

BOND PURCHASE AGREEMENT

\$ _____
MYSTIC AT LAKE PLEASANT HEIGHTS COMMUNITY FACILITIES DISTRICT
(PEORIA, ARIZONA)
GENERAL OBLIGATION BONDS
SERIES 2023

April __, 2023

Board of Directors
Mystic at Lake Pleasant Heights Community Facilities District
c/o City of Peoria, Arizona
8401 West Monroe Street
Peoria, Arizona 85345
Attention: District Chief Financial Officer

Upon the terms and conditions hereof and in reliance on the representations, warranties and covenants contained herein and in any certificates or other documents delivered pursuant hereto, Stifel, Nicolaus & Company, Incorporated (hereinafter referred to as the “Underwriter”), hereby offers to enter into the following agreement with Mystic at Lake Pleasant Heights Community Facilities District (the “District”), which, upon the acceptance hereof by the District, shall be binding upon the District and the Underwriter. The offer made hereby is made subject to the written acceptance of this Bond Purchase Agreement (hereinafter referred to as this “Purchase Agreement”) by the District on or before 11:59 P.M., Arizona time, on the date indicated hereinabove, and, if not so accepted, shall be subject to withdrawal by the Underwriter upon notice delivered to the District at any time after such time and prior to the acceptance of this Purchase Agreement by the District. Capitalized terms used and not defined herein shall have the meanings assigned to them in the hereinafter-defined Official Statement.

In addition to acceptance of this Purchase Agreement by the District, as provided above, the obligations of the Underwriter under this Purchase Agreement shall be conditioned on receipt of a fully-executed Indemnity Letter, dated the date hereof, from each of Avanti Strategic Land Investors VIII, L.L.L.P., a Delaware limited liability limited partnership (“Avanti”), and Lake Pleasant (Phoenix) ASLI VIII, LLC, a Delaware limited liability company (“Owner”) (each an “Indemnity Letter” and, collectively, the “Indemnity Letters”), the forms of which are attached hereto as Attachment I and Attachment II, respectively.

1. (a) The Underwriter shall purchase from the District, and the District shall sell to the Underwriter, all (but not less than all) of the \$ _____ aggregate principal amount of “Mystic at Lake Pleasant Heights Community Facilities District General Obligation Bonds, Series 2023” (hereinafter referred to as the “Bonds”). The Bonds shall be as described in, and shall be issued and secured under the provisions of, Series 2023 Indenture of Trust and Security Agreement, dated as of May 1, 2023 (the “Indenture”), between the District and U.S. Bank National Association, as trustee (the “Trustee”) and authorized by a resolution adopted by

the Board of Directors of the District (the “District Board”) on April 25, 2023 (the “Bond Resolution”), under authority of Title 48, Chapter 4, Article 6, Arizona Revised Statutes (the “Enabling Act”) and Title 35, Chapter 3, Article 4, Arizona Revised Statutes (the “Bond Act”) and, together with the Enabling Act, the “Act”). The Underwriter has not previously made any final agreement with the District to purchase the Bonds in an offering within the meaning of the SEC Rule (as defined herein).

(b) The Bonds shall be dated as of the date of initial authentication and delivery thereof, and shall mature on the dates and in the amounts, be redeemable, bear interest at the rates per annum and produce the yields or prices, in each case as set forth on Schedule I hereto, such interest being payable on January 15, 2024, and semiannually thereafter on each July 15 and January 15. The Bonds shall be issued to finance the costs to acquire certain public infrastructure within the boundaries of the District, and to pay costs of issuance relating to the Bonds.

(c) The net purchase price for the Bonds shall be \$_____ consisting of the principal amount of the Bonds, plus original issue premium (\$2,448,279.45) with respect to the Bonds less compensation for the Underwriter (\$137,279.13) payable by wire transfer in immediately available funds. For convenience, the Underwriter shall pay by the Closing (as defined herein), on behalf of the District, \$_____ from the proceeds of the Bonds to the Insurer (as defined herein) as payment of the bond insurance premium for the Policy (as defined herein). The date of the payment for and delivery of the Bonds (such payment and delivery and the other actions contemplated hereby to take place at the time of such payment and delivery of the Bonds herein sometimes called the “Closing”) shall be on May __, 2023, or on such other date as may be mutually agreeable to the Underwriter and the District. The Underwriter shall also be reimbursed for its expenses as provided in Section 8. The District hereby expressly acknowledges that such purchase price if the Bonds are sold to the public at the approximate prices or yields set forth on Schedule I hereto and on the inside cover page of the Final Official Statement (as defined herein) shall result in remuneration to the Underwriter of \$_____.

(d) (i) The purchase and sale of the Bonds pursuant to this Purchase Agreement is an “arm’s-length,” commercial transaction between the District and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and proceedings leading up to the consummation of such transaction, the Underwriter is and has been acting for and on behalf of itself, solely as a principal for its own account and is not acting as the agent or fiduciary of the District or as a municipal advisor (with the meaning of Section 15B of the Securities Exchange Act of 1934, as amended), (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the District with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the District on other matters) and the Underwriter has no obligation to the District with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Agreement and Rule G 17 of the Municipal Securities Rulemaking Board (hereinafter referred to as the “MSRB”), (iv) the Underwriter has financial and other interests that differ from those of the District and (v) the District has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

2. (a) The Underwriter intends to make an initial bona fide public offering of all of the Bonds at not in excess of the offering prices (or not less than the yields) set forth on Schedule I hereto and on the inside cover page of the Final Official Statement of the District relating to the Bonds, dated even date herewith (including all appendices thereto, the “Final Official Statement”) and may subsequently change such offering prices (or yields). The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the offering prices (or higher than the yields) set forth on Schedule I hereto and on the inside cover page of the Final Official Statement. The Underwriter also reserves the right (i) to over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market and (ii) to discontinue such stabilizing, if commenced, at any time.

(b) The Underwriter agrees to assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at the Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Greenberg Traurig, LLP (“Bond Counsel”), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(c) The District will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Bonds.

(d) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public), and

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership

of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(e) The undersigned, on behalf of the Underwriter, but not individually, hereby represents and warrants:

(i) the Underwriter is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization;

(ii) this Purchase Agreement has been duly authorized, executed and delivered by the Underwriter and, assuming the due authorization, execution and delivery by the District, is the legal, valid and binding obligation of the Underwriter enforceable in accordance with its terms, except as the enforceability of this Purchase Agreement may be limited by application of bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally from time to time in effect and from the application of general principles of equity and from public policy limitations on the exercise of any rights to indemnification and contribution (hereinafter referred to as, collectively, "Creditors' Rights Laws"); and

(iii) the Underwriter is licensed by and registered with the Financial Industry Regulatory Authority as a broker-dealer and the MSRB as a municipal securities dealer.

3. (a) By all necessary official action of the District prior to or concurrently with the acceptance hereof, the District has duly authorized and approved the distribution and use by the Underwriter of the Preliminary Official Statement of the District relating to the Bonds, dated April __, 2023 (including all appendices thereto, the "Preliminary Official Statement" and, together with the Final Official Statement, collectively, the "Official Statement"), and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Bonds.

(b) The District caused the Preliminary Official Statement to be prepared and hereby deems the Preliminary Official Statement to be "final" for all purposes of Section 240.15c2-12, General Rules and Regulations, Securities Exchange Act of 1934, as amended (the "SEC Rule"). An authorized officer of the District, acting for and on behalf of the District, has also executed the Certificate Deeming the Preliminary Official Statement Final (the "Deemed Final Certificate").

(c) (i) WHILE THE UNDERWRITER HAS PARTICIPATED AND WILL PARTICIPATE WITH THE DISTRICT IN THE PREPARATION AND ASSEMBLAGE OF THE PRELIMINARY OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT, RESPECTIVELY, THE DISTRICT IS PRIMARILY RESPONSIBLE FOR THE CONTENT OF THE PRELIMINARY OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT and (ii) as of the date thereof, and at the time of the acceptance by the District of this Purchase Agreement, the Preliminary Official Statement did

not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(d) The District shall provide to the Underwriter copies of the Official Statement in sufficient quantity to comply with the SEC Rule and the Rules of the MSRB, particularly with respect to the Final Official Statement, within seven (7) business days after the date of this Purchase Agreement.

(e) The District authorizes the Underwriter to file, to the extent required by applicable Securities and Exchange Commission (hereinafter referred to as the “SEC”) or MSRB rule, and the Underwriter agrees to file or cause to be filed, the Final Official Statement with (i) the MSRB or its designee (including submission to the MSRB’s Electronic Municipal Market Access system (“EMMA”)) or (ii) other repositories approved from time to time by the SEC (either in addition to or in lieu of the filings referred to above). If an amended Final Official Statement is prepared in accordance with Section 3(g) during the “primary offering disclosure period” (as defined in MSRB Rule G-32) and if required by applicable SEC or MSRB rule, the Underwriter also shall make the required submission of the amended Final Official Statement to EMMA.

(f) The Official Statement may be delivered in printed and/or electronic form to the extent permitted by applicable rules of the MSRB and as may be agreed by the District and the Underwriter.

(g) During the period ending on the 25th day after the End of the Underwriting Period (as defined herein) or such other period as may be agreed to by the District and the Underwriter, the District (i) shall not supplement or amend the Final Official Statement or cause the Final Official Statement to be supplemented or amended without the prior written consent of the Underwriter and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Final Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriter or the District, such event requires the preparation and distribution of a supplement or amendment to the Final Official Statement, the District shall prepare and furnish to the Underwriter, at the District’s expense, such number of copies of the supplement or amendment to the Final Official Statement, in form and substance mutually agreed upon by the District and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the date of the Closing, the District also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Final Official Statement.

(h) For purposes of this Purchase Agreement, the “End of the Underwriting Period” is used as defined in the SEC Rule and shall occur on the later of (i) the date of the Closing or (ii) when the Underwriter no longer retains an unsold balance of the Bonds; unless otherwise advised in writing by the Underwriter on or prior to the date of the

Closing, or otherwise agreed to by the District and the Underwriter, the District may assume that the End of the Underwriting Period is the date of the Closing.

(i) The Underwriter shall provide to the District such information relating to the Bonds which is not within the scope of knowledge of the District (including, but not limited to, the selling compensation of the Underwriter, offering price(s), interest rate(s), delivery date and other terms of the Bonds dependent upon such matters). The Final Official Statement shall be substantially in the form of the Preliminary Official Statement with only such changes therein as shall be necessary to conform to the terms of this Purchase Agreement and with such other changes and amendments to the date thereof as have been accepted by the Underwriter. The execution and delivery of the Final Official Statement shall evidence the determination by the District that the Final Official Statement is “final” for all purposes of the SEC Rule.

4. (a) The undersigned on behalf of the District, but not individually, hereby represents and warrants that:

(i) the District is a community facilities district duly organized and validly existing under the Constitution and laws of the State, including the Enabling Act;

(ii) the District Board has duly adopted the Bond Resolution; and the District (A) has authorized the District Chief Financial Officer to approve and execute the Final Official Statement on behalf of the District; (B) has duly authorized and approved the execution and delivery of, and the performance by the District of the obligations contained in, the Bonds, a written undertaking by the District to provide ongoing disclosure for the benefit of certain owners of the Bonds as required under paragraph (b)(5) of the SEC Rule, in form and substance satisfactory to the Underwriter and Counsel to the Underwriter (as defined herein) which shall be substantially in the form set forth in the Preliminary Official Statement, with such changes as may be agreed in writing by the Underwriter (the “Continuing Disclosure Undertaking”), the Indenture, a letter of representations, dated the date of the Closing (the “DTC Letter”) by and among the District, the Trustee and The Depository Trust Company (“DTC”), the Series 2023 Standby Contribution Agreement, dated as of May 1, 2023 (the “Standby Contribution Agreement”), by and between among the District, Owner and the Trustee, the Series 2023 Letter of Credit Depository Agreement, dated as of May 1, 2023 (the “Depository Agreement”), by and between the District and U.S. Bank National Association, as depository (the “Depository”), by and between the District and the Depository, and this Purchase Agreement, and (C) has duly authorized and approved the performance of the obligations of the District contained in the Bond Resolution and the Indenture and the consummation of all other transactions contemplated by the Continuing Disclosure Undertaking, the Indenture, the DTC Letter, the Standby Contribution Agreement, the Depository Agreement, this Purchase Agreement and the Preliminary Official Statement;

(iii) the District is not in material breach of or in material default under any applicable constitutional provision, material law or administrative regulation of the state of Arizona (the “State”) or the United States of America (the

“United States”) or any applicable judgment or decree or any loan agreement, note, resolution, agreement or other instrument material to its existence, operation or ability to meet its obligations as they come due to which the District is a party or to which it is otherwise subject or to which any of its property is otherwise subject because such property is property of the District;

(iv) the District is, and at the Closing shall, to the extent possible, be or shall thereafter cause itself to be, in compliance in all material respects with the Bond Resolution, the Indenture and this Purchase Agreement;

(v) the District has, and at the date of the Closing will have, full legal right, power and authority under the Bond Resolution and the Act (A) to enter into the Continuing Disclosure Undertaking, the Indenture, the DTC Letter, the Standby Contribution Agreement, the Depository Agreement and this Purchase Agreement, (B) to cause the District Board of the District to adopt the Bond Resolution, (C) to deliver the Bonds to the Underwriter pursuant to the Indenture as provided herein and (D) to carry out and consummate the transactions contemplated on its part by the Continuing Disclosure Undertaking, the Indenture, the DTC Letter, the Standby Contribution Agreement, the Depository Agreement, this Purchase Agreement and the Official Statement, including the payment or reimbursement of incidental expenses in connection with the marketing, issuance and delivery of the Bonds pursuant to Section 8 hereof;

(vi) the District has made all required filings with, and has obtained all approvals, consents and orders of, any governmental authority, board, agency or commission having jurisdiction (including with respect to the requirements of Section 35-501(B), Arizona Revised Statutes) which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the District of the obligations of the District pursuant to this Purchase Agreement and pursuant to the Bonds, the Continuing Disclosure Undertaking, the Indenture, the DTC Letter, the Standby Contribution Agreement, the Depository Agreement and the Bond Resolution;

(vii) the Bonds, the Bond Resolution, the Continuing Disclosure Undertaking, the Indenture, the Standby Contribution Agreement, and the Depository Agreement shall conform to the descriptions thereof to be contained in the Official Statement;

(viii) the Bonds, when issued, executed, authenticated and delivered in accordance with the Bond Resolution and sold to the Underwriter as provided herein, shall be validly issued and outstanding ad valorem tax obligations of the District, entitled to the benefits of the Constitution and laws of the State, and the Bond Resolution, and all actions necessary to create a legal, valid and binding levy on all of the taxable property in the District of a direct, annual, ad valorem tax, unlimited as to amount or rate, sufficient to pay all the principal of and interest on the Bonds as the same become due shall have been or shall be taken to the extent such action may be taken at or prior to the Closing.

(ix) the adoption of the Bond Resolution and the execution and delivery of the Bonds, the Continuing Disclosure Undertaking, the Indenture, the DTC Letter, the Standby Contribution Agreement, the Depository Agreement and this Purchase Agreement, and the compliance with the provisions of each, shall not conflict materially with or constitute a material breach of or default pursuant to any law, administrative regulation, judgment, decree, loan agreement, note, resolution, agreement or other instrument to which the District is a party or to which the District is otherwise subject or to which any of the property of the District is otherwise subject because such property is property of the District;

(x) this Purchase Agreement constitutes a legal, valid and binding obligation of the District enforceable in accordance with its terms; the Continuing Disclosure Undertaking, the Indenture, the DTC Letter, the Standby Contribution Agreement, and the Depository Agreement, when duly executed and delivered, will constitute the legal, valid and binding obligations of the District, enforceable in accordance with their respective terms; and the Bonds, when issued, authenticated and delivered in accordance with the Bond Resolution and the Indenture and sold to the Underwriter as provided herein, will be the legal, valid and binding obligations of the District enforceable in accordance with their terms; in all cases, except as the enforceability of this Purchase Agreement, the Continuing Disclosure Undertaking, the Indenture, the DTC Letter, the Standby Contribution Agreement, the Depository Agreement and the Bonds may be limited by Creditors' Rights Laws;

(xi) except as otherwise described in the Official Statement, there is neither any action, suit, proceeding, inquiry or investigation by or before any court, governmental agency, public board or body, pending, nor is there any basis therefor, (A) in any way affecting the powers of the District, the existence of the District or the title to office of any of the officials of the District, (B) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds, or the collection of the taxes levied or to be levied to pay the principal of and interest on the Bonds or the levy thereof, (C) in any way contesting or affecting the validity or enforceability of the Bonds, the Bond Resolution, the Continuing Disclosure Undertaking, the Indenture, the DTC Letter, the Standby Contribution Agreement, the Depository Agreement or this Purchase Agreement, (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Final Official Statement, (E) contesting the power of the District or the authority of the District with respect to the Bonds, the Bond Resolution, the Continuing Disclosure Undertaking, the Indenture, the DTC Letter, the Standby Contribution Agreement, the Depository Agreement or this Purchase Agreement, (F) questioning the status of the exclusion of interest on the Bonds from gross income for federal income taxation, or (G) wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the District or would result in any material adverse change in the ability of the District to pay debt service on the Bonds;

(xii) except as otherwise disclosed in the Official Statement, the District has been during the previous five years and is currently in material compliance

with continuing disclosure undertakings which the District has entered into pursuant to paragraph (b)(5) of the SEC Rule, if any; and

(xiii) the financial statements of the District contained in the Official Statement fairly present the financial position and results of operations of the District as of the dates and for the periods therein set forth in accordance with generally accepted accounting principles as applied to municipal corporations, and, since the date thereof, there has been no material adverse change in the financial position or results of operations of the District.

(b) The District hereby agrees with the Underwriter that:

(i) unless the Final Official Statement is amended or supplemented pursuant to Section 3(g) hereof, at the time of the acceptance by the District of this Purchase Agreement and at all times subsequent thereto, up to and including the End of the Underwriting Period, the Final Official Statement (including the financial and statistical data included therein) shall not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) if the Final Official Statement is amended or supplemented pursuant to Section 3(g) hereof, at the time of each supplement or amendment thereto and at all times subsequent thereto up to and including the date of the End of the Underwriting Period (unless the Final Official Statement is further amended or supplemented pursuant to subparagraph (iv) of this subparagraph), the Final Official Statement as so supplemented or amended (including the financial and statistical data provided or reviewed by the District included therein) shall not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(iii) between the date of this Purchase Agreement and the Closing, the District shall not, to the extent it may legally agree to do so, issue any bonds, notes or other obligations for borrowed money payable from the same source of payment as the Bonds pursuant to the Bond Resolution, and subsequent to the respective dates as of which information is given in the Official Statement up to and including the Closing, the District has not incurred and will not incur any material liabilities, except those liabilities arising in the normal course of business or incurred with the consent of the Underwriter; and

(iv) the District shall furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Bonds for offer and sale under the “blue sky” or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may reasonably designate; provided, however, that the District shall not incur any additional expense with respect to such actions and

further that the District shall not be required to subject itself or any of its agents or employees to service of process outside the State through or in connection with any of the foregoing.

(c) The District shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from any applicable state tax, of the interest on the Bonds.

5. At the Closing, the District shall cause the Bonds to be delivered to the Underwriter in definitive form, registered in the name of Cede & Co., as nominee of DTC pursuant to the DTC Letter, bearing CUSIP numbers (provided, however, that lack of such CUSIP numbers shall not relieve the Underwriter from its obligation under this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds), duly executed and authenticated, together with the other documents hereinafter mentioned and subject to the terms and conditions of this Purchase Agreement. The Underwriter shall accept such delivery and pay the purchase price for the Bonds as set forth in Paragraph 1 of this Purchase Agreement in immediately available federal funds. Delivery and payment as aforesaid shall be made at DTC or, in the case of a "Fast Automated Securities Transfer," with the Trustee through DTC, or at such other place as may have been mutually agreed upon by the District and the Underwriter.

6. The Underwriter has entered into this Purchase Agreement in reliance upon (i) the representations and warranties (A) of the District contained herein, (B) of Owner and Avanti contained in the Indemnity Letters and (C) to be contained in the documents and instruments to be delivered on the date of the Closing, both as of the date hereof and as of the date of the Closing, and (ii) the performance by the District of the obligations of the District pursuant to this Purchase Agreement, subject to the performance of Owner and Avanti of their respective obligations under the documents and instruments to be executed and delivered by each of them at or prior to the date of the Closing. Accordingly, the obligation of the Underwriter pursuant to this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds is subject to the performance by the District of the obligations of the District to be performed pursuant to this Purchase Agreement and pursuant to such aforesaid documents and instruments at or prior to the Closing and is also subject to the fulfillment to the reasonable satisfaction of the Underwriter of the following conditions, that:

(i) the representations, warranties and agreements of the District contained in this Purchase Agreement shall be true, complete and correct on the date of this Purchase Agreement and on and as of the date of the Closing, as if made on the date of Closing;

(ii) at the time of the Closing, the Bond Resolution, the Continuing Disclosure Undertaking, the Indenture, the DTC Letter, the Standby Contribution Agreement, the Depository Agreement and this Purchase Agreement shall be in full force and effect and shall not have been amended, modified or supplemented, and the Final Official Statement shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter;

(iii) at the time of the Closing, the District shall have adopted and there shall be in full force and effect such resolutions as in the opinion of Bond Counsel and the Underwriter shall be necessary in connection with the transactions contemplated by this Purchase Agreement, and all necessary action of the District relating to the issuance of the Bonds shall have been taken, shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter;

(iv) the Underwriter may terminate the obligations of the Underwriter pursuant to this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds by notifying the District of the election of the Underwriter to do so if at any time after the execution of this Purchase Agreement and at or prior to the Closing, in the Underwriter's sole and reasonable judgment, any of the following events shall occur (each hereinafter referred to as a "Termination Event"):

(A) the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall be materially adversely affected by any of the following events:

(I) legislation shall have been enacted by the Congress of the United States or the legislature of the State or shall have been favorably reported out of committee of either body or be pending in committee of either body, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision shall have been rendered by a court of the United States or the State or the Tax Court of the United States, or a ruling, resolution, regulation or temporary regulation, release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or state authority with appropriate jurisdiction, with respect to federal or state taxation upon interest received on obligations of the general character of the Bonds; provided that, this paragraph (A)(I) shall not apply if the Bonds are being issued as taxable bonds; or

(II) there shall have occurred (a) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war, (b) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis, (c) the sovereign debt rating of the United States is downgraded by any major credit rating agency or a payment default occurs on United States Treasury

obligations, or (d) a default with respect to the debt obligations of, or the institution of proceedings under any federal bankruptcy laws by or against, any state of the United States or any city, county or other political subdivision located in the United States having a population of over 500,000; or

(III) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or

(IV) legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Bonds or the Bond Resolution, or any comparable securities of the District, are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended, or the Trust Indenture Act of 1939, as amended, or otherwise, or would be in violation of any provision of the federal securities laws; or

(V) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the District shall have occurred; or

(VI) any rating on general obligation bonds of the District or obligations insured by the Insurer is reduced or withdrawn or placed on credit watch with negative outlook by any major credit rating agency; or

(B) any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Final Official Statement (other than any statement provided by the Underwriter) or is not reflected in the

Final Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the District refuses to permit the Final Official Statement to be supplemented to supply such statement or information, or the effect of the Final Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or

(C) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(D) a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or

(E) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, underwriters shall have been established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

(F) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Purchase Agreement or by the Final Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws at the date of the Closing, including the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Trust Indenture Act of 1939, as amended.

Upon the occurrence of a Termination Event and the termination of this Purchase Agreement by the Underwriter, all obligations of the District and the Underwriter under this Purchase Agreement shall terminate, without further liability, except those in Sections 2(d) and 4(a) hereof and that the District and the Underwriter shall pay their respective expenses as set forth in Section 8(c) hereof.

(v) at or prior to the Closing, the Underwriter shall have received copies of each of the following documents:

(A) (I) the approving opinion, dated the date of the Closing and addressed to the District, of Bond Counsel in form and content satisfactory to the Underwriter, in substantially the form attached as Appendix B to the Preliminary Official Statement relating to the Bonds; (II) a letter from Bond Counsel, dated the date of Closing and addressed to the Underwriter, permitting the Underwriter to rely upon the opinion of Bond Counsel for that period during which the Underwriter is the lawful owner of the Bonds and (III) the supplemental opinion of Bond Counsel, dated the date of the Closing, addressed to the Underwriter and substantially in the form attached hereto as Exhibit B;

(B) the opinion of Berens Blonstein PLC, as counsel to Avanti and Owner, dated the date of the Closing, addressed to the Underwriter and the District and in substantially the form attached hereto as Exhibit C;

(C) the opinion of Snell & Wilmer L.L.P., “Counsel to the Underwriter”, addressed to the Underwriter, dated the date of the Closing, to the effect that: (I) the Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Bond Resolution and any related trust indenture are exempt from qualification under the Trust Indenture Act of 1939, as amended, and (II) the Continuing Disclosure Undertaking meets the requirements of paragraph (b)(5)(i) of the SEC Rule. In addition, such counsel shall state in its letter containing the foregoing opinion or in a separate letter addressed to the Underwriter and dated the date of the Closing that, without having undertaken to determine independently, or to assume responsibility for, the accuracy, completeness or fairness thereof, and based solely on their participation in meetings and telephone conferences at which representatives of the District, Avanti, Owner, Bond Counsel and the Underwriter were at various times present, nothing has come to the attention of such counsel that would lead them to believe that the information and statements in the Preliminary Official Statement, as of its date and as of the date of sale of the Bonds, and the Final Official Statement, as of its date and as of the date of such letter, contained or contain any untrue statement of a material fact or omitted or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, no view need be expressed as to the financial statements of the District, any other financial, forecast, technical or statistical data, and any

information in the Official Statement respecting DTC or the Policy;

(D) certificates from Avanti and Owner, each dated the date of the Closing, to the effect that the representations and warranties contained in its Indemnity Letter and in its documents executed by them in connection with the issuance of the Bonds are true and correct in all material respects as of the date of the Closing;

(E) certificates from Avanti and Owner, each dated the date of the Closing, to the effect that its representations and warranties contained in the Development Agreement are true and correct in all material respects as of the date of the Closing;

(F) a certificate, dated the date of the Closing and signed on behalf of the District by an authorized officer with respect to matters relating to the District, to the effect that (I) the representations and warranties contained in this Purchase Agreement are true and correct in all material respects on and as of the date of the Closing with the same effect as if made on the date of the Closing; (II) except as otherwise to be described in the Final Official Statement, no litigation of any nature is then pending or, to their knowledge, threatened, seeking to restrain or enjoin the issuance and delivery of the Bonds or the levy and collection of taxes to pay the principal thereof and interest thereon, questioning the proceedings and authority by which the levy is made, affecting the validity of the Bonds or contesting the corporate existence or boundaries of the District or the title of the present officers to their respective offices; (III) no authority or proceedings for the issuance of the Bonds has been repealed, revoked or rescinded and no petition or petitions to revoke or alter the authorization to issue the Bonds has been filed with or received by any of the signors; (IV) the District has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to, and to the extent possible before, the Closing and (V) no event affecting the District has occurred since the date of the Final Official Statement which should be disclosed in the Final Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect as of the date of the Closing;

(G) a counterpart original of the Final Official Statement manually executed on behalf of the District by its Chief Financial Officer;

- (H) specimen Bonds;
- (I) a certified copy of the Bond Resolution;
- (J) the items required by the Bond Resolution as conditions for issuance of the Bonds;
- (K) a non-arbitrage certificate of the District, in form and substance satisfactory to Bond Counsel setting forth, among other things, in the manner permitted by the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the reasonable expectations of the District as of the date of the Closing as to the use of proceeds of the Bonds and of any other funds of the District expected to be used to pay debt service on the Bonds and the facts and estimates on which such expectations are based, and stating that, to the best of knowledge and belief of such certifying officer, the expectations set forth therein are reasonable;
- (L) a copy of the Report of Bond and Security Issuance Pursuant to Section 35-501(B), Arizona Revised Statutes;
- (M) an executed copy of the Continuing Disclosure Undertaking, the Indenture, the DTC Letter, the Standby Contribution Agreement and the Depository Agreement;
- (N) the filing copy of the Information Return Form 8038-G (IRS) for the Bonds;
- (O) evidence that _____ (the “Insurer”) has issued its municipal bond insurance policy (the “Policy”) with respect to the Bonds as well as appropriate opinions and certifications from the Insurer relating to the Policy;
- (P) evidence that (i) Moody’s Investors Service has issued an “underlying” rating on the Bonds of “__” and (ii) S&P Global Ratings, a division of Standard & Poor’s Financial Services LLC, has issued a rating on the Bonds of “__” based on issuance of the Policy (the “Ratings”), and that the Ratings are then in effect;
- (Q) A certificate of the Depository, to the effect that the Letter of Credit (the “Letter of Credit”) issued by _____ (the “Bank”) in substantially the form attached hereto as Exhibit D and meeting the requirements contained in the Depository Agreement and as described in the Official Statement has been received and is held by the Depository under the Depository Agreement, together with an opinion of counsel to the Bank, dated the date of the Closing, in a form

satisfactory to the Underwriter and the District, and addressed to the Depository, the Underwriter and the District, regarding the due execution, delivery and enforceability of the Letter of Credit against the Bank;

(R) such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date of this Purchase Agreement and as of the date of the Closing, of the representations, warranties and covenants of the District contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the District at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the District.

(All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions of this Purchase Agreement if, but only if, they are in form and substance satisfactory to the Underwriter and Counsel to the Underwriter; provided, however, that acceptance by the Underwriter of the Bonds shall be deemed by the Underwriter to be satisfaction of the foregoing.)

7. If the District is unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Agreement, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds are terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement (except the obligations set forth in Sections 4(a) and 8(c) hereof) shall terminate and neither the Underwriter nor the District shall be under further obligation hereunder.

8. (a) If the Closing shall take place hereunder, the District shall pay, but solely from the proceeds of the sale of the Bonds, (i) the cost of the preparation and printing of the Bond Resolution, the Continuing Disclosure Undertaking, the Indenture, the DTC Letter, the Standby Contribution Agreement, the Depository Agreement, the Preliminary Official Statement and the Final Official Statement (including any amendments or supplements thereto); (ii) the cost of preparation and printing of the Bonds; (iii) the fees and disbursements of Bond Counsel, Counsel to the Underwriter and PFM Financial Advisors LLC; (iv) the initial fees and disbursements of the Trustee, provided, however, that the District shall be responsible for all other fees and disbursements of the Trustee; (v) the fees and expenses incurred by the District or the Underwriter for the Ratings and the Policy; and (vi) reasonable miscellaneous, normally occurring, "out-of-pocket" expenses incurred by the Underwriter in connection with the issuance and sale of the Bonds, including any meals and travel of District officials paid for by the Underwriter, but not entertainment expenses.

(b) The Underwriter shall pay, if any, (i) all advertising expenses in connection with the offering of the Bonds and (ii) all other expenses incurred by it in connection with its offering and distribution of the Bonds.

(c) If this Purchase Agreement shall be terminated by the Underwriter because of any failure or refusal on the part of the District to comply with the terms or to fulfill any of the conditions of this Purchase Agreement, the District shall reimburse the Underwriter for all “out-of-pocket” expenses reasonably incurred by the Underwriter in connection with this Purchase Agreement or the offering contemplated hereunder.

9. As required by the provisions of Section 38-511, Arizona Revised Statutes, as amended, notice is hereby given that the State, its political subdivisions (including the District) or any department or agency of either may, within three years after its execution, cancel any contract, without penalty or further obligation, made by the State, its political subdivisions, or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions, or any of the departments or agencies of either is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice from the Governor or the chief executive officer or governing body of the political subdivision is received by all other parties to the contract unless the notice specifies a later time. The State, its political subdivisions or any department or agency of either may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions or any department or agency of either from any other party to the contract arising as the result of the contract. This section is not intended to expand or enlarge the rights of the District hereunder except as required by such Section. Each of the parties hereto hereby certifies that it is not presently aware of any violation of such Section which would adversely affect the enforceability of this Purchase Agreement and covenants that it shall take no action which would result in a violation of such Section.

10. (a) Any notice or other communication to be given pursuant to this Purchase Agreement must be given by delivering the same in writing to:

If to the District at:

District Board
Mystic at Lake Pleasant Heights Community Facilities District
c/o City of Peoria, Arizona
8401 West Monroe Street
Peoria, Arizona 85345
Attention: District Chief Financial Officer

If to the Underwriter at:

Stifel, Nicolaus & Company, Incorporated
Suite 300
2801 East Camelback Road
Phoenix, Arizona 85016
Attention: Mark Reader, Managing Director

(b) This Purchase Agreement is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter), and no other person may acquire or have any right hereunder or by virtue of this Purchase Agreement.

(c) All of the representations, warranties, and covenants of the District contained in this Purchase Agreement shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Underwriter or (ii) delivery of and payment for the Bonds pursuant to this Purchase Agreement.

(d) If any section, paragraph, subdivision, sentence, clause or phrase of this Purchase Agreement shall for any reason be held illegal or unenforceable, such decision shall not affect the validity of the remaining portions of this Purchase Agreement. The parties to this Purchase Agreement declared they would have executed this Purchase Agreement and each and every other section, paragraph, subdivision, sentence, clause and phrase of this Purchase Agreement, irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Purchase Agreement may be held to be illegal, invalid, or unenforceable. If any provision of this Purchase Agreement contains any ambiguity which may be construed as either valid or invalid, the valid construction shall be adopted.

(e) This Purchase Agreement expresses the entire understanding and all agreements of the parties to this Purchase Agreement with each other with respect to the subject matter of this Purchase Agreement, and no party to this Purchase Agreement has made or shall be bound by any agreement or any representation to any other party which is not expressly set forth in this Purchase Agreement.

(f) This Purchase Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(g) This Purchase Agreement shall become effective upon the execution of the acceptance of this Purchase Agreement by the undersigned member of the District Board on behalf of the District and shall be valid and enforceable as of the time of such acceptance.

(h) The electronic signature of a party to this Purchase Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Purchase Agreement. For purposes hereof: (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format (pdf) or other replicating image attached to an electronic mail or internet message.

(i) This Purchase Agreement shall be governed by and construed in accordance with the laws of the State.

Very truly yours,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By _____
Mark Reader, Managing Director

ACCEPTED AND AGREED AT ____ P.M.
THIS _____ DAY OF _____, 2023

MYSTIC AT LAKE PLEASANT HEIGHTS COMMUNITY FACILITIES DISTRICT
(PEORIA, ARIZONA)

By _____
Kevin Burke, District Treasurer and
District Chief Financial Officer

[Signature Page to Bond Purchase Agreement]

SCHEDULE I

\$ _____
 MYSTIC AT LAKE PLEASANT HEIGHTS COMMUNITY FACILITIES DISTRICT
 (PEORIA, ARIZONA)
 GENERAL OBLIGATION BONDS
 SERIES 2023

Maturity Dates (July 15)	Principal Amounts	Interest Rates	Yield
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[No Prior Redemption. The Bonds will not be subject to redemption prior to maturity.]

[* Yield calculated to July 15, 203_, the first optional redemption date.]

Optional Redemption. The Bonds maturing before or on July 15, 203_, are not subject to redemption prior to maturity. The Bonds maturing on and after July 15, 203_, are subject to optional redemption prior to maturity, at the option of the Issuer, in whole or in part from maturities selected by the Issuer, on July 15, 203_, or on any date thereafter, by the payment of a redemption price equal to the principal amount of each Bond called for redemption, plus interest accrued to the date fixed for redemption, but without premium.

Mandatory Sinking Fund Redemption. The Bonds maturing on July 15, 203_ and July 15, 203_ (collectively, the “Term Bonds”), shall be redeemed on July 15 in the respective years and in the amounts set forth below, by payment of the principal amount of the Bonds so redeemed plus interest accrued to the date fixed for redemption, but without premium.

Term Bonds Maturing July 15, 203_

Year	Sinking Fund Requirement
203_	\$
203_ (Maturity)	

Term Bonds Maturing July 15, 203_

Year	Sinking Fund Requirement
203_	\$
203_	
203_ (Maturity)	

EXHIBIT A

FORM OF UNDERWRITER'S CERTIFICATE

[TO BE ADJUSTED AS NECESSARY BASED ON ACTUAL SALE]

\$ _____

MYSTIC AT LAKE PLEASANT HEIGHTS COMMUNITY FACILITIES DISTRICT
(PEORIA, ARIZONA)
GENERAL OBLIGATION BONDS
SERIES 2023

The undersigned, Stifel, Nicolaus & Company, Incorporated (“Stifel”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. Bond Purchase Agreement. On May __, 2023 (the “Sale Date”), Stifel and Mystic at Lake Pleasant Heights Community Facilities District (the “Issuer”) executed a Bond Purchase Agreement (the “Purchase Agreement”) in connection with the sale of the Bonds. Stifel has not modified the Purchase Agreement since its execution on the Sale Date.

2. Price.

As of the date of this Certificate, for each Maturity of the Bonds, the first price or prices at which at least 10% of each such Maturity of the Bonds was sold to the Public (the “10% Test”) are the respective prices listed in Schedule A attached hereto.

3. Defined Terms.

- (a) *Issuer* means Mystic at Lake Pleasant Heights Community Facilities District.
- (b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
- (d) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is May __, 2023.
- (e) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described

in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Stifel's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate of the Issuer dated May __, 2023 and with respect to compliance with the federal income tax rules affecting the Bonds, and by Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

STIFEL, NICOLAUS & COMPANY,
INCORPORATED, as underwriter

By: _____
Mark Reader, Managing Director

By: _____
[underwriter]

Dated: _____, 2023

SCHEDULE A

Actual Sales Information as of Closing Date

<u>Maturity</u> <u>(July 15)</u>	<u>Coupon</u>	<u>Date Sold</u>	<u>Par Amount</u>	<u>Sale Price</u>
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EXHIBIT B

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[LETTERHEAD OF GREENBERG TRAURIG LLP]

May __, 2023

Stifel, Nicolaus & Company, Incorporated
Suite 300
2801 East Camelback Road
Phoenix, Arizona 85016

Re: \$_____ Mystic at Lake Pleasant Heights Community Facilities
District (Peoria, Arizona) General Obligation Bonds, Series 2023

This supplemental opinion is rendered pursuant to Section 6(v)(A)(III) of the Bond Purchase Agreement, dated as of April __, 2023 (the “Purchase Contract”), between Mystic at Lake Pleasant Heights Community Facilities District (the “Issuer”) and Stifel, Nicolaus & Company, Incorporated, as underwriter (the “Underwriter”), and is given in connection with the issuance on this date by the Issuer of bonds designated its General Obligation Bonds, Series 2023, in the aggregate principal amount of \$_____ (the “Bonds”). The Bonds are issued under and secured by a Series 2023 Indenture of Trust and Security Agreement, dated as of May 1, 2023 (the “Indenture”), from the Issuer to U.S. Bank National Association, as trustee (the “Trustee”), are the subject of an Official Statement, dated May __, 2023 (the “Official Statement”), and are being sold pursuant to the Purchase Contract, in each case in accordance with a resolution authorizing issuance of, and certain other matters related to, the Bonds adopted by the District Board of the Issuer on April 25, 2023 (the “Resolution”), including a Series 2023 Standby Contribution Agreement, dated as of May 1, 2023 (the “Standby Contribution Agreement”), by and among the District, Owner and the Trustee, and a Series 2023 Letter of Credit Depository Agreement, dated as of May 1, 2023 (the “Depository Agreement”), by and between the Issuer and U.S. Bank National Association, as depository (the “Depository Agreement”), by and between the Issuer and the Depository. A portion of the proceeds of Bonds will be deposited into the Acquisition and Construction Fund pursuant to the Indenture. In connection with the issuance and sale of the Bonds, the Issuer will execute and deliver a Series 2023 Continuing Disclosure Undertaking, dated of even date herewith (the “Undertaking”). (The Indenture, the Purchase Contract, the Standby Contribution Agreement, the Depository Agreement and the Undertaking are hereinafter collectively referred to as the “Issuer Documents”). (You may rely on our opinion as Bond Counsel, dated of even date herewith, with regard to the Bonds as if addressed to you.)

In connection with such issuance, we have examined and relied upon:

- (i) An executed copy of the Indenture;

- (ii) An executed copy of the Official Statement;
- (iii) An executed copy of the Purchase Contract;
- (iv) An executed copy of the Standby Contribution Agreement;
- (v) Executed copies of the Depository Agreement;
- (vi) A certified copy of the Resolution (which authorized, among other matters, execution and delivery of the Purchase Contract);
- (vii) An executed copy of the Undertaking;
- (viii) Such other agreements, certificates (including particularly, but not by way of limitation, certificates of Avanti and Owner, dated of even date herewith), opinions, letters and other documents, including all documents delivered or distributed at the closing of the sale of the Bonds, as we have deemed necessary or appropriate in rendering the opinions set forth herein; and
- (ix) Such provisions of the Constitution and laws of the State of Arizona and the United States of America as we believe necessary to enable us to render the opinions set forth herein.

In our examination, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified or photostatic copies, the authenticity of the originals of such latter documents and the accuracy of the statements contained in such certificates. In connection with our representation of the Issuer, we have also participated in conferences from time to time with representatives of and counsel to the Issuer, the Underwriter, Avanti, Owner, the Trustee and the Depository relating to the Issuer Documents.

We are of the opinion, based upon the foregoing and subject to the reliance hereinabove indicated and the qualifications hereinafter set forth, that under applicable law of the State of Arizona and federal law of the United States of America in force and effect on the date hereof:

1. The Issuer is a duly organized and validly existing special purpose district, a tax levying public improvement district and a municipal corporation for purposes set forth in Section 48-708(B), Arizona Revised Statutes, pursuant to the Constitution and laws of the State of Arizona and has all requisite power and authority thereunder (a) to adopt the Resolution, (b) to authorize, execute, deliver and issue, as applicable, the Issuer Documents and the Bonds, (c) to approve, execute and authorize the use and distribution of the Official Statement (including, as applicable, the Preliminary Official Statement, dated April __, 2023 (the "Preliminary Official Statement"), with respect to the Bonds), and (d) to carry out and consummate the transactions contemplated by the Official

Statement, the Resolution, the Issuer Documents and the Bonds (including performing the applicable obligations thereunder).

2. To our actual knowledge, adoption of the Resolution; authorization, execution, delivery and issuance, as applicable, of, and the due performance of the obligations of the Issuer under, the Issuer Documents and the Bonds and the approval, execution and authorization of the use and distribution of the Official Statement (including, as applicable, the Preliminary Official Statement) by the Issuer under the circumstances contemplated thereby do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any agreement or other instrument to which the Issuer is a party or of any existing law, ordinance, administration regulation, court order or consent decree to which the Issuer is subject.

3. To our actual knowledge, no consent of any other party, and no consent, license, approval or authorization of, exemption by or registration with any governmental body, authority, bureau or agency (other than those that have been obtained or will be obtained prior to the delivery of the Bonds), is required in connection with the adoption by the Issuer of the Resolution or the authorization, execution, delivery, issuance and performance, as applicable, by the Issuer of the Issuer Documents and the Bonds and the consummation of the transactions contemplated by the Official Statement.

4. The Issuer has duly (a) adopted the Resolution and (b) authorized (i) the authorization, execution, delivery and issuance, as applicable of, and the performance of its obligations under, the Issuer Documents and the Bonds and (ii) the taking of the actions required on the part of the Issuer to carry out, give effect to and consummate the transactions contemplated by the Official Statement, the Resolution, the Issuer Documents and the Bonds. The Issuer has complied with all applicable provisions of law and has taken all actions required to be taken by it to the date hereof in connection with the transactions contemplated by the aforesaid documents.

5. The Issuer Documents have been duly authorized, executed and delivered by the Issuer and, assuming due and valid authorization, execution and delivery by the other party thereto, constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their terms.

6. Based solely upon a search of the computerized docket records available for review on May __, 2023, in the office of the Maricopa County Superior Court and U.S. District Court, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, pending or overtly threatened against or affecting the Issuer, and there is no basis therefor, (i) that in any way questions the powers of the Issuer referred hereinabove or the validity of the proceedings taken by the Issuer in connection with the issuance and sale of the Bonds, (ii) wherein an unfavorable decision, ruling or finding would adversely affect the transactions

contemplated by the Official Statement, the Resolution, the Issuer Documents or the Bonds or would in any way adversely affect the validity or enforceability of the Resolution, the Issuer Documents or the Bonds (or of any other instrument required or contemplated for use in consummating the transactions contemplated thereby or hereby or by the Official Statement), (iii) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or (iv) that questions the right of the Issuer to levy, receive and pledge special assessments or taxes, nor lawsuits pending or overtly threatened against the Issuer that, if decided adversely to the Issuer, would, individually or in the aggregate, have a material adverse effect on the financial condition of the Issuer or impair the ability of the Issuer to comply with all the requirements set forth in the Official Statement, the Resolution, the Issuer Documents or the Bonds.

7. The information contained in the Official Statement in the tax caption on the cover thereof, under the headings “THE BONDS” (except the information incorporated by reference to other headings or the appendices not otherwise included hereinbelow as to which we express no opinion), “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS” (except the information under the subheading “*Ad Valorem* Property Taxation in the District” and incorporated by reference to other headings or the appendices not otherwise included hereinbelow, as to which we express no opinion), “OVERLAPPING, ADDITIONAL AND ADDITIONAL OVERLAPPING INDEBTEDNESS – Overlapping General Obligation Bonded Indebtedness” (except the information relating to the amount of authorized but unissued bonds), “LITIGATION – THE DISTRICT,” “TAX EXEMPTION,” “QUALIFIED TAX-EXEMPT OBLIGATIONS,” “CONTINUING DISCLOSURE” (except the information incorporated by reference to the appendices and the status of the Issuer with respect to compliance with its previous undertakings as to which we express no opinion) and “RELATIONSHIPS AMONG PARTIES” (but only that which relates to Bond Counsel) therein and in APPENDIX B – “FORM OF LEGAL OPINION OF BOND COUNSEL,” APPENDIX D – “FORM OF CONTINUING DISCLOSURE UNDERTAKING” and APPENDIX E – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE” fairly summarizes the information that it purports to summarize; provided, however, that such information does not purport to summarize all the provisions of, and is qualified in its entirety by, the complete laws and documents that are summarized, and, based solely on our participation in the transaction as Bond Counsel, nothing has come to our attention that would lead us to believe that the information and statements in the Preliminary Official Statement, as of its date and as of April __, 2023, and the Official Statement, as of its date and as of the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that we express no view as to the financial statements of the Issuer, any other financial forecast, technical or statistical data, and any information in the Preliminary Official Statement or the Official Statement regarding DTC, the Insurer or the Policy. We have not undertaken to review or determine

independently, and assume no responsibility for, the accuracy or completeness of the information in the Preliminary Official Statement or the Official Statement except to the extent indicated hereinabove. .

8. It is not necessary in connection with the issuance and sale of the Bonds to the public to register the Bonds or the Standby Contribution Agreement under the Securities Act of 1933, as amended, or to qualify the Resolution or Indenture under the Trust Indenture Act of 1939, as amended.

Our opinions expressed in paragraph 5 hereof are qualified to the extent that the enforceability of the Issuer Documents is dependent upon the due authorization, execution and delivery of (and authority to perform lawfully) the Issuer Documents by the other party or parties thereto and to the extent that the enforceability of the Issuer Documents may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights and the exercise of judicial discretion in accordance with general principles of equity, including possible refusal by a particular court to grant certain equitable remedies such as specific performance with respect to the enforcement of any provision of such documents. We express no opinion as to the enforceability of any provisions of the Issuer Documents (i) restricting access to legal or equitable remedies, (ii) purporting to establish evidentiary standards or waiving or otherwise affecting any rights to notice, demand or exhaustion of collateral, (iii) relating to self-help, subrogation, indemnification, delay or omission to enforce rights or remedies, severability or marshalling of assets, or (iv) purporting to grant to the owners of the Bonds or to any party to the Issuer Documents (other than the Issuer) any rights or remedies not specifically set forth therein.

This opinion may be relied upon only by you and by persons to whom we grant written permission to do so.

Respectfully submitted,

EXHIBIT C

**FORM OF OPINION OF COUNSEL TO AVANTI STRATEGIC LAND INVESTORS
VIII, L.L.L.P. AND LAKE PLEASANT (PHOENIX) ASLI VIII, LLC,**

[LETTERHEAD OF BERENS BLONSTEIN PLC]

May __, 2023

Stifel, Nicolaus & Company, Incorporated
Suite 300
2801 East Camelback Road
Phoenix, Arizona 85016

Mystic at Lake Pleasant Heights Community Facilities District
c/o City of Peoria, Arizona
8401 West Monroe Street
Peoria, Arizona 85345

City of Peoria, Arizona
8401 West Monroe Street
Peoria, Arizona 85345

Re: \$_____ Mystic at Lake Pleasant Heights Community Facilities District
(Peoria, Arizona) General Obligation Bonds, Series 2023

Ladies and Gentlemen:

We have acted as counsel to Avanti Strategic Land Investors VIII, L.L.L.P., a Delaware limited liability limited partnership (“**Avanti**”) and Lake Pleasant (Phoenix) ASLI VIII, LLC., an Arizona limited liability company (“**Owner**”, and collectively, AVANTI and Owner are sometimes referred to as the “**Mystic Entities**”), in connection with the transactions provided for by the documents referred to herein, including the issuance and sale of the Bonds, sold pursuant to a Bond Purchase Agreement, dated May __, 2023 (the “**Purchase Agreement**”), by and between Stifel, Nicolaus & Company, Incorporated (the “**Underwriter**”), and Mystic at Lake Pleasant Heights Community Facilities District (the “**District**”). This opinion is delivered to you pursuant to Section 6(v)(B) of the Purchase Agreement. Capitalized terms used and not defined herein shall have the meanings assigned to them in the Purchase Agreement.

In rendering the opinions expressed below, we have examined copies of the agreements, documents and instruments listed on the Schedule of Documents attached hereto. In addition, we have received such other information from representatives of the Mystic Entities as we have deemed necessary for the purposes of this opinion (hereinafter referred to, collectively, as “due inquiry”). The Development Agreement and Avanti Indemnity Letter (each defined in the Schedule of Documents attached hereto) are hereinafter collectively referred to as the “Avanti

Documents.” The Development Agreement, Standby Contribution Agreement and Owner Indemnity Letter (as defined in the Schedule of Documents attached hereto) are hereinafter collectively referred to as the “Owner Documents” and, together with the Avanti Documents, the “Mystic Entities Bond Documents”). Whenever any portion of this opinion is limited to the existence or absence of fact based upon our actual knowledge, it is limited to our actual knowledge of the existence or absence of such fact after due inquiry.

In rendering the following opinions, we have assumed:

(a) The genuineness of all signatures to the Mystic Entities Bond Documents (except for the signatures of the Mystic Entities) and the legal capacity of each natural person executing any of the Mystic Entities Bond Documents;

(b) The authenticity and completeness of Mystic Entities Bond Documents submitted as originals, and the conformity to originals of documents submitted as copies and, without investigation, that any certificate, representation (oral or otherwise), facsimile transmission, email or other documents on which we have relied, whether or not given or dated earlier than the date hereof, is authentic and remains accurate insofar as relevant to this opinion from such earlier date through and including the date hereof, provided we have not acquired any knowledge of any facts inconsistent with this assumption;

(c) The due authorization, execution, acknowledgment where necessary, and delivery, and the validity and binding effect, of the Mystic Entities Bond Documents with regard to the parties to those agreements other than the Mystic Entities, and that the transactions (the “**Transactions**”) contemplated by the Mystic Entities Bond Documents are fully authorized by all necessary action by or on behalf of the parties thereto other than the Mystic Entities and are in compliance with all laws, rules or regulations governing the parties thereto other than the Mystic Entities;

(d) All parties to the Mystic Entities Bond Documents other than the Mystic Entities are duly formed and validly existing, have the power and authority under applicable laws and regulations to enter into the Mystic Entities Bond Documents and perform the Transactions, have complied in all material respects with all applicable laws and regulations with respect to the Transactions, and have obtained all necessary consents, authorizations, approvals, permits or certificates (governmental and otherwise) which are required as a condition to the execution and delivery of such Mystic Entities Bond Documents by such parties and to the consummation of the transactions described therein by such parties;

(e) The Mystic Entities Bond Documents accurately describe and contain the agreement and mutual understanding of the parties thereto and that there are no oral or written statements or agreements that modify, amend or vary, or purport to modify, amend or vary, any of the terms of the Mystic Entities Bond Documents or facts or events

(such as fraud or duress) that have occurred in connection with the execution, acknowledgment and delivery of the Mystic Entities Bond Documents that would impair the enforceability thereof;

(f) All rules and regulations of governmental authorities, applicable to this opinion are generally available to lawyers practicing in the State of Arizona and are in a format that makes legal research reasonably feasible;

(g) That all parties to the Transactions have complied with the requirement of good faith, fair dealing and conscionability, and will perform their respective obligations, and enforce their respective rights thereunder in circumstances and in a manner which is commercially reasonable and in accordance with applicable law (procedural or otherwise);

(h) That, with respect to the enforceability of the Mystic Entities Bond Documents by a court of another jurisdiction, such court would apply Arizona law, and would determine that the application of Arizona substantive law is not contrary to a fundamental policy of the law of such other jurisdiction;

(i) All parties to the Transactions have acted without notice of any defense against the enforcement of any rights created by the Mystic Entities Bond Documents;

(j) The truth and accuracy of all of the representations and warranties of all parties contained in the Mystic Entities Bond Documents and the absence of adverse facts not apparent from the face of the instruments and documents we have examined, except to the extent of our actual knowledge (as hereinafter defined);

(k) The truth and accuracy of all reports and other documents prepared by third party consultants relating to the transactions or the property that is the subject of the transactions, or to any of the property within the District;

(l) Each of the Mystic Entities Bond Documents required to be filed, recorded or indexed to be effective have been or will be timely and properly filed, recorded or indexed in the appropriate governmental offices and that the recipient will timely file all necessary continuation statements;

(m) No interest, fees or other charges will be collected with respect to the Transactions that are not clearly specified in the Mystic Entities Bond Documents;

(n) The Mystic Entities have each paid all income taxes, fines, jeopardy or fraud assessments, and interest due from it and payable to the State of Arizona, in each instance, where failure to pay would affect adversely the Transactions;

(o) The Mystic Entities hold the requisite title and rights to any real or personal property involved in the Transactions or otherwise purported to be owned by the Mystic Entities;

(p) The Closing Certificate of the Mystic Entities, dated the date hereof and delivered in connection with the issuance of the Bonds, is true and correct; and

(q) The Certificate of the Mystic Entities attached hereto as **Exhibit "A"**, is true and correct.

Where statements in this opinion are qualified by the term “**material**” or “**materially**,” those statements involve judgments and opinions as to the materiality or lack of materiality of any matter to the Mystic Entities or its business, assets or financial condition that are entirely those of the Mystic Entities, after having been advised by us as to the legal effect and consequences of such matters.

Based on the foregoing, and subject to the limitations, qualifications and assumptions set forth herein, it is our opinion that:

1. Avanti is a limited liability limited partnership, duly organized and existing under the laws of the State of Delaware, and, based solely on the Avanti Good Standing Certificate, is in good standing and qualified to do business in the State of Arizona.

2. Owner is a limited liability company, duly organized and existing under the laws of the State of Delaware, and, based solely on the Owner Good Standing Certificate, is in good standing and qualified to do business in the State of Arizona.

3. Avanti has the requisite limited partnership power and authority under the laws of the State of Delaware: (i) to execute and deliver the Avanti Bond Documents, and carry out the terms and conditions applicable to it under, and consummate all transactions contemplated by, the Avanti Bond Documents; and (ii) to own and operate its properties and assets as described in the Official Statement, and (iii) to carry out its business as such business is currently being conducted as described in the Official Statement.

4. Owner has the requisite limited liability company power and authority under the laws of the State of Delaware: (i) to execute and deliver the Owner Bond Documents, and carry out the terms and conditions applicable to it under, and consummate all transactions contemplated by, the Owner Bond Documents; and (ii) to own and operate its properties and assets as described in the Official Statement, and (iii) to carry out its business as such business is currently being conducted as described in the Official Statement.

5. The execution, delivery and performance of the Avanti Bond Documents by Avanti and the carrying out, giving effect to and consummation of the transactions contemplated thereby have been duly authorized by all necessary limited liability company action on the part

of Avanti and its sole (and managing) member, and the Avanti Bond Documents have been duly executed and delivered by Avanti.

6. The execution, delivery and performance of the Owner Bond Documents by Owner and the carrying out, giving effect to and consummation of the transactions contemplated thereby have been duly authorized by all necessary limited liability company action on the part of Owner and its sole (and managing) member, and the Owner Bond Documents have been duly executed and delivered by Owner.

7. The Mystic Entities Bond Documents constitute legal, valid and binding obligations of Avanti and Owner, respectively, enforceable against Avanti and Owner in accordance with their respective terms.

8. The execution and delivery of the Avanti Bond Documents by Avanti will not conflict with or result in a violation of (i) Avanti's Certificate of Formation or Limited Partnership Agreement, (ii) any material contract, indenture, instrument or other agreement to which Avanti is a party or by which its properties are bound, or (iii) any applicable law, rule or regulation affecting Avanti or any court order or governmental decree by which Avanti or its properties are bound. We advise you that we disclaim any responsibility to identify all "material contracts, indentures, instruments or other agreements to which Avanti is a party or by which its properties are bound", but in the course of our representation, and in reliance upon the Certificate and the Closing Certificate of the Mystic Entities, we have not discovered, after due inquiry, any example of a violation as contemplated above.

9. The execution and delivery of the Owner Bond Documents by Owner will not conflict with or result in a violation of (i) Owner's Articles of Organization or Operating Agreement, (ii) any material contract, indenture, instrument or other agreement to which Owner is a party or by which its properties are bound, or (iii) any applicable law, rule or regulation affecting Owner or any court order or governmental decree by which Owner or its properties are bound. We advise you that we disclaim any responsibility to identify all "material contracts, indentures, instruments or other agreements to which Owner is a party or by which its properties are bound", but in the course of our representation, and in reliance upon the Certificate and Closing Certificate of the Mystic Entities, we have not discovered, after due inquiry, any example of a violation as contemplated above.

10. To our actual knowledge, no consent, approval, authorization, or other action by, or filing with, any federal, State or local governmental authority is required in connection with the execution and delivery by the Mystic Entities of the Mystic Entities Bond Documents, or consummation of the transactions contemplated thereby.

11. To our actual knowledge, each of the Mystic Entities has obtained all material consents, approvals and authorizations, and has made all material filings, required by applicable federal, state and/or local governmental authorities in order to own and operate its properties and

assets as described in the Official Statement and to carry out its business as such business is currently being conducted as described in the Official Statement.

12. To our actual knowledge, Avanti is not in violation of any provision of, or in default under, its Certificate of Limited Partnership, Limited Partnership Agreement or any other agreement or instrument, the violation of which or default under which would materially and adversely affect the execution, delivery and/or performance of the agreements and obligations of Avanti under the Avanti Bond Documents.

13. To our actual knowledge, Owner is not in violation of any provision of, or in default under, its Certificate of Formation, Limited Liability Company Agreement or any other agreement or instrument, the violation of which or default under which would materially and adversely affect the execution, delivery and/or performance of the agreements and obligations of Owner under the Owner Bond Documents.

14. To our actual knowledge, no legal or governmental actions, proceedings, inquiries or investigations are pending or overtly threatened by any governmental authorities or to which either of the Mystic Entities is a party or of which its property is subject, which would materially and adversely affect (i) the execution, delivery and/or performance of the agreements and obligations of such Mystic Entity under the Mystic Entities Bond Documents, or (ii) the financial condition or operations of the Mystic Entities as described in the Official Statement.

15. To our actual knowledge, the information contained in the Preliminary Official Statement and the Official Statement under the headings “LAND DEVELOPMENT” and “LITIGATION”, does not contain any untrue statement of material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which such statements were made, not misleading; provided, however, that we express no opinion regarding any such information relating to any person or entity other than the Mystic Entities contained in Preliminary Official Statement or the Official Statement under the headings “LAND DEVELOPMENT” and “LITIGATION.” In connection with our participation with the Preliminary Official Statement and the Official Statement, we have not undertaken to independently determine the accuracy, completeness or fairness of the statements contained therein, except as and to the extent provided in this paragraph, and the knowledge available to us is such that we are unable to assume, and do not assume, any responsibility for the accuracy, completeness or fairness of such information. However, on the basis of such participation, we have acquired no actual knowledge that the information contained in the Preliminary Official Statement or the Official Statement (except for the financial information and notes thereto and the schedules and other financial or statistical data included therein or in any appendix thereto, as to which we express no opinion) contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

The opinions set forth above are subject to the following qualifications and limitations:
(i) enforceability of the Mystic Entities Bond Documents may be limited by bankruptcy,

insolvency, fraudulent transfer or conveyance, reorganization, moratorium, arrangement or laws or court decisions affecting the enforcement of creditors' rights generally; (ii) enforceability of the Mystic Entities Bond Documents is subject to general principles of equity, whether remedies are sought in equity or at law; (iii) enforceability of the Mystic Entities Bond Documents is further subject to the qualification that certain waivers, procedures, remedies, indemnities and other provisions thereof may be unenforceable under or limited by Arizona law; however, such law does not, in our opinion, substantially prevent the practical realization of the benefits intended by the Mystic Entities Bond Documents (except that the principles of guaranty and suretyship may prevent the practical realization of the benefits intended by indemnity and guarantee provisions in the Mystic Entities Bond Documents); (iv) we are expressing no opinion as to the compliance of the Mystic Entities Bond Documents or the offer and sale of the Bonds with any securities law or regulation; (v) with the sole exception of those matters addressed in our opinion to our actual knowledge, we are expressing no opinion as to any federal or state securities laws, any environmental or health or safety laws, rules or regulations, or any county, municipal or other local ordinances; and (vi) the term "**actual knowledge**" as used herein means solely the knowledge of attorneys in this firm who have performed services in respect of the transactions provided for by the documents referred to herein, including knowledge ascertained from our review of the Mystic Entities Bond Documents, the documents listed in [***paragraphs ____ through ____***] of the Schedule of Documents attached to this letter, and the certificate of various officers of the Mystic Entities issued to us in connection herewith.

We are expressing no opinion as to:

- (a) The title to or priority of any lien or security interest created in connection with the transactions contemplated by the Mystic Entities Bond Documents or with respect to the property that is the subject of such transactions except as expressly stated herein; or
- (b) The legal validity and sufficiency of the acts of any of the other parties to the Transactions.

We are qualified to practice law only in the State of Arizona and we do not purport to express any opinion herein concerning any law other than the laws of the State of Arizona. With respect to the laws of the State of Arizona, our opinions are as to what the law is or might reasonably be expected to be at the date hereof, and we assume no obligation to revise or supplement this opinion due to any change in the law by legislative action, judicial decision or otherwise. Any opinion as to the enforceability of any document is limited to enforceability as between the original parties thereto. We do not render any opinion with respect to any matters other than those expressly set forth above.

This opinion is being furnished to you solely for your benefit and only with respect to the Bonds. Accordingly, it may not be relied upon or quoted to any person or entity without, in each instance, our prior written consent.

Very truly yours,

Exh. C - 7

Stifel, Nicolaus & Company, Incorporated
Mystic at Lake Pleasant Heights Community Facilities District
City of Peoria
May __, 2023
Page 8

BERENS BLONSTEIN PLC

SCHEDULE OF DOCUMENTS

1. Preliminary Official Statement, dated April __, 2023 (the “Preliminary Official Statement”) issued by the District.
2. Official Statement, dated May __, 2023 (the “**Official Statement**”), issued by the District.
3. District Development, Financing Participation and Intergovernmental Agreement (Mystic at Lake Pleasant Heights Community Facilities District), dated as of August 20, 2020, among the City, the District, and the Mystic Entities (the “**Development Agreement**”).
4. Series 2023 Standby Contribution Agreement, dated as of May 1, 2023, by and among the District, U.S. Bank National Association, a national banking association (as the “Trustee”), and Lake Pleasant (Phoenix) ASLI VIII, LLC, (the “**Standby Contribution Agreement**”).
5. The executed Indemnity Letter dated as of April __, 2023 by Avanti to the Underwriter and the District (the “Avanti Indemnity Letter”).
6. The executed Indemnity Letter dated as of April __, 2023 by Owner to the Underwriter and the District (the “Owner Indemnity Letter”).
7. The executed Closing Certificate of the Mystic Entities, dated May __, 2023.
8. In regard to Lake Pleasant (Phoenix) ASLI VIII, LLC,: (i) Certificate of Formation filed with the Secretary of State of the State of Delaware on December 16, 2016; (ii) the Limited Liability Company Agreement having an Effective Date of _____, 20__, and executed by its sole member, Avanti Strategic Land Investors VIII, L.L.L.P.; (iii) a Certificate of Good Standing, from the Arizona Corporation Commission, dated May __, 2023 (the “Owner Good Standing Certificate”); and (iv) a Consent Resolution, dated _____, 2023, executed by the general partner of Avanti Strategic Land Investors VIII, L.L.L.P., as the sole member of Lake Pleasant (Phoenix) ASLI VIII, LLC.
9. In regard to Avanti Strategic Land Investors VIII, L.L.L.P.: (i) Certificate of Limited Partnership, filed with the Secretary of State of the State of Delaware on March 5, 2015; (ii) the Limited Partnership Agreement, having an Effective Date of _____, 20__, executed by its general partner and limited partner; (iii) a Certificate of Good Standing, from the Delaware Secretary of State, dated May __, 2023 (the “Avanti Good Standing Certificate”); and (v) a Consent Resolution, dated _____, 2023, executed by the partners of Avanti Strategic Land Investors VIII, L.L.L.P..

Such other documents and instruments as we have considered necessary or appropriate for the purposes of this opinion.

EXHIBIT “A”

**CERTIFICATE OF
AVANTI STRATEGIC LAND INVESTORS VIII, L.L.L.P.
(for Berens Blonstein PLC)**

In connection with the sale and issuance of the Mystic at Lake Pleasant Heights Community Facilities District (Peoria, Arizona) General Obligation Bonds, Series 2023 sold pursuant to a Purchase Agreement, dated September ___, 2023 (the “**Purchase Agreement**”), by and between Stifel, Nicolaus & Company, Incorporated (the “**Underwriter**”), and Mystic at Lake Pleasant Heights Community Facilities District (Peoria, Arizona), the undersigned hereby represents and certifies to Berens Blonstein PLC, with respect to its issuance of a legal opinion (the “**Opinion**”) in connection with the Purchase Agreement, as follows (with the capitalized terms not otherwise defined herein having the meaning assigned to such terms in the Opinion):

1. I, _____, am a duly appointed, qualified and acting General Partner of Avanti Strategic Land Investors VIII, L.L.L.P., an Delaware limited liability limited partnership, which in turn is the sole member of Lake Pleasant (Phoenix) ASLI VIII, LLC, a Delaware limited liability company (individually, a “**Company**”, and collectively, the “**Companies**”). In my role, I am actively involved in the business operations of the Companies and am generally familiar with the business affairs of the Companies. I am familiar with the Purchase Agreement and the other documents, instruments and agreements executed and delivered pursuant to, or in connection with, the Purchase Agreement (collectively, the “**Documents**”). I have reviewed the company records of the Companies. I have made such further examination, inquiry or investigation as is necessary to enable me to make the certifications in this certificate. The representations and warranties of the Companies set forth in the Documents (including the schedules and exhibits attached thereto) are true, accurate and complete in all material respects and do not omit any information that is necessary to cause them not to be misleading.

2. Attached as Exhibit A-1 is a true and correct copy of the Certificate of Formation of Avanti Strategic Land Investors VIII, L.L.L.P., as filed with the Delaware Secretary of State.

3. Attached as Exhibit A-2 is a true and correct copy of the Certificate of Formation of Lake Pleasant (Phoenix) ASLI VIII, LLC,, as filed with the Delaware Secretary of State.

4. Attached as Exhibit A-3 is a good standing certificate issued by the Arizona Secretary of State, regarding Avanti Strategic Land Investors VIII, L.L.L.P., dated May __, 2023.

5. Attached as Exhibit A-4 is a good standing certificate issued by the Arizona Corporation Commission, regarding Lake Pleasant (Phoenix) ASLI VIII, LLC, dated May __, 2023.

6. Attached as Exhibit A-5 is a copy of a duly enacted Consent Resolution of the Partnersh of Avanti Strategic Land Investors VIII, L.L.L.P.

7. Each Company has filed all annual reports, financial statements and other documents or instruments required to be filed with any and all agencies or instrumentalities of the State of Arizona, and has paid all filing fees, franchise taxes, and other sums, however designated,

required to be paid in connection with any such filing, or otherwise, to maintain each Company's existence, qualification to do business, and good standing in the States of Delaware and Arizona, as applicable.

8. As of the date hereof, no judicial proceeding is pending or has been threatened by any governmental authority alleging the existence of facts or circumstances that would cause the dissolution or termination of the Companies or if proven to be true would materially and adversely affect either Company's business or prospects.

9. All federal, state and local tax returns of the Companies have been filed by the Companies and all payments that are due and owing have been paid by the Companies to the proper authorities (or appropriate extensions have been granted or obtained), except such taxes, if any, that are being contested in good faith.

10. There are no side agreements, contemporaneous understandings, letters of understanding or interpretation or other documents or matters of any type relating to the transactions contemplated by the Purchase Agreement that are not fully reflected in the Documents.

11. Each Company has performed, satisfied, and complied with the covenants, agreements, and conditions required by the Documents to be performed, satisfied or complied with by each Company at or prior to the date hereof.

12. No proceedings by or against either Company has been commenced in bankruptcy or for the reorganization and liquidation or the readjustment of debts under the Bankruptcy Code or any other law whether state or federal, nor has either Company made an assignment for the benefit of creditors, admitted in writing its inability to pay debts generally as they become due, or filed or had filed against it, any action seeking an order appointing a trustee or receiver of all or a substantial part of the assets of either Company.

13. Avanti Strategic Land Investors VIII, L.L.L.P. is a limited liability limited partnership, duly formed and existing under the laws of the State of Delaware, is qualified to do business in the State of Arizona, and has the requisite limited partnership power and authority under the laws of the State of Delaware to enter into and perform its obligations under, and to consummate all transactions contemplated by, the Documents.

14. Lake Pleasant (Phoenix) ASLI VIII, LLC is a limited liability company, duly formed and existing under the laws of the State of Delaware, is qualified to do business in the State of Arizona, and has the requisite limited liability company power and authority under the laws of the State of Delaware to enter into and perform its obligations under, and to consummate all transactions contemplated by, the Documents.

15. Avanti Strategic Land Investors VIII, L.L.L.P. has taken all necessary limited partnership actions necessary to be taken by it or in its behalf to authorize (a) the execution, delivery and performance by Avanti Strategic Land Investors VIII, L.L.L.P. of the Documents and (b) the carrying out, giving effect to and consummation of the transactions contemplated thereby.

16. Lake Pleasant (Phoenix) ASLI VIII, LLC has taken all necessary limited liability company actions necessary to be taken by it or in its behalf to authorize (a) the execution, delivery

and performance by Lake Pleasant (Phoenix) ASLI VIII, LLC of the Documents and (b) the carrying out, giving effect to and consummation of the transactions contemplated thereby.

17. The Documents have been duly and validly executed and delivered by each Company.

18. Each Company intends for the Documents to be, and the Documents are, legally valid and binding obligations of such Company, enforceable against such Company in accordance with their respective terms. I am not aware of any reason why the Documents would not be enforceable against the Companies in accordance with their terms. I am not aware of any reason why the Documents might be invalid in part or in their entirety or subject to any limitations on the remedies and rights of the parties thereto.

19. The execution and delivery by the Companies of the Documents and the consummation of the transactions contemplated thereby by the Companies do not and will not (a) result in a violation of any provision of, or in default under, the Organizational Documents of the Companies or any agreement or other instrument to which the Companies is a party or by which it or its properties are bound that are material to the business operations of the Companies, or (b) conflict with any judgment, order, or other governmental action or decree to which the Companies, or the properties or assets of either of them, are subject which, in any of the above cases, would materially and adversely affect the business, properties, assets, liabilities, or condition (financial or otherwise) of the Companies.

20. Each Company has obtained all material approvals, authorizations, consents, and other actions by all federal, state, and local governmental authorities that have jurisdiction over the Companies required to (a) allow each Company to execute and deliver the Documents and consummate the transactions contemplated thereby and (b) conduct each Company's business as such business is presently being conducted relating to such transactions and as described in the Organizational Documents, except for such actions, approvals, authorizations, consents, and orders that the Companies would expect to obtain in the ordinary course of its business.

21. Neither Company is in violation of any provision of, or in default under, its Organizational Documents or any agreement or other instrument, the violation of or default under which would materially and adversely affect the execution and delivery of the Documents or consummation of the transactions contemplated thereby by, or the business, properties, assets, liabilities, or condition (financial or otherwise) of, either Company.

22. There are no legal or governmental actions, proceedings, inquiries, or investigations pending or threatened by any governmental authority with jurisdiction over either Company (i) to which either Company is a party or (ii) to which any property or asset of either Company is subject, and which, if determined adversely to either Company would individually or in the aggregate: (a) have a material adverse effect on the financial condition or results of operations of either Company as a whole, (b) materially and adversely affect the validity or enforceability of the Documents, or (c) materially and adversely affect the execution and delivery of the Documents and/or consummation of the transactions contemplated thereby by either Company.

23. The information contained in the Official Statement under the headings “LAND DEVELOPMENT” and “LITIGATION” do not contain any untrue statement of material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which such statements were made, not misleading.

24. I have read and I understand the Documents.

25. I have examined a draft of the proposed Opinion that Berens Blonstein PLC intends to deliver in connection with the Documents, and I know no factual information or matters that would render untrue or inaccurate in any way the legal conclusions in the Opinion.

26. This Certificate may be relied upon by Berens Blonstein PLC in its Opinion delivered in connection with the Documents. All of the information contained in this Certificate is true, correct and complete on and as of the date hereof.

[Signature block appears on the following page.]

DATED as of May ____, 2023.

By:
Its: _____

EXHIBIT D

**FORM OF IRREVOCABLE STANDBY LETTER OF CREDIT NO. LC _____
FROM _____**

[LETTERHEAD OF BANK]

ATTACHMENT I

AVANTI INDEMNITY LETTER

April __, 2023

Stifel, Nicolaus & Company, Incorporated
Suite 300
2801 East Camelback Road
Phoenix, Arizona 85016

Mystic at Lake Pleasant Heights Community Facilities District
c/o City of Peoria, Arizona
8401 West Monroe Street
Peoria, Arizona 85345

Re: Mystic at Lake Pleasant Heights Community Facilities District (Peoria, Arizona) General Obligation Bonds, Series 2023

This Indemnity Letter is delivered by Avanti Strategic Land Investors VIII, L.L.L.P., a Delaware limited liability limited partnership (“Avanti”), in order to induce Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) and Mystic at Lake Pleasant Heights Community Facilities District (the “District”) to enter into the Bond Purchase Agreement, dated April __, 2023 (the “Purchase Contract”), related to the purchase by the Underwriter of the captioned bonds (the “Bonds”). Terms that are defined in the Purchase Contract have the meanings ascribed to them therein when used herein.

1. In consideration of the execution and delivery of the Purchase Contract, Avanti represents and warrants to the Underwriter and the District that:

(a) Avanti is a limited liability limited partnership duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) The information in the Preliminary Official Statement with respect to the Bonds under the headings “LAND DEVELOPMENT,” “RISK FACTORS” and “LITIGATION – Avanti” was, as of its date, and is, as of the date hereof, true and correct in all material respects for the purposes for which its use is or was authorized, and such information did not and does not, respectively, include any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein in light of the circumstances under which they are or were made, not misleading.

(c) Neither the execution or delivery of this Indemnity Letter, nor the District Development, Financing Participation and Intergovernmental Agreement, dated as of August 1, 2020 (the “Development Agreement”), (hereinafter referred to as the “Documents”) nor the consummation of any other of the transactions herein and therein contemplated, nor the

fulfillment of, or compliance with, the terms hereof or thereof, shall contravene the organizational documents of Avanti or conflict with or result in a breach by Avanti of any of the terms, conditions or provisions of, or constitute a default by Avanti under, any bond, debenture, note, mortgage, indenture, agreement or other instrument to which Avanti is a party or by which it is or may be bound or to which any of the property or assets of Avanti is or may be subject, or any law or any order, rule or regulation applicable to Avanti of any court, federal or state regulatory body, administrative agency or other governmental body having jurisdiction over Avanti or any of its properties or operations, or (except as contemplated by the Documents) will result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of Avanti under the terms of any such restriction, bond, debenture, note, mortgage, indenture, agreement, instrument, law, order, rule or regulation.

(d) There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the best knowledge of Avanti, threatened against Avanti wherein an adverse decision, ruling or finding would (i) result in any material adverse change in the condition (financial or otherwise), results of operations, business or prospects of Avanti, or materially and adversely affect the properties (taken as a whole) of Avanti, and that has not been disclosed in the Official Statement, (ii) materially adversely affect the transactions contemplated by the Purchase Contract or the Documents or (iii) adversely affect the validity or enforceability of the Documents.

(e) Avanti has the full power and authority to execute and deliver the Documents and perform its obligations hereunder and thereunder and engage in the transactions contemplated by the Purchase Contract and the Documents, and the Documents have been duly authorized by Avanti and, when executed by all applicable parties thereto will constitute valid, binding and enforceable obligations of Avanti except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights and/or by general principles of equity and except as the indemnification provisions hereof may be limited by applicable securities laws or public policy.

(f) No consent, approval, authorization or other action by any governmental or regulatory authority that has not been obtained is or will be required for the consummation of the transactions contemplated by the Purchase Contract and the Documents, other than the permits and licenses for construction of the Project (as defined in the Official Statement) contemplated by the Development Agreement, which have not yet been issued.

2. To the extent permitted by law, Avanti shall indemnify and hold harmless the Underwriter and the District and each director, trustee, partner, member, officer, official or employee thereof and each person, if any, who controls the Underwriter within the meaning of the Securities Act of 1933, as amended (the "Securities Act") (any such person being herein sometimes called an "Indemnified Party"), for, from and against any and all losses, claims, damages or liabilities, joint or several, (i) to which any such Indemnified Party may become subject, under any statute or regulation at law or in equity or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact set forth in the sections identified in Section 1(b) above in the Official Statement or any amendment or supplement thereto, or arise

out of or are based upon the omission or alleged omission to state therein a material fact required to be stated in such section(s) or that is necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading in any material respect, except such indemnification shall not extend to any other statements in the Official Statement and (ii) to the extent of the aggregate amount paid in any settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or alleged untrue statement or omission or alleged omission if such settlement is effected with the written consent of Avanti (which consent shall not be unreasonably withheld).

An Indemnified Party shall, promptly after the receipt of notice of a written threat of the commencement of any action against such Indemnified Party in respect of which indemnification may be sought against Avanti, notify Avanti in writing of the commencement thereof. Failure of the Indemnified Party to give such notice will reduce the liability of Avanti by the amount of damages attributable to the failure of the Indemnified Party to give such notice to Avanti but the omission to notify Avanti of any such action shall not relieve Avanti from any liability that it may have to such Indemnified Party otherwise than under this Section. In case any such action shall be brought against an Indemnified Party and such Indemnified Party shall notify Avanti of the commencement thereof, Avanti may, or if so requested by such Indemnified Party shall, participate therein or assume the defenses thereof, with counsel satisfactory to such Indemnified Party and Avanti (it being understood that, except as hereinafter provided, Avanti shall not be liable for the expenses of more than one counsel representing the Indemnified Parties in such action), and after notice from Avanti to such Indemnified Party of an election so to assume the defenses thereof, Avanti will not be liable to such Indemnified Party under this Section for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof other than reasonable costs of investigation; provided, however, that unless and until Avanti assumes the defense of any such action at the request of such Indemnified Party, Avanti shall have the right to participate at its own expense in the defense of any such action. If within a reasonable time after receipt of notice of any such action Avanti shall not have employed counsel to have charge of the defense of any such action or if an Indemnified Party shall have reasonably concluded (and shall have notified Avanti) that there may be defenses available to it and/or other Indemnified Parties that are different from or additional to those available to Avanti (in which case Avanti shall not have the right to direct the defense of such action on behalf of such Indemnified Party) or to other Indemnified Parties, reasonable legal and other necessary expenses, including the expense of separate counsel, incurred by such Indemnified Party shall be borne by Avanti.

3. All of the representations, warranties, and agreements of Avanti contained in the Documents shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of the Underwriter, any controlling person referred to in paragraph 2 hereof or Avanti or (ii) delivery of and payment for the Bonds.

4. This letter is solely for the benefit of the Underwriter, the District and their successors or assigns, and, to the extent provided in paragraph 2 hereof, each Indemnified Party, and no other person shall acquire or have any right under or by virtue hereof. The terms “successors” and “assigns” as used in this letter shall not include any Underwriter, as such Underwriter, from the Underwriter of the Bonds.

5. Avanti shall pay all costs and expenses of its counsel with respect to the issuance and delivery of the Bonds.

6. Avanti consents to the references to Avanti in the Official Statement.

7. The electronic signature of the signatory of this Indemnity Letter shall be as valid as an original signature of such signatory and shall be effective to bind Avanti to this Indemnity Letter. For purposes hereof: (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format (pdf) or other replicating image attached to an electronic mail or internet message.

Respectfully submitted,

AVANTI STRATEGIC LAND INVESTORS VIII,
L.L.L.P., a Delaware limited liability limited
partnership

By: _____

Name: _____

Its Authorized Signatory

ATTACHMENT II

OWNER INDEMNITY LETTER

April __, 2023

Stifel, Nicolaus & Company, Incorporated
Suite 300
2801 East Camelback Road
Phoenix, Arizona 85016

Mystic at Lake Pleasant Heights Community Facilities District
c/o City of Peoria, Arizona
8401 West Monroe Street
Peoria, Arizona 85345

Re: Mystic at Lake Pleasant Heights Community Facilities District (Peoria, Arizona) General Obligation Bonds, Series 2023

This Indemnity Letter is delivered by Lake Pleasant (Phoenix) ASLI VIII, LLC,, a Delaware limited liability company (“Owner”), in order to induce Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), and Mystic at Lake Pleasant Heights Community Facilities District (the “District”) to enter into the Bond Purchase Agreement, dated April __, 2023 (the “Purchase Contract”), related to the purchase by the Underwriter of the captioned bonds (the “Bonds”). Terms that are defined in the Purchase Contract have the meanings ascribed to them therein when used herein.

1. In consideration of the execution and delivery of the Purchase Contract, Owner represents and warrants to the Underwriter and the District that:

(a) Owner is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and is qualified to transact business in the State of Arizona.

(b) The information in the Preliminary Official Statement with respect to the Bonds under the headings “LAND DEVELOPMENT,” “RISK FACTORS” (except the information under the subheadings “Direct and Overlapping Indebtedness” and “Cancellation of Contracts”) and “LITIGATION – Owner” was, as of its date, and is, as of the date hereof, true and correct in all material respects for the purposes for which its use is or was authorized, and such information did not and does not, respectively, include any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein in light of the circumstances under which they are or were made, not misleading.

(c) Neither the execution or delivery of this Indemnity Letter, the Series 2023 Standby Contribution Agreement, to be dated as of May 1, 2023, by and among

Owner, the District and U.S. Bank National Association, as trustee, the District Development, Financing Participation and Intergovernmental Agreement, dated as of August 1, 2020 (the “Development Agreement”), (collectively, hereinafter referred to as the “Documents”) nor the consummation of any other of the transactions herein and therein contemplated, nor the fulfillment of, or compliance with, the terms hereof or thereof, shall contravene the organizational documents of Owner or conflict with or result in a breach by Owner of any of the terms, conditions or provisions of, or constitute a default by Owner under, any bond, debenture, note, mortgage, indenture, agreement or other instrument to which Owner is a party or by which it is or may be bound or to which any of the property or assets of Owner is or may be subject, or any law or any order, rule or regulation applicable to Owner of any court, federal or state regulatory body, administrative agency or other governmental body having jurisdiction over Owner or any of its properties or operations, or (except as contemplated by the Documents) will result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of Owner under the terms of any such restriction, bond, debenture, note, mortgage, indenture, agreement, instrument, law, order, rule or regulation.

(d) There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the best knowledge of Owner, threatened against Owner wherein an adverse decision, ruling or finding would (i) result in any material adverse change in the condition (financial or otherwise), results of operations, business or prospects of Owner, or materially and adversely affect the properties (taken as a whole) of Owner, and that has not been disclosed in the Official Statement, (ii) materially adversely affect the transactions contemplated by the Purchase Contract or the Documents or (iii) adversely affect the validity or enforceability of the Documents.

(e) Owner has the full power and authority to execute and deliver the Documents and perform its obligations hereunder and thereunder and engage in the transactions contemplated by the Purchase Contract and the Documents, and the Documents have been duly authorized by Owner and, when executed by all applicable parties thereto will constitute valid, binding and enforceable obligations of Owner except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors’ rights and/or by general principles of equity and except as the indemnification provisions hereof may be limited by applicable securities laws or public policy.

(f) No consent, approval, authorization or other action by any governmental or regulatory authority that has not been obtained is or will be required for the consummation of the transactions contemplated by the Purchase Contract and the Documents, other than the permits and licenses for construction of the Project (as defined in the Official Statement) contemplated by the Development Agreement, which have not yet been issued.

2. To the extent permitted by law, Owner shall indemnify and hold harmless the Underwriter and the District and each director, trustee, partner, member, officer, official or employee thereof and each person, if any, who controls the Underwriter within the meaning of the Securities Act of 1933, as amended (the “Securities Act”) (any such person being herein sometimes called an “Indemnified Party”), for, from and against any and all losses, claims, damages or liabilities, joint or several, (i) to which any such Indemnified Party may become

subject, under any statute or regulation at law or in equity or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact set forth in the sections identified in Section 1(b) above in the Official Statement or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated in such section(s) or that is necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading in any material respect, except such indemnification shall not extend to any other statements in the Official Statement and (ii) to the extent of the aggregate amount paid in any settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or alleged untrue statement or omission or alleged omission if such settlement is effected with the written consent of Owner (which consent shall not be unreasonably withheld).

An Indemnified Party shall, promptly after the receipt of notice of a written threat of the commencement of any action against such Indemnified Party in respect of which indemnification may be sought against Owner, notify Owner in writing of the commencement thereof. Failure of the Indemnified Party to give such notice will reduce the liability of Owner by the amount of damages attributable to the failure of the Indemnified Party to give such notice to Owner but the omission to notify Owner of any such action shall not relieve Owner from any liability that it may have to such Indemnified Party otherwise than under this Section. In case any such action shall be brought against an Indemnified Party and such Indemnified Party shall notify Owner of the commencement thereof, Owner may, or if so requested by such Indemnified Party shall, participate therein or assume the defenses thereof, with counsel satisfactory to such Indemnified Party and Owner (it being understood that, except as hereinafter provided, Owner shall not be liable for the expenses of more than one counsel representing the Indemnified Parties in such action), and after notice from Owner to such Indemnified Party of an election so to assume the defenses thereof, Owner will not be liable to such Indemnified Party under this Section for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof other than reasonable costs of investigation; provided, however, that unless and until Owner assumes the defense of any such action at the request of such Indemnified Party, Owner shall have the right to participate at its own expense in the defense of any such action. If within a reasonable time after receipt of notice of any such action Owner shall not have employed counsel to have charge of the defense of any such action or if an Indemnified Party shall have reasonably concluded (and shall have notified Owner) that there may be defenses available to it and/or other Indemnified Parties that are different from or additional to those available to Owner (in which case Owner shall not have the right to direct the defense of such action on behalf of such Indemnified Party) or to other Indemnified Parties, reasonable legal and other necessary expenses, including the expense of separate counsel, incurred by such Indemnified Party shall be borne by Owner.

3. All of the representations, warranties, and agreements of Owner contained in the Documents shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of the Underwriter, any controlling person referred to in paragraph 2 hereof or Owner or (ii) delivery of and payment for the Bonds.

4. This letter is solely for the benefit of the Underwriter, the District and their successors or assigns, and, to the extent provided in paragraph 2 hereof, each Indemnified Party,

and no other person shall acquire or have any right under or by virtue hereof. The terms “successors” and “assigns” as used in this letter shall not include any Underwriter, as such Underwriter, from the Underwriter of the Bonds.

5. Owner shall pay all costs and expenses of its counsel with respect to the issuance and delivery of the Bonds.

6. Owner consents to the references to Owner in the Official Statement.

7. The electronic signature of the signatory of this Indemnity Letter shall be as valid as an original signature of such signatory and shall be effective to bind Owner to this Indemnity Letter. For purposes hereof: (i) “electronic signature” means a manually signed original signature that is then transmitted by electronic means; and (ii) “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a portable document format (pdf) or other replicating image attached to an electronic mail or internet message.

Respectfully submitted,

LAKE PLEASANT (PHOENIX) ASLI VIII, LLC,
an Arizona limited liability company

By: _____

Name: _____

Its Authorized Signatory