

RESOLUTION NO. VWCDFD 2025-02

(VISTANCIA WEST COMMUNITY FACILITIES DISTRICT)

A RESOLUTION OF THE BOARD OF DIRECTORS OF VISTANCIA WEST COMMUNITY FACILITIES DISTRICT AUTHORIZING TERMINATION OF STANDBY CONTRIBUTION AGREEMENTS AND DEPOSITORY AGREEMENTS AND RELEASE OF LETTERS OF CREDIT WITH RESPECT TO BONDS ISSUED BY THE DISTRICT IN 2016 AND 2019

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF VISTANCIA WEST COMMUNITY FACILITIES DISTRICT, as follows:

1. Findings.

a. Pursuant to a Resolution of the board of directors of Vistancia West Community Facilities District (hereinafter called the “*District*”) adopted on June 7, 2016 (hereinafter referred to as the “*2016 Bond Resolution*”), the board of directors of the District (hereinafter called the “*Board*”) (1) authorized the sale and issuance of its General Obligation Bonds, Series 2016, in the aggregate principal amount of \$3,000,000 (hereinafter referred to as the “*2016 Bonds*”) to provide funds for any and all of the public infrastructure purposes described in the feasibility report presented to and approved by the Board on June 7, 2016, and (2) entered in its minutes a record of the 2016 Bonds sold and their numbers and dates and levied and has levied and caused, and will continue to levy and cause, an *ad valorem* tax to be collected, at the same time and in the same manner as other taxes are levied and collected on all taxable property in the boundaries of the District sufficient, together with moneys from the sources described therein to pay debt service with respect to the 2016 Bonds when due.

b. The Board, by the 2016 Bond Resolution, duly authorized the issuance of the 2016 Bonds and, in order to provide terms for, to secure, and to provide for authentication and delivery of the 2016 Bonds, duly authorized the execution and delivery of a Series 2016 Indenture of Trust and Security Agreement, dated as of July 1, 2016 (hereinafter referred to as the “*2016 Indenture*”), from the District to Zions Bancorporation, National Association (successor in interest to Zions Bank, a division of ZB, National Association, hereinafter called, as applicable, the “*Trustee*” or the “*Depository*”).

c. In consideration for the issuance of the 2016 Bonds, and the actions taken in the 2016 Indenture, by the District, (1) the District, Vistancia West Construction, LP (hereinafter called the “*JV*”), and the Depository entered into a Series 2016 Standby Contribution Agreement, dated as of July 1, 2016 (hereinafter referred to as the “*2016 Standby Contribution Agreement*”), pursuant to which the JV has been obligated to contribute certain amounts for the benefit of the District which have been, pursuant to, and for purposes of, Title 48, Chapter 4, Article 6, Arizona Revised Statutes (hereinafter referred to as the “*Enabling Act*”), considered by the District in levying taxes to pay principal of and interest on the 2016 Bonds when due, and (2) the JV had established by Western Alliance Bank (hereinafter called the “*Bank*”), in favor of the Depository,

an irrevocable standby letter of credit in the face amount of \$1,008,750.00 (hereinafter referred to as the “*2016 Letter of Credit*”) to be held under the terms of the Series 2016 Depository Agreement, dated as of July 1, 2016 (hereinafter referred to as the “*2016 Depository Agreement*”), by and between the District and the Depository.

d. Pursuant to a Resolution of the Board adopted on August 13, 2019 (hereinafter referred to as the “*2019 Bond Resolution*”), the Board (1) authorized the sale and issuance of its General Obligation Bonds, Series 2019, in the aggregate principal amount of \$2,590,000 (hereinafter referred to as the “*2019 Bonds*”), to provide funds for any and all of the public infrastructure purposes described in the feasibility report presented to and approved by the Board on August 13, 2019, and (2) entered in its minutes a record of the 2019 Bonds sold and their numbers and dates and levied and has levied and caused, and will continue to levy and cause, an ad valorem tax to be collected, at the same time and in the same manner as other taxes are levied and collected on all taxable property in the boundaries of the District sufficient, together with moneys from the sources described therein to pay debt service with respect to the 2019 Bonds when due.

e. The Board, by the 2019 Bond Resolution, duly authorized the sale and issuance of the 2019 Bonds and, in order to provide terms for, to secure, and to provide for authentication and delivery of the 2019 Bonds, duly authorized the execution and delivery of a Series 2019 Indenture of Trust and Security Agreement, dated as of September 1, 2019 (hereinafter referred to, with the 2016 Indenture, as the “*Indentures*”), from the District to the Trustee.

f. In consideration for the issuance of the 2019 Bonds, and the actions taken in the 2019 Indenture, by the District, (1) the District, the JV and the Depository entered into a Series 2019 Standby Contribution Agreement, dated as of September 1, 2019 (hereinafter referred to, together with the 2016 Standby Contribution Agreement, as the “*Standby Contribution Agreements*”), pursuant to which the JV has been obligated to contribute certain amounts for the benefit of the District which have been, pursuant to, and for purposes of, the Enabling Act, considered by the District in levying taxes to pay principal of and interest on the 2019 Bonds when due, and (2) the JV had established by the Bank, in favor of the Depository, an irrevocable standby letter of credit in the face amount of \$978,000.00 (hereinafter referred to, together with the 2016 Letter of Credit, as the “*Letters of Credit*”) to be held under the terms of the Series 2019 Depository Agreement, dated as of September 1, 2019 (hereinafter referred to, together with the 2016 Depository Agreement, as the “*Depository Agreements*”), by and between the District and the Depository.

g. Section 1.12 of each of the Standby Contribution Agreements and the Depository Agreements provides that each of such agreements shall terminate upon receipt by the Issuer Representative (as such term and all other undefined terms used in this paragraph are defined in the Indentures) of evidence satisfactory to the Issuer Representative that, for any consecutive three (3) Fiscal Years, a tax rate of \$2.10 per \$100 of limited assessed valuation of property within the boundaries of the District owned by other than Shea or the JV or any entity owned or controlled (as such term is used in the federal Securities Act of 1933, as amended) by, or which owns or controls, either of them for each such Fiscal Year would have been sufficient to pay Maximum Annual Debt Service for any subsequent Fiscal Year plus the historical, annual, average of amounts necessary for payment of amounts described in Section 8.1 of the Development

Agreement as of such Fiscal Year. Such evidence shall consist of a written projection, prepared by the Issuer Representative upon a written request of the JV and otherwise at the discretion of the Issuer Representative, that is based upon the application of such secondary tax rate in light of the actual limited assessed valuation of the property within the boundaries of the District for each such Fiscal Year, assuming a delinquency factor equal to the greater of five percent (5%) and the historic, average, annual percentage delinquency factor for the District as of such Fiscal Year and no credit for any fund balances or investment income accruing during such Fiscal Year.

h. At the written request of the JV, the District Treasurer (as Issuer Representative) has prepared a written projection, attached as the Exhibit hereto, demonstrating that the condition described in the immediately preceding recital has been satisfied such that the Standby Contribution Agreements and the Depository Agreements can be terminated, and the Letters of Credit can be released.

2. Approval of Termination and Release. The Board approves the termination of the Standby Contribution Agreements and the Depository Agreements and the release of the Letters of Credit as indicated in the recitals hereto. (The District Treasurer shall notify the Trustee and the Depository of such termination and release and shall take such action as is necessary to cause the termination of the Standby Contribution Agreements and the Depository Agreements and the release of the Letters of Credit.)

3. Other Actions Necessary; Severability; Amendment; Effective Date.

a. The District Manager, the District Treasurer, the District Clerk and the other officers of the District shall take all action necessary or reasonably required to carry out, give effect to and consummate the actions contemplated by this Resolution.

b. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

c. All resolutions or parts thereof inconsistent herewith are hereby waived to the extent only of such inconsistency.

d. This Resolution shall be effective immediately.

[Remainder of page left blank intentionally.]

PASSED by the Board of Directors of Vistancia West Community Facilities District this 3rd day of June 2025.

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Chairman, Board of Directors, Vistancia West
Community Facilities District

ATTEST:

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District Clerk, Vistancia West Community
Facilities District

APPROVED AS TO FORM:

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District Counsel, Vistancia West Community
Facilities District

EXHIBIT

WRITTEN PROJECTION OF ISSUER REPRESENTATIVE