'38" WEST, 107.21 FEET; THENCE NORTH 59 DEG. 44'14" WEST, 41.28 FEET; THENCE SOUTH 80 DEG. 01'44" WEST, 92.74 FEET; THENCE SOUTH 85 DEG. 05'40" WEST, 45.87 FEET; THENCE SOUTH 52 DEG. 09'56" WEST, 104.47 FEET; THENCE SOUTH 40 DEG. 15'13" WEST, 55.76 FEET; THENCE SOUTH 00 DEG. 43'26" WEST, 50.23 FEET; THENCE SOUTH 19 DEG. 14'33" EAST, 50.00 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 475.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 19 DEG. 14'33" WEST; THENCE EASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 104.91 FEET THROUGH A CENTRAL ANGLE OF 12 DEG. 39'15"; THENCE ON A NON-TANGENT BEARING, SOUTH 27 DEG. 54'56" EAST, 142.75 FEET; THENCE SOUTH 60 DEG. 25'11" EAST, 69.04 FEET; THENCE SOUTH 26 DEG. 30'04" EAST, 40.46 FEET; THENCE SOUTH 88 DEG. 33'35" EAST, 34.56 FEET; THENCE SOUTH 29 DEG. 42'51" EAST, 49.73 FEET; THENCE SOUTH 15 DEG. 55'30 EAST, 45.64 FEET; THENCE SOUTH 27 DEG. 26'13" WEST, 35.86 FEET; THENCE SOUTH 35 DEG. 20'59" EAST, 80.05 FEET; THENCE SOUTH 13 DEG. 50'51" WEST, 120.49 FEET; THENCE SOUTH 71 DEG. 15'34" EAST, 62.29 FEET; THENCE SOUTH 19 DEG. 17'02" EAST, 72.49 FEET; THENCE SOUTH 08 DEG. 43'03" WEST, 29.12 FEET; THENCE SOUTH 15 DEG. 49'23" EAST, 74.20 FEET; THENCE SOUTH 18 DEG. 08'46" WEST, 20.43 FEET; THENCE SOUTH 15 DEG. 21'31" EAST, 80.11 FEET; THENCE SOUTH 01 DEG. 32'07" EAST, 103.84 FEET; THENCE SOUTH 30 DEG. 28'42" WEST, 36.26 FEET; THENCE SOUTH 03 DEG. 45'38" WEST, 75.29 FEET; THENCE SOUTH 17 DEG.

32'19" WEST, 78.35 FEET; THENCE SOUTH 50 DEG. 10'11" WEST, 67.57 FEET; THENCE NORTH 87 DEG. 37'38" WEST, 70.09 FEET; THENCE SOUTH 48 DEG. 33'18" WEST, 202.83 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 175.00 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 52 DEG. 30'02" WEST; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 12.57 FEET THROUGH A CENTRAL ANGLE OF 04 DEG. 06'54"; THENCE ON A NON-TANGENT BEARING, SOUTH 56 DEG. 36'56" WEST, 50.00 FEET; THENCE SOUTH 34 DEG. 06'16" WEST, 158.02 FEET; THENCE SOUTH 48 DEG. 22'52" EAST, 51.60 FEET; THENCE SOUTH 59 DEG. 26'48" EAST, 52.30 FEET; THENCE SOUTH 26 DEG. 31'41" EAST, 57.44 FEET; THENCE SOUTH 61 DEG. 25'42" EAST, 44.72 FEET; THENCE NORTH 72 DEG. 12'59" EAST, 37.20 FEET; THENCE SOUTH 64 DEG. 45'13" EAST, 37.09 FEET; THENCE NORTH 89 DEG. 22'45" EAST, 55.93 FEET; THENCE SOUTH 80 DEG. 40'34" EAST, 27.39 FEET; THENCE SOUTH 87 DEG. 11'59" EAST, 26.13 FEET; THENCE NORTH 81 DEG. 36'34" EAST, 51.82 FEET; THENCE SOUTH 83 DEG. 24'13" EAST, 49.72 FEET; THENCE SOUTH 42 DEG. 43'53" EAST, 50.80 FEET; THENCE SOUTH 69 DEG. 05'29" EAST, 31.92 FEET; THENCE NORTH 39 DEG. 51'53" EAST, 11.96 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 375.06 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 68 DEG. 41'09" EAST; THENCE SOUTHERLY ALONG SAID CURVE, AN ARC DISTANCE OF 141.54 FEET THROUGH A CENTRAL ANGLE OF 21 DEG. 37'19" TO A POINT ON THE EAST LINE OF THE SOUTH 1/2 OF SAID SECTION 27, SAID POINT ALSO BEING THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN A DEED TO JACK D. VANDERWOUDE IN INSTRUMENT NO. 88-451867, OFFICIAL RECORDS OF SAID COUNTY, AND AS SHOWN ON A RECORD OF SURVEY FILED IN BOOK 84 OF RECORDS OF SURVEY, PAGE 32, RECORDS OF SAID COUNTY; THENCE ALONG THE WESTERLY AND NORTHERLY LINE OF SAID PROPERTY AS FOLLOWS: ON A NON-TANGENT BEARING, SOUTH 82 DEG. 22'47" WEST, 182.66 FEET; THENCE SOUTH 50 DEG. 03'45" WEST, 168.61 FEET; THENCE SOUTH 73 DEG. 33'55" WEST, 322.13 FEET; THENCE SOUTH 42 DEG. 57'05" WEST, 37.59 FEET; THENCE SOUTH 16 DEG. 29'22" EAST, 113.21 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTH 1/2 OF SAID SECTION 27; THENCE NORTH 89 DEG. 55'06" WEST, ALONG SAID SOUTH LINE, 855.66 FEET TO THE NORTHEAST CORNER OF THAT CERTAIN "PARCEL 2" AS DESCRIBED IN A DEED TO THE COUNTY OF SAN BERNARDINO, RECORDED IN BOOK 5057, PAGE 321, OFFICIAL RECORDS OF SAID COUNTY; THENCE NORTH 68 DEG. 39'06" WEST, ALONG THE NORTH LINE OF SAID "PARCEL 2", 39.53 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 230.00 FEET; THENCE WESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 43.18 FEET THROUGH A CENTRAL ANGLE OF 21 DEG. 15'59"; THENCE TANGENT TO SAID CURVE, NORTH 89 DEG. 55'06" WEST, 569.72 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 520.00 FEET; THENCE WESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 64.83 FEET THROUGH A CENTRAL ANGLE OF 14 DEG. 12'48" TO THE POINT OF A REVERSE CURVE, HAVING A RADIUS OF 460.00 FEET; THENCE WESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 114.11 FEET THROUGH A CENTRAL ANGLE OF 14 DEG. 12'48" TO A POINT ON THE SOUTH LINE OF THE SOUTH 1/2 OF SAID SECTION 27; THENCE TANGENT TO SAID CURVE, NORTH 89 DEG. 55'06" WEST, ALONG SAID SOUTH LINE, 264.22 FEET TO THE SOUTHWEST CORNER OF THE

SOUTHEAST 1/4 OF SAID SECTION 27; THENCE SOUTH 00 DEG. 31'08" EAST, ALONG THE WEST LINE OF THE NORTHEAST 1/4 OF SAID SECTION 34, 428.09 FEET; THENCE NORTH 89 DEG. 29'15" EAST, ALONG THE SOUTH LINE OF TERRACE DRIVE, BEING 66.00 FEET WIDE, 555.71 FEET TO THE NORTHWEST CORNER OF LOT 61, TRACT NO. 5299, SYCAMORE HEIGHTS ESTATES, AS PER PLAT RECORDED IN BOOK 76 OF MAPS, PAGES 74 AND 75, RECORDS OF SAID COUNTY; THENCE ALONG THE WESTERLY AND SOUTHWESTERLY BOUNDARY OF SAID TRACT NO. 5299 THE FOLLOWING: SOUTH 00 DEG. 30'45" EAST, 105.00 FEET; THENCE SOUTH 12 DEG. 21'07" EAST, 360.15 FEET; THENCE SOUTH 43 DEG. 16'19" EAST, 225.27 FEET TO THE SOUTHEASTERLY LINE OF THE LAND DESCRIBED IN THE DEED TO TITLE INSURANCE AND TRUST COMPANY, RECORDED AUGUST 11, 1961, IN BOOK 5507, PAGE 397, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID SOUTHEASTERLY AND SOUTHWESTERLY LINE THE FOLLOWING: SOUTH 46 DEG. 42'20" WEST, 273.77 FEET; THENCE NORTH 62 DEG. 34'19" WEST, 66.06 FEET; THENCE NORTH 59 DEG. 47'14" WEST, 233.22 FEET; THENCE NORTH 63 DEG. 44'53" WEST, 361.44 FEET TO A POINT ON THE WEST LINE OF SAID NORTHEAST 1/4 OF SAID SECTION 34; THENCE NORTH 00 DEG. 31'08" WEST, ALONG SAID WEST LINE, 98.92 FEET; THENCE NORTH 57 DEG. 46'39" WEST, 60.84 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 70.00 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 44 DEG. 44'46" EAST; THENCE SOUTHWESTERLY AND WESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 55.92 FEET THROUGH A CENTRAL ANGLE OF 45 DEG. 46'22"; THENCE TANGENT TO SAID CURVE, NORTH 88 DEG. 58'24" WEST, 95.09 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 68.00 FEET; THENCE WESTERLY AND SOUTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 71.41 FEET THROUGH A CENTRAL ANGLE OF 60 DEG. 10'12" TO A POINT OF REVERSE CURVE HAVING A RADIUS OF 8.00 FEET; THENCE SOUTHWESTERLY AND NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 12.57 FEET THROUGH A CENTRAL ANGLE OF 90 DEG. 00'00"; THENCE ON A NON-TANGENT BEARING, SOUTH 30 DEG. 51'24" WEST, 8.94 FEET TO A POINT ON THE NORTHEASTERLY LINE OF THAT PROPERTY DESCRIBED IN A DEED TO THE COUNTY OF SAN BERNARDINO, RECORDED IN BOOK 1555, PAGE 151, OFFICIAL RECORDS OF SAID COUNTY; THENCE FOLLOWING THE NORTHEASTERLY AND NORTHERLY LINE OF SAID COUNTY PROPERTY, NORTH 58 DEG. 58'32" WEST, 95.31 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 741.20 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 360.29 FEET THROUGH A CENTRAL ANGLE OF 27 DEG. 51'04"; THENCE TANGENT TO SAID CURVE, NORTH 86 DEG. 49'36" WEST, 36.93 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 206.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 186.84 FEET THROUGH A CENTRAL ANGLE OF 51 DEG. 58'03"; THENCE TANGENT TO SAID CURVE, NORTH 34 DEG. 51'33" WEST, 169.50 FEET TO THE BEGINNING OF TANGENT CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 1121.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 164.86 FEET THROUGH A CENTRAL ANGLE OF 08 DEG. 25'35"; THENCE TANGENT TO SAID CURVE, NORTH 26 DEG. 25'58" WEST, 192.31 FEET TO THE BEGINNING OF A

TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 325.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 232.82 FEET THROUGH A CENTRAL ANGLE OF 41 DEG. 02'41" TO A POINT ON THE SOUTH LINE OF THE SOUTH 1/2 OF SAID SECTION 27; THENCE ON A NON-TANGENT BEARING, SOUTH 89 DEG. 54'09" WEST, ALONG SAID SOUTH LINE, 10.49 FEET TO THE **POINT OF BEGINNING.**

IMPROVEMENT AREA NO. 1:

ALL THAT PORTION OF THE SOUTH 1/2 OF SECTION 27 AND ALL THAT PORTION OF THE NORTHWEST 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 3 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 27; THENCE SOUTH 89 DEG. 54' 09" WEST ALONG THE SOUTH LINE OF SAID SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 27, 900.00 FEET TO THE SOUTHWEST CORNER OF THAT PROPERTY DESCRIBED BY A DEED TO L.C. WAITE, ET AL., IN BOOK 255, PAGE 387, OF DEEDS, RECORDS OF SAID COUNTY; THENCE NORTH 00 DEG. 05' 55" WEST, ALONG THE WEST LINE OF SAID WAITE PROPERTY, 44.00 FEET TO THE MOST SOUTHERLY CORNER OF THAT PROPERTY DESCRIBED IN A DEED TO THE STATE OF CALIFORNIA IN INSTRUMENT NO. 90-248587, OFFICIAL RECORDS OF SAID COUNTY; THENCE NORTHEASTERLY AND NORTHWESTERLY FOLLOWING THE EASTERLY LINE OF SAID STATE PROPERTY, NORTH 26 DEG. 32' 20" EAST, 348.41 FEET; THENCE NORTH 35 DEG. 32' 55" WEST, 15.25 FEET; THENCE LEAVING SAID EASTERLY LINE FOLLOWING THE EASTERLY LINE OF THAT PROPERTY DESCRIBED AS PARCEL 1 OF EXHIBIT "B" OF THAT CERTIFICATE OF COMPLIANCE RECORDED AS INSTRUMENT NO. 94-414166, OFFICIAL RECORDS OF SAID COUNTY, NORTH 00 DEG. 53' 43" EAST, 143.13 FEET; THENCE NORTH 26 DEG. 29' 16" EAST, 32.07 FEET; THENCE SOUTH 89 DEG. 55' 10" EAST, 142.65 FEET; THENCE NORTH 29 DEG. 55' 47" EAST, 76.27 FEET; THENCE NORTH 18 DEG. 03' 10" EAST, 240.42 FEET; THENCE NORTH 07 DEG. 30' 31" EAST, 373.60 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 78.05 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 12 DEG. 26' 53" EAST; THENCE NORTHEASTERLY AND NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 228.08 FEET THROUGH A CENTRAL ANGLE OF 167 DEG. 32' 28"; THENCE ON A NON-TANGENT BEARING, NORTH 89 DEG. 51' 50" WEST, 66.09 FEET TO THE WEST LINE OF THAT CERTAIN "PARCEL 4" AS DESCRIBED IN A DEED TO RANCHO SAN ANDREAS COMPANY IN INSTRUMENT NO. 90-121848, OFFICIAL RECORDS OF SAID COUNTY; THENCE NORTH 03 DEG. 27' 45" EAST ALONG SAID WEST LINE OF SAID "PARCEL 4", 1275.72 FEET TO THE NORTH LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 27; THENCE SOUTH 89 DEG. 36'39" EAST, 712.45 FEET; THENCE SOUTH 37 DEG. 24'27" WEST, 355.45 FEET; THENCE SOUTH 78 DEG. 35'55" EAST, 282.98 FEET; THENCE NORTH 37 DEG. 24'27" EAST, 272.93 FEET; THENCE SOUTH 89 DEG. 54'08" EAST, 50.62 FEET; THENCE SOUTH 00 DEG. 05'52" WEST, 1019.19 FEET; THENCE SOUTH 46 DEG. 10'12" WEST, 127.48 FEET; THENCE NORTH 48

DEG. 39'07" WEST, 83.47 FEET; THENCE SOUTH 46 DEG. 08'10" WEST, 291.33 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 300.00 FEET; THENCE SOUTHWESTERLY AND SOUTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 440.60 FEET THROUGH A CENTRAL ANGLE OF 84 DEG. 08'57"; THENCE TANGENT TO SAID CURVE, SOUTH 38 DEG. 00'47" EAST, 652.99 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 350.00 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 67.12 FEET THROUGH A CENTRAL ANGLE OF 10 DEG. 59'15"; THENCE ON A NON-TANGENT BEARING, NORTH 88 DEG. 25'29" EAST, 748.39 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY, A RADIAL LINE TO SAID POINT BEARS NORTH 71 DEG. 26'02" WEST; THENCE SOUTHERLY ALONG SAID CURVE, AN ARC DISTANCE OF 123.91 FEET THROUGH A CENTRAL ANGLE OF 19 DEG. 05'06"; THENCE TANGENT TO SAID CURVE, SOUTH 00 DEG. 31'08" EAST, 174.85 FEET TO THE SOUTHEAST CORNER OF THE SOUTHWEST 1/4 OF SAID SECTION 27; THENCE CONTINUING SOUTH 00 DEG. 031'08" EAST, ALONG THE EAST LINE OF THE NORTHWEST 1/4 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 3 WEST, SAN BERNARDINO BASE AND MERIDIAN, 434.08 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 300.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE, AN ARC DISTANCE OF 101.02 FEET THROUGH A CENTRAL ANGLE OF 37 DEG. 13'08"; THENCE SOUTH 36 DEG. 42'01" WEST, 244.47 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 68.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 09 DEG. 08'23" WEST; THENCE SOUTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 59.35 FEET THROUGH A CENTRAL ANGLE OF 50 DEG. 00'13" TO A POINT OF REVERSE CURVE HAVING A RADIUS OF 8.00 FEET; THENCE SOUTHWESTERLY AND NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 12.57 FEET THROUGH A CENTRAL ANGLE OF 90 DEG. 00'00"; THENCE ON A NON-TANGENT BEARING, SOUTH 30 DEG. 51'24" WEST, 8.94 FEET TO A POINT ON THE NORTHEASTERLY LINE OF THAT PROPERTY DESCRIBED IN A DEED TO THE COUNTY OF SAN BERNARDINO, RECORDED IN BOOK 1555, PAGE 151, OFFICIAL RECORDS OF SAID COUNTY; THENCE FOLLOWING THE NORTHEASTERLY AND NORTHERLY LINE OF SAID COUNTY PROPERTY, NORTH 58 DEG. 58'32" WEST, 95.31 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 741.20 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 360.29 FEET THROUGH A CENTRAL ANGLE OF 27 DEG. 51'04"; THENCE TANGENT TO SAID CURVE, NORTH 86 DEG. 49'36" WEST, 36.93 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 206.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 186.84 FEET THROUGH A CENTRAL ANGLE OF 51 DEG. 58'03"; THENCE TANGENT TO SAID CURVE, NORTH 34 DEG. 51'33" WEST, 169.50 FEET TO THE BEGINNING OF TANGENT CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 1121.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 164.86 FEET THROUGH A CENTRAL ANGLE OF 08 DEG. 25'35"; THENCE TANGENT TO SAID CURVE, NORTH 26 DEG. 25'58" WEST, 192.31 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 325.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 232.82 FEET

THROUGH A CENTRAL ANGLE OF 41 DEG. 02'41" TO A POINT ON THE SOUTH LINE OF THE SOUTH 1/2 OF SAID SECTION 27; THENCE ON A NON-TANGENT BEARING, SOUTH 89 DEG. 54'09" WEST, ALONG SAID SOUTH LINE, 10.49 FEET TO THE **POINT OF BEGINNING**.

EXCLUDING THEREFROM THE RIGHT OF WAY ALONG HIGHLAND AVENUE, AS DESCRIBED IN INSTRUMENT NO. 90-248588, OFFICIAL RECORDS OF SAID COUNTY.

IMPROVEMENT AREA NO. 2:

ALL THAT PORTION OF THE SOUTH 1/2 OF SECTION 27, TOWNSHIP 1 NORTH, RANGE 3 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE SOUTHWEST 1/4 OF SAID SECTION 27; THENCE NORTH 00 DEG. 31'08" WEST, ALONG THE EAST LINE OF SAID SOUTHWEST 1/4, 174.85 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 372.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, AN ARC DISTANCE OF 123.91 FEET THROUGH A CENTRAL ANGLE OF 19 DEG. 05'06" TO THE **TRUE POINT OF BEGINNING**, A RADIAL LINE TO SAID POINT BEARS NORTH 71 DEG. 26'02" WEST; THENCE CONTINUING NORTHERLY AND NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 372.00 FEET, AN ARC DISTANCE OF 367.12 FEET THROUGH A CENTRAL ANGLE OF 56 DEG. 32'37" TO A POINT OF REVERSE CURVE, HAVING A RADIUS OF 2500.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 400.81 FEET THROUGH A CENTRAL ANGLE OF 09 DEG. 11'09" TO A POINT OF REVERSE CURVE, HAVING A RADIUS OF 1500.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 226.97 FEET THROUGH A CENTRAL ANGLE OF 08 DEG. 40'10" TO A POINT OF REVERSE CURVE, HAVING A RADIUS OF 650.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 61.48 FEET THROUGH A CENTRAL ANGLE OF 03 DEG. 31'20"; THENCE ON A NON-TANGENT BEARING, NORTH 20 DEG. 52'25" WEST, 120.03 FEET; THENCE NORTH 03 DEG. 15'46" EAST, 58.15 FEET; THENCE NORTH 54 DEG. 50'36" EAST, 3.21 FEET; THENCE NORTH 01 DEG. 06'59" EAST, 42.38 FEET; THENCE NORTH 05 DEG. 34'25" EAST, 6.56 FEET; THENCE NORTH 45 DEG. 45'12" WEST, 46.98 FEET; THENCE NORTH 03 DEG. 10'45" EAST, 9.57 FEET; THENCE NORTH 53 DEG. 21'46" WEST, 47.15 FEET; THENCE NORTH 09 DEG. 08'55" WEST, 9.16 FEET; THENCE NORTH 61 DEG. 45'55" WEST, 46.53 FEET; THENCE NORTH 19 DEG. 32'26" WEST, 7.93 FEET; THENCE NORTH 67 DEG. 22'30" WEST, 49.15 FEET; THENCE NORTH 23 DEG. 39'33" WEST, 4.98 FEET; THENCE NORTH 64 DEG. 01'10" WEST, 58.48 FEET; THENCE 16 DEG. 06'47" WEST, 3.80 FEET; THENCE NORTH 58 DEG. 14'39" WEST, 58.67 FEET; THENCE 10 DEG. 54'35" WEST, 3.24 FEET; THENCE NORTH 52 DEG. 36'44" WEST, 50.34 FEET; THENCE SOUTH 78 DEG. 08'32" WEST, 30.42 FEET; THENCE SOUTH 67 DEG. 29'25" WEST, 104.64 FEET; THENCE NORTH 69 DEG. 51'44" WEST, 315.45 FEET; THENCE SOUTH 88 DEG. 41'06" WEST, 484.95 FEET; THENCE SOUTH 02 DEG. 41'26" WEST, 100.66 FEET; THENCE SOUTH 03 DEG. 10'24" EAST, 61.49 FEET; THENCE SOUTH 25 DEG. 11'54" EAST, 177.44 FEET;

THENCE SOUTH 31 DEG. 38'37" WEST, 10.94 FEET; THENCE SOUTH 08 DEG. 19'33" EAST, 2.01 FEET; THENCE SOUTH 81 DEG. 40'27" WEST, 46.09 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 331.00 FEET; THENCE WESTERLY AND NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 310.58 FEET THROUGH A CENTRAL ANGLE OF 53 DEG. 45'39"; THENCE TANGENT TO SAID CURVE, NORTH 44 DEG. 34'42" WEST, 67.56 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 1039.00 FEET, THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 93.82 FEET THROUGH A CENTRAL ANGLE OF 05 DEG. 10'25"; THENCE TANGENT TO SAID CURVE, NORTH 49 DEG. 45'06" WEST, 101.44 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 4961.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 95.24 FEET THROUGH A CENTRAL ANGLE OF 01 DEG. 06'00"; THENCE TANGENT TO SAID CURVE, NORTH 48 DEG. 39'07" WEST, 228.50 FEET; THENCE SOUTH 46 DEG. 08'10" WEST, 291.33 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 300.00 FEET; THENCE SOUTHWESTERLY AND SOUTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 440.60 FEET THROUGH A CENTRAL ANGLE OF 84 DEG. 08'57"; THENCE TANGENT TO SAID CURVE, SOUTH 38 DEG. 00'47" EAST, 652.99 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 350.00 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 67.12 FEET THROUGH A CENTRAL ANGLE OF 10 DEG. 59'15"; THENCE ON A NON-TANGENT BEARING, NORTH 88 DEG. 25'29" EAST, 748.39 FEET TO THE **TRUE POINT OF BEGINNING.**

IMPROVEMENT AREA NO. 3:

ALL THAT PORTION OF THE SOUTH 1/2 OF SECTION 27 AND ALL THAT PORTION OF THE SOUTHWEST 1/4 OF SECTION 26 AND ALL THAT PORTION OF THE NORTH 1/2 OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 3 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST 1/4 OF SAID SECTION 27; THENCE NORTH 00 DEG. 31'08" WEST, ALONG THE EAST LINE OF SAID SOUTHWEST 1/4, 174.85 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 372.00 FEET; THENCE NORTHERLY AND NORTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 491.03 FEET THROUGH A CENTRAL ANGLE OF 75 DEG. 37'43" TO A POINT OF REVERSE CURVE, HAVING A RADIUS OF 2500.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 400.81 FEET THROUGH A CENTRAL ANGLE OF 09 DEG. 11'09" TO A POINT OF REVERSE CURVE, HAVING A RADIUS OF 1500.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 226.97 FEET THROUGH A CENTRAL ANGLE OF 08 DEG. 40'10" TO A POINT OF REVERSE CURVE, HAVING A RADIUS OF 650.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 61.48 FEET THROUGH A CENTRAL ANGLE OF 03 DEG.

31'20"; THENCE ON A NON-TANGENT BEARING, NORTH 20 DEG. 52'25" WEST, 120.03 FEET; THENCE NORTH 03 DEG. 15'46" EAST, 58.15 FEET; THENCE NORTH 54 DEG. 50'36" EAST, 3.21 FEET; THENCE NORTH 01 DEG. 06'59" EAST, 42.38 FEET; THENCE NORTH 05 DEG. 34'25" EAST, 6.56 FEET; THENCE NORTH 45 DEG. 45'12" WEST, 46.98 FEET; THENCE NORTH 03 DEG. 10'45" EAST, 9.57 FEET; THENCE NORTH 53 DEG. 21'46" WEST, 47.15 FEET; THENCE NORTH 09 DEG. 08'55" WEST, 9.16 FEET; THENCE NORTH 61 DEG. 45'55" WEST, 46.53 FEET; THENCE NORTH 19 DEG. 32'26" WEST, 7.93 FEET; THENCE NORTH 67 DEG. 22'30" WEST, 49.15 FEET; THENCE NORTH 23 DEG. 39'33" WEST, 4.98 FEET; THENCE NORTH 64 DEG. 01'10" WEST, 58.48 FEET; THENCE 16 DEG. 06'47" WEST, 3.80 FEET; THENCE NORTH 58 DEG. 14'39" WEST, 58.67 FEET; THENCE 10 DEG. 54'35" WEST, 3.24 FEET; THENCE NORTH 52 DEG. 36'44" WEST, 50.34 FEET; THENCE SOUTH 78 DEG. 08'32" WEST, 30.42 FEET; THENCE SOUTH 67 DEG. 29'25" WEST, 104.64 FEET; THENCE NORTH 69 DEG. 51'44" WEST, 315.45 FEET; THENCE SOUTH 88 DEG. 41'06" WEST, 484.95 FEET; THENCE SOUTH 02 DEG. 41'26" WEST, 100.66 FEET; THENCE SOUTH 03 DEG. 10'24" EAST, 61.49 FEET; THENCE SOUTH 25 DEG. 11'54" EAST, 177.44 FEET; THENCE SOUTH 31 DEG. 38'37" WEST, 10.94 FEET; THENCE SOUTH 08 DEG. 19'33" EAST, 2.01 FEET; THENCE SOUTH 81 DEG. 40'27" WEST, 46.09 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 331.00 FEET; THENCE WESTERLY AND NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 310.58 FEET THROUGH A CENTRAL ANGLE OF 53 DEG. 45'39"; THENCE TANGENT TO SAID CURVE, NORTH 44 DEG. 34'42" WEST, 67.56 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 1039.00 FEET, THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 93.82 FEET THROUGH A CENTRAL ANGLE OF 05 DEG. 10'25"; THENCE TANGENT TO SAID CURVE, NORTH 49 DEG. 45'06" WEST, 101.44 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 4961.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 95.24 FEET THROUGH A CENTRAL ANGLE OF 01 DEG. 06'00"; THENCE TANGENT TO SAID CURVE, NORTH 48 DEG. 39'07" WEST, 145.03 FEET; THENCE NORTH 46 DEG. 10'12" EAST, 127.48 FEET; THENCE NORTH 00 DEG. 05'52" EAST, 1019.19 FEET; THENCE SOUTH 89 DEG. 54'08" EAST, 922.93 FEET TO A POINT ON A NON-TANGENT CURVE, HAVING A RADIUS OF 225.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 88 DEG. 42'29" WEST; THENCE SOUTHERLY AND SOUTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 196.64 FEET THROUGH A CENTRAL ANGLE OF 50 DEG. 04'24" ; THENCE TANGENT TO SAID CURVE, SOUTH 48 DEG. 46'53" EAST, 70.86 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 330.00 FEET; THENCE SOUTHEASTERLY AND NORTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 408.55 FEET THROUGH A CENTRAL ANGLE OF 70 DEG. 56'02"; THENCE TANGENT TO SAID CURVE, NORTH 60 DEG. 17'05" EAST, 64.25 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 120.00 FEET; THENCE NORTHEASTERLY AND SOUTHEASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 212.19 FEET THROUGH A CENTRAL ANGLE OF 101 DEG. 18'50"; THENCE ON A NON-TANGENT BEARING, NORTH 69 DEG. 10'43" EAST, 60.04 FEET TO A POINT ON A NON-TANGENT CURVE, HAVING A RADIUS OF 10.00 FEET, A RADIAL LINE TO SAID POINT BEARS

SOUTH 70 DEG. 47'30" WEST; THENCE SOUTHEASTERLY AND EASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 16.47 FEET THROUGH A CENTRAL ANGLE OF 94 DEG. 23'32"; THENCE TANGENT TO SAID CURVE, NORTH 66 DEG. 23'58" EAST, 48.72 FEET; THENCE NORTH 37 DEG. 54'23" EAST, 41.98 FEET; THENCE NORTH 74 DEG. 14'49" EAST, 34.87 FEET; THENCE NORTH 25 DEG. 56'19" EAST, 183.42 FEET; THENCE NORTH 76 DEG. 40'51" EAST, 232.77 FEET; THENCE NORTH 84 DEG. 54'07" EAST, 226.46 FEET; THENCE NORTH 80 DEG. 23'01" EAST, 457.57 FEET; THENCE SOUTH 80 DEG. 28'59" EAST, 468.70 FEET; THENCE SOUTH 71 DEG. 36'45" EAST, 156.81 TO A POINT ON THE EAST LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 27; THENCE CONTINUING SOUTH 71 DEG. 36'45" EAST, 27.81 FEET; THENCE SOUTH 23 DEG. 50'05" EAST, 207.36 FEET; THENCE SOUTH 88 DEG. 24'29" WEST, 67.13 FEET; THENCE SOUTH 55 DEG. 52'51" WEST, 40.54 FEET; THENCE NORTH 70 DEG. 34'04" WEST, 9.46 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 27; THENCE CONTINUING NORTH 70 DEG. 34'04" WEST, 34.39 FEET; THENCE NORTH 82 DEG. 20'31" WEST, 86.75 FEET; THENCE SOUTH 74 DEG. 35'38" WEST, 107.21 FEET; THENCE NORTH 59 DEG. 44'14" WEST, 41.28 FEET; THENCE SOUTH 80 DEG. 01'44" WEST, 92.74 FEET; THENCE SOUTH 85 DEG. 05'40" WEST, 45.87 FEET; THENCE SOUTH 52 DEG. 09'56" WEST, 104.47 FEET; THENCE SOUTH 40 DEG. 15'13" WEST, 55.76 FEET; THENCE SOUTH 00 DEG. 43'26" WEST, 50.23 FEET; THENCE SOUTH 19 DEG. 14'33" EAST, 50.00 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 475.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 19 DEG. 14'33" WEST; THENCE EASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 104.91 FEET THROUGH A CENTRAL ANGLE OF 12 DEG. 39'15"; THENCE ON A NON-TANGENT BEARING, SOUTH 27 DEG. 54'56" EAST, 142.75 FEET; THENCE SOUTH 60 DEG. 25'11" EAST, 69.04 FEET; THENCE SOUTH 26 DEG. 30'04" EAST, 40.46 FEET; THENCE SOUTH 88 DEG. 33'35" EAST, 34.56 FEET; THENCE SOUTH 29 DEG. 42'51" EAST, 49.73 FEET; THENCE SOUTH 15 DEG. 55'30" EAST, 45.64 FEET; THENCE SOUTH 27 DEG. 26'13" WEST, 35.86 FEET; THENCE SOUTH 35 DEG. 20'59" EAST, 80.05 FEET; THENCE SOUTH 13 DEG. 50'51" WEST, 120.49 FEET; THENCE SOUTH 71 DEG. 15'34" EAST, 62.29 FEET; THENCE SOUTH 19 DEG. 17'02" EAST, 72.49 FEET; THENCE SOUTH 08 DEG. 43'03" WEST, 29.12 FEET; THENCE SOUTH 15 DEG. 49'23" EAST, 74.20 FEET; THENCE SOUTH 18 DEG. 08'46" WEST, 20.43 FEET; THENCE SOUTH 15 DEG. 21'31" EAST, 80.11 FEET; THENCE SOUTH 01 DEG. 32'07" EAST, 103.84 FEET; THENCE SOUTH 30 DEG. 28'42" WEST, 36.26 FEET; THENCE SOUTH 03 DEG. 45'38" WEST, 75.29 FEET; THENCE SOUTH 17 DEG. 32'19" WEST, 78.35 FEET; THENCE SOUTH 50 DEG. 10'11" WEST, 67.57 FEET; THENCE NORTH 87 DEG. 37'38" WEST, 70.09 FEET; THENCE SOUTH 48 DEG. 33'18" WEST, 202.83 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 175.00 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 52 DEG. 30'02" WEST; THENCE NORTHWESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 12.57 FEET THROUGH A CENTRAL ANGLE OF 04 DEG. 06'54"; THENCE ON A NON-TANGENT BEARING, SOUTH 56 DEG. 36'56" WEST, 50.00 FEET; THENCE SOUTH 34 DEG. 06'16" WEST, 158.02 FEET; THENCE SOUTH 48 DEG. 22'52" EAST, 51.60 FEET; THENCE SOUTH 59 DEG. 26'48" EAST, 52.30 FEET; THENCE SOUTH 26 DEG. 31'41" EAST, 57.44 FEET; THENCE SOUTH 61 DEG. 25'42" EAST, 44.72 FEET; THENCE NORTH 72 DEG. 12'59" EAST, 37.20 FEET; THENCE SOUTH 64 DEG. 45'13" EAST, 37.09 FEET; THENCE NORTH 89 DEG. 22'45" EAST, 55.93 FEET; THENCE SOUTH 80 DEG.

40°34" EAST, 27.39 FEET; THENCE SOUTH 87 DEG. 11'59" EAST, 26.13 FEET; THENCE NORTH 81 DEG. 36'34" EAST, 51.82 FEET; THENCE SOUTH 83 DEG. 24'13" EAST, 49.72 FEET; THENCE SOUTH 42 DEG. 43'53" EAST, 50.80 FEET; THENCE SOUTH 69 DEG. 05'29" EAST, 31.92 FEET; THENCE NORTH 39 DEG. 51'53" EAST, 11.96 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 375.06 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 68 DEG. 41'09" EAST; THENCE SOUTHERLY ALONG SAID CURVE, AN ARC DISTANCE OF 141.54 FEET THROUGH A CENTRAL ANGLE OF 21 DEG. 37'19" TO A POINT ON THE EAST LINE OF THE SOUTH 1/2 OF SAID SECTION 27, SAID POINT ALSO BEING THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN A DEED TO JACK D. VANDERWOUDE IN INSTRUMENT NO. 88-451867, OFFICIAL RECORDS OF SAID COUNTY, AND AS SHOWN ON A RECORD OF SURVEY FILED IN BOOK 84 OF RECORDS OF SURVEY, PAGE 32, RECORDS OF SAID COUNTY; THENCE ALONG THE WESTERLY AND NORTHERLY LINE OF SAID PROPERTY AS FOLLOWS: ON A NON-TANGENT BEARING, SOUTH 82 DEG. 22'47" WEST, 182.66 FEET; THENCE SOUTH 50 DEG. 03'45" WEST, 168.61 FEET; THENCE SOUTH 73 DEG. 33'55" WEST, 322.13 FEET; THENCE SOUTH 42 DEG. 57'05" WEST, 37.59 FEET; THENCE SOUTH 16 DEG. 29'22" EAST, 113.21 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTH 1/2 OF SAID SECTION 27; THENCE NORTH 89 DEG. 55'06" WEST, ALONG SAID SOUTH LINE, 855.66 FEET TO THE NORTHEAST CORNER OF THAT CERTAIN "PARCEL 2" AS DESCRIBED IN A DEED TO THE COUNTY OF SAN BERNARDINO, RECORDED IN BOOK 5057, PAGE 321, OFFICIAL RECORDS OF SAID COUNTY; THENCE NORTH 68 DEG. 39'06" WEST, ALONG THE NORTH LINE OF SAID "PARCEL 2", 39.53 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 230.00 FEET; THENCE WESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 43.18 FEET THROUGH A CENTRAL ANGLE OF 21 DEG. 15'59"; THENCE TANGENT TO SAID CURVE, NORTH 89 DEG. 55'06" WEST, 569.72 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 520.00 FEET; THENCE WESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 64.83 FEET THROUGH A CENTRAL ANGLE OF 14 DEG. 12'48" TO THE POINT OF A REVERSE CURVE, HAVING A RADIUS OF 460.00 FEET; THENCE WESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 114.11 FEET THROUGH A CENTRAL ANGLE OF 14 DEG. 12'48" TO A POINT ON THE SOUTH LINE OF THE SOUTH 1/2 OF SAID SECTION 27; THENCE TANGENT TO SAID CURVE, NORTH 89 DEG. 55'06" WEST, ALONG SAID SOUTH LINE, 264.22 FEET TO THE **POINT OF BEGINNING**.

ALSO COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF SAID SECTION 34; THENCE SOUTH 00 DEG. 31'08" EAST, ALONG THE WEST LINE OF SAID NORTHEAST 1/4, 428.09 FEET TO THE **TRUE POINT OF BEGINNING**; THENCE NORTH 89 DEG. 29'15" EAST, ALONG THE SOUTH LINE OF TERRACE DRIVE, BEING 66.00 FEET WIDE, 555.71 FEET TO THE NORTHWEST CORNER OF LOT 61, TRACT NO. 5299, SYCAMORE HEIGHTS ESTATES, AS PER PLAT RECORDED IN BOOK 76 OF MAPS, PAGES 74 AND 75, RECORDS OF SAID COUNTY; THENCE ALONG THE WESTERLY AND SOUTHWESTERLY BOUNDARY OF SAID TRACT NO. 5299 THE FOLLOWING: SOUTH 00 DEG. 30'45" EAST, 105.00 FEET; THENCE SOUTH 12 DEG. 21'07" EAST, 360.15 FEET; THENCE SOUTH 43 DEG. 16'19" EAST, 225.27 FEET TO THE SOUTHEASTERLY LINE OF THE LAND DESCRIBED IN THE DEED TO TITLE INSURANCE AND TRUST COMPANY, RECORDED AUGUST 11, 1961, IN BOOK 5507,

PAGE 397, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID SOUTHEASTERLY AND SOUTHWESTERLY LINE THE FOLLOWING: SOUTH 46 DEG. 42'20" WEST, 273.77 FEET; THENCE NORTH 62 DEG. 34'19" WEST, 66.06 FEET; THENCE NORTH 59 DEG. 47'14" WEST, 233.22 FEET; THENCE NORTH 63 DEG. 44'53" WEST, 361.44 FEET TO A POINT ON THE WEST LINE OF SAID NORTHEAST 1/4 OF SAID SECTION 34; THENCE NORTH 00 DEG. 31'08" WEST, ALONG SAID WEST LINE, 98.92 FEET; THENCE NORTH 57 DEG. 46'39" WEST, 60.84 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 70.00 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 44 DEG. 44'46" EAST; THENCE SOUTHWESTERLY AND WESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 55.92 FEET THROUGH A CENTRAL ANGLE OF 45 DEG. 46'22"; THENCE TANGENT TO SAID CURVE, NORTH 88 DEG. 58'24" WEST, 95.09 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 68.00 FEET; THENCE WESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 12.07 FEET THROUGH A CENTRAL ANGLE OF 10 DEG. 09'59"; THENCE ON A NON-TANGENT BEARING, NORTH 36 DEG. 42'01" EAST, 244.47 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 300.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, AN ARC DISTANCE OF 194.88 FEET THROUGH A CENTRAL ANGLE OF 37 DEG. 13'08" TO A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF SAID SECTION 34; THENCE TANGENT TO SAID CURVE, NORTH 00 DEG. 31'08" WEST, 5.99 FEET TO **THE TRUE POINT OF BEGINNING.**

EXHIBIT B

DESCRIPTION OF PUBLIC FACILITIES

The proposed types of facilities and expense to be financed by the Community Facilities District include:

The construction, purchase, modification, expansion, rehabilitation and/or improvement of water and sewer facilities of the East Valley Water District as well as the acquisition of capacity in the sewer system and/or water system of the East Valley Water District, and all appurtenances and appurtenant work in connection with the foregoing water and sewer facilities, including, without limitation, the cost of engineering, planning, designing, materials testing, coordination, construction staking, construction management and supervision for such water and sewer facilities, and any other expenses incidental to the construction, acquisition, modification, rehabilitation, completion, inspection and financing of such facilities.