

SECOND AMENDMENT TO FUNDING AND ACQUISITION AGREEMENT

This Second Amendment to Funding and Acquisition Agreement (the “Second Amendment”) is entered into as of August 7, 2024, by and between the City of Corona (the “City”) acting on behalf of itself and as the legislative body of Community Facilities District No. 2018-1 (Bedford) of the City of Corona (“Community Facilities District”), and Arantine Hills Holdings L.P., a Delaware limited partnership (“Owner”).

RECITALS

WHEREAS, the City established the Community Facilities District pursuant to the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code (the “Mello-Roos Act”); and

WHEREAS, in connection therewith, the City, acting on behalf of the Community Facilities District, and Owner entered into that certain Funding and Acquisition Agreement, dated as of July 1, 2018 (the “Original Agreement”), as amended by that First Amendment to Funding and Acquisition Agreement (the “First Amendment”), dated November 1, 2023, with respect to the Community Facilities District; and

WHEREAS, the provisions of the Original Agreement provide that the City will acquire certain City Acquisition Facilities and that the bids for construction of such facilities shall include the costs of materials; and

WHEREAS, the City and the Owner would like the Original Agreement to be amended to allow for the payment of materials only as shown in the bid documents.

NOW, THEREFORE, in consideration of the execution and performance of this Second Amendment, and for and in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

AGREEMENT

Section 1. Incorporation of Recitals. All of the foregoing Recitals are correct and are incorporated in this Second Amendment by reference.

Section 2. Amendment of Section 9(c). The third paragraph of Section 9(c) of the Original Agreement is hereby amended and restated in its entirety, as follows:

The costs of materials shall be part of the contractors’ bids for constructing the City Acquisition Facilities. Nothing in this Agreement shall (i) require Owner to publicly or informally bid for materials, or (ii) prevent the supply or sale of materials by Owner to the contractors constructing the City Acquisition Facilities. Additionally, if for any reason the entire construction contract for such City Acquisition Facility cannot be paid from the proceeds of the bonds, the Owner may request reimbursement for the costs of the materials relating to such City

Acquisition Facility. If requested in writing by the City, Owner shall demonstrate to the City that such materials were obtained at reasonable prices considering the terms of delivery and other factors and shall not charge the City a premium for such materials (but shall be entitled to recover the costs of procuring such materials).

Section 3. Binding on Successors; No Third-Party Beneficiaries. This Second Amendment shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. This Second Amendment is entered into solely for the benefit of the parties and the successors, transferees and assigns of all parties. Other than City and Community Facilities District, and Owner, and their successors, transferees, and assigns, no third person shall be entitled, directly or indirectly, to base any claim or to have any right arising from, or related to, this Amendment.

Section 4. Interpretation Guides. In interpreting this Second Amendment, it shall be deemed that it was prepared by the parties jointly and no ambiguity shall be resolved against any party on the premise that it or its attorneys were responsible for drafting this Second Amendment or any provision thereof. Headings used in this Second Amendment are for convenience and ease of reference only and are not intended nor may be construed as a guide to interpret any provision of this Second Amendment.

Section 5. Due Authority of Signatories to Execute Agreement. Each individual signing this Second Amendment warrants and represents that he or she has been authorized by appropriate action of the party which he or she represents to enter into this Second Amendment on behalf of the party.

Section 6. California Law Governs. This Second Amendment and all rights and obligations arising out of it shall be construed in accordance with the laws of the State of California.

Section 7. Counterparts. This Second Amendment may be signed and executed in one or more counterparts which, taken together, shall constitute one original document.

Section 8. Original Agreement and First Amendment to Remain in Effect. Save and except as amended and supplemented by this Second Amendment, the Original Agreement and First Amendment shall remain in full force and effect. All of the remaining provisions of the Original Agreement and First Amendment shall apply to this Second Amendment.

(signature page follows)

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be executed as of the day and year Second above written.

CITY OF CORONA

By: _____
Jacob Ellis,
City Manager

ATTEST:

By: _____
Sylvia Edwards,
City Clerk

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Second Amendment to Funding and Acquisition Agreement*

OWNER

**ARANTINE HILLS HOLDINGS L.P.,
a Delaware limited partnership**

By: PV Development Management LLC, a
Delaware limited liability company, as
Development Manager

By: Pacific Ventures Management LLC, a
Delaware limited liability company, its Member

By: Jason Perrin
Its: President

*-Signature Page-
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