

§ _____
**CALIFORNIA MUNICIPAL FINANCE AUTHORITY
LEASE REVENUE BONDS, SERIES 2018A
(ORANGE COUNTY CIVIC CENTER
INFRASTRUCTURE IMPROVEMENT PROGRAM – PHASE II)**

BOND PURCHASE AGREEMENT

_____, 2018

California Municipal Finance Authority
2111 Palomar Airport Road, Suite 320
Carlsbad, California 92011

Capital Facilities Development Corporation
333 W. Santa Ana Boulevard
Santa Ana, California 92701

Ladies and Gentlemen:

The undersigned, Citigroup Global Markets Inc. (the “Underwriter”), hereby offers to enter into this Bond Purchase Agreement, including the Letter of Representations attached as Exhibit B (this “Purchase Agreement”) with you, the California Municipal Finance Authority (the “Authority”), a joint exercise of powers entity duly organized and existing under the laws of the State of California (the “State”) and the Capital Facilities Development Corporation, a California nonprofit public benefit corporation (the “Corporation”), for the purchase by the Underwriter of \$ _____ aggregate principal amount of the California Municipal Finance Authority Lease Revenue Bonds, Series 2018A (Orange County Civic Center Infrastructure Improvement Program – Phase II) (the “Series 2018 Bonds”), which will be issued pursuant to Resolution No. 18-____, adopted by the Authority on _____, 2018 (the “Authority Resolution”), a resolution of the Corporation adopted on _____, 2018 (the “Corporation Resolution”) and under an Indenture, dated as of November 1, 2018 (the “Indenture”), by and between the Authority and ZB, National Association dba Zions Bank, as trustee (the “Trustee”). Capitalized terms used herein not otherwise defined herein shall have the meanings set forth in the Official Statement (hereinafter defined).

This offer is made subject to acceptance by the Authority and the Corporation prior to 11:59 p.m., California time, on the date hereof. If this offer is not so accepted, this offer will be subject to withdrawal by the Underwriter upon notice delivered to the Authority and the County of Orange, California (the “County”) at any time prior to acceptance. Upon acceptance, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Authority, the Corporation and the Underwriter.

1. Purchase, Sale and Delivery of the Series 2018 Bonds; Establishment of Issue Price.

(a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase and the Authority agrees to sell to the Underwriter all (but not less than all) of the Series 2018 Bonds. The Underwriter shall pay to the Authority as the purchase price for the Series 2018 Bonds of \$_____, which represents the principal amount of the Series 2018 Bonds of \$_____, plus a [net] premium of \$_____, and less an underwriting discount of \$_____.

Pursuant to the Ground Lease (Phase II), dated as of November 1, 2018 (the “Ground Lease”), between the County and the Corporation, the County will lease to the Corporation certain real property of the County and the improvements thereon (together, the “Leased Property”). Pursuant to the Facility Lease (Phase II), dated as of November 1, 2018 (the “Facility Lease”), by and between the County and the Corporation, the County will lease back the Leased Property from the Corporation. The Series 2018 Bonds are payable solely from, and secured solely by, Revenues received under the Indenture, consisting primarily of certain rental payments (“Base Rental Payments”) to be made by the County pursuant to the Facility Lease to the Corporation. As security for the payment of the Bonds, the Corporation will assign to the Trustee pursuant to the Facility Lease certain of the Corporation’s rights under the Facility Lease and under the Ground Lease, including the right to receive Base Rental Payments.

The Series 2018 Bonds shall be substantially in the form described in, and shall be issued and secured under and pursuant to, the Indenture. The Series 2018 Bonds shall mature on the dates and in the amounts as set forth in Exhibit A hereto and as otherwise described in the Official Statement. Interest on the Series 2018 Bonds shall be payable at the per annum rates and on the dates set forth in Exhibit A hereto and as otherwise described in the final Official Statement.

The Series 2018 Bonds are being issued to: (i) finance the acquisition, construction and equipping of a new office building that includes administrative offices of the County of Orange (the “County”), a room for Board of Supervisors and department meetings, and two levels of below-grade secured employee parking for the County, as Phase II of the County’s Civic Center Infrastructure Improvement Program, (ii) fund capitalized interest accruing on the Series 2018 Bonds, and (iii) pay costs of issuance of the Series 2018 Bonds.

The Base Rental Payments to be made by the County pursuant to the Facility Lease are payable by the County to the Corporation from lawfully available funds of the County for the right to use and occupancy by the County of the Leased Property. The County has covenanted under the Facility Lease that, subject to the abatement provisions in the Facility Lease, it will take such action as may be necessary to include the Base Rental Payments in its annual budgets and to make the necessary annual appropriations therefor.

The County will undertake, pursuant to a Continuing Disclosure Certificate (the “Continuing Disclosure Certificate”), to be executed and delivered by the County on the Closing Date (as defined herein), to provide certain annual financial information and notices of the

occurrence of certain events. A form of the Continuing Disclosure Certificate is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

The Indenture, the Loan Agreement, the Facility Lease, the Ground Lease, the Development Agreement and the Continuing Disclosure Certificate shall be collectively referred to herein as the “Financing Documents.”

The Authority and the Corporation hereby ratify, confirm and approve the use and distribution by the Underwriter prior to the date hereof of the Preliminary Official Statement of the Authority dated _____, 2018 relating to the Series 2018 Bonds (which, together with the cover page and all appendices thereto, is referred to herein as the “Preliminary Official Statement”). The Corporation has deemed final the Preliminary Official Statement as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), except for information permitted to be omitted therefrom by Rule 15c2-12. The Authority and the Corporation hereby agree to deliver or cause to be delivered to the Underwriter, within seven Business Days of the date hereof and in sufficient time to accompany any confirmations requesting payments sent to purchasers, copies of the final official statement (including all information permitted to be omitted by Rule 15c2-12 and any amendments or supplements to such official statement as have been approved by the Authority and the Corporation, in consultation with the Underwriter) (the “Official Statement”) in sufficient quantity to enable the Underwriter to comply with the rules of the Securities and Exchange Commission and the Municipal Securities Rulemaking Board (“MSRB”). The Authority and the Corporation hereby approve of the use and distribution by the Underwriter of the Official Statement in connection with the offer and sale of the Series 2018 Bonds.

As used in this Purchase Agreement, the term “End of the Underwriting Period” for the Series 2018 Bonds shall mean the earlier of (i) the Closing Date (defined below) or (ii) the date on which the End of the Underwriting Period for the Series 2018 Bonds has occurred under Rule 15c2-12, as specified as such in a written notice from the Underwriter stating the date which is the End of the Underwriting Period.

(b) At 8:00 a.m., California time, on December __, 2018, or at such other time or on such other date as the Authority, the Corporation and the Underwriter mutually agree upon (the “Closing Date”), the Authority will deliver or cause to be delivered to the Underwriter, the Series 2018 Bonds (delivered through the book-entry system of The Depository Trust Company (“DTC”)), duly executed, and at the offices of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, or at such other place as the Authority, the Corporation and the Underwriter shall have mutually agreed upon, the other documents mentioned herein. Subject to the terms and conditions hereof the Underwriter will accept such delivery and pay the purchase price of the Series 2018 Bonds as set forth in subparagraph (a) above in immediately available funds (such delivery and payment being herein referred to as the “Closing”).

(c) The Underwriter agrees to make a *bona fide* public offering of the Series 2018 Bonds at the initial offering prices or yields set forth in the Official Statement. The Underwriter may offer and sell the Series 2018 Bonds to certain dealers and banks at prices lower than the public offering price stated in the Official Statement. The Authority and the Corporation, as applicable, hereby authorize the Underwriter to use the forms or copies of the Official Statement,

the Financing Documents and all other documents referred to in the Official Statement and the information contained in each of the foregoing in connection with the public offering and sale of the Series 2018 Bonds.

(d) The Underwriter agrees to assist the Authority in establishing the issue price of the Series 2018 Bonds and shall execute and deliver to the Authority at Closing an “issue price” or similar certificate substantially in the form attached hereto as Exhibit C, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2018 Bonds. Except for the maturities forth in Schedule I attached hereto, the Authority will treat the first price at which 10% of each maturity of the Securities (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test).

With respect to the maturities of the Series 2018 Bonds for which the 10% test has not been satisfied set forth on Schedule I, the Underwriter, agrees that it will neither offer nor sell unsold Series 2018 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public (the “hold-the-offering-price rule”).

The Underwriter shall promptly advise the Authority or the Authority’s municipal advisor when it has sold 10% of that maturity of the Series 2018 Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

The Underwriter acknowledges that sales of any Series 2018 Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this paragraph (d).

2. Representations, Warranties and Agreements of the Authority. The Authority hereby represents, warrants and agrees with the Underwriter as follows:

(a) The Authority is and will be on the Closing Date a joint exercise of powers agency duly organized and validly existing pursuant to the laws of the State with the full power and authority to conduct its business, to adopt the Authority Resolution, to issue the Series 2018 Bonds for the purposes described in the Official Statement and to execute and deliver the Official Statement and enter into this Purchase Agreement and the Financing Documents to be executed by it, and to consummate the transactions contemplated hereby and thereby;

(b) The Board of Directors of the Authority has duly adopted the Authority Resolution, and the Authority has duly authorized and approved the execution and delivery of,

and the performance by the Authority of the obligations on its part contained in, the Financing Documents to be executed by it and the consummation by it of all other transactions of the Authority contemplated by the Official Statement and this Purchase Agreement;

(c) The Series 2018 Bonds, this Purchase Agreement and the Financing Documents to be executed by the Authority, when executed and delivered by the Authority and assuming due execution and delivery by all other parties thereto, will constitute the valid and binding obligations of the Authority, enforceable in accordance with their respective terms except as the enforceability may be subject to applicable limitations of bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or equitable principles affecting the enforcement of creditors' rights. The enforcement of this Purchase Agreement, the Financing Documents and the Series 2018 Bonds are subject to the effect of the general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public entities in the State;

(d) The execution and delivery by the Authority of the Series 2018 Bonds, the Financing Documents to be executed by it, this Purchase Agreement and the Official Statement, and compliance with the provisions on the Authority's part contained herein and therein, will not, as of the date hereof or as of the Closing Date, conflict with or constitute a material breach of or material default under any State or federal law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party, nor will, as of the date hereof or as of the Closing Date, any such execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Authority under the terms of any such State or federal law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided in the Financing Documents;

(e) The Authority is not in material breach of or in material default under any existing law or administrative regulation of the State or the United States of America or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute a material default under any such instrument;

(f) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any State or federal court, public board or body pending or, to the knowledge of the Authority, threatened against the Authority (i) to restrain or enjoin the issuance, sale or delivery of any of the Series 2018 Bonds, or (ii) in any way contesting or affecting (a) the validity or enforceability of the Series 2018 Bonds, this Purchase Agreement, or the Financing Documents to which the Authority is a party, (b) the existence or powers of the Authority, (c) the transactions contemplated hereby or by the Official Statement or any agreement or instrument to which the Authority is a party or that is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement, or (d) the completeness or

accuracy of the Official Statement, or (e) the tax-exempt status of the interest on the Series 2018 Bonds;

(g) No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any State or federal court or State or federal governmental agency or public body is required by the Authority in connection with the issuance, delivery or sale of the Series 2018 Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Series 2018 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States of America as the Underwriter may reasonably request, or which have not been taken or obtained; provided, however, that the Authority shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof;

(h) As of the date thereof, the information and statements contained in the Preliminary Official Statement under the captions “THE AUTHORITY” and “NO LITIGATION – The Authority” were true and correct, and the Preliminary Official Statement with respect to the information under these captions did 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, except for information permitted to be omitted therefrom by Rule 15c2-12; and the Official Statement, as of its date, with respect to the information under these captions does not and will not on the Closing Date 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;

(i) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Series 2018 Bonds, an event occurs which might or would cause the information contained in the Official Statement as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was made, not misleading, the Authority will notify the Underwriter, and, if in the opinion of the Authority or the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will forthwith prepare and furnish to the Underwriter (at the expense of the County) (i) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance reasonably satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (ii) if such event takes place subsequent to the Closing, such certificates, instruments and other documents as the Underwriter may deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Series 2018 Bonds, the Authority will furnish such information with respect to itself as the Underwriter may from time to time reasonably request; and

(j) Any certificate signed by an authorized officer of the Authority delivered to the Underwriter shall be deemed a representation and warranty by the Authority to the Underwriter as to the statements made therein.

3. Representations, Warranties and Agreements of the Corporation. The Corporation hereby represents, warrants and agrees with the Underwriter as follows:

(a) The Corporation is and will be on the Closing Date a nonprofit public benefit corporation of the State organized and operating pursuant to the Constitution and laws of the State with full power and authority to conduct its business, to adopt the Corporation Resolution, to enter into this Purchase Agreement and the Financing Documents to be executed by it, and to consummate the transactions contemplated hereby and thereby;

(b) The Board of Directors of the Corporation has duly adopted the Corporation Resolution, and the Corporation has duly authorized and approved the execution and delivery of, and the performance by the Corporation of the obligations on its part contained in, the Financing Documents to be executed by it and the consummation by it of all other transactions of the Corporation contemplated by the Official Statement and this Purchase Agreement;

(c) This Purchase Agreement and the Financing Documents to be executed by Corporation and the other documents contemplated hereby and by the Official Statement to which the Corporation is a party, when executed and delivered by the Corporation and assuming due execution and delivery by all other parties thereto, will constitute the valid and binding obligations of the Corporation enforceable in accordance with their respective terms except as the enforceability may be subject to applicable limitations of bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or equitable principles affecting the enforcement of creditors' rights. The enforcement of this Purchase Agreement and the Financing Documents are subject to the effect of the general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public entities in the State;

(d) The execution and delivery by the Corporation of the Financing Documents to be executed by it and this Purchase Agreement, and compliance with the provisions on the Corporation's part contained herein and therein, will not, as of the date hereof or as of the Closing Date, conflict with or constitute a material breach of or material default under any State or federal law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Corporation is a party, nor will any such execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Corporation under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note resolution, agreement or other instrument, except as provided in the Financing Documents;

(e) The Corporation is not in material breach of or in material default under any existing law or administrative regulation of the State or the United States of America or any

applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Corporation is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute a material default under any such instrument and which would adversely affect the Financing Documents or the payment of Base Rental Payments;

(f) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any State or federal court, public board or body pending or, to the knowledge of the Corporation, threatened against the Corporation (i) to restrain or enjoin the issuance, sale or delivery of any of the Series 2018 Bonds or the payment of Base Rental Payments under the Facility Lease, or (ii) in any way contesting or affecting (a) the validity or enforceability of the Series 2018 Bonds, this Purchase Agreement, or the Financing Documents to which the Corporation is a party, (b) the existence or powers of the Corporation, (c) the transactions contemplated hereby or by the Official Statement or any agreement or instrument to which the Corporation is a party or that is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement, (d) the completeness or accuracy of the Official Statement, or (e) the tax-exempt status of the interest on the Series 2018 Bonds;

(g) The Corporation will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may request in order to qualify the Series 2018 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 of America as the Underwriter may designate and will use its best efforts to continue such qualification in effect so long as required for distribution of the Series 2018 Bonds, and consents to and ratifies the use of the Official Statement by the Underwriter in obtaining such qualifications; provided, however, that in no event shall the Corporation be required to take any action which would subject it to general or unlimited service of process in any jurisdiction in which it is not now so subject;

(h) As of the date thereof, the information and statements contained in the Preliminary Official Statement (excluding information relating to DTC and the book-entry system as to which no representation is made) did 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, except for information permitted to be omitted therefrom by Rule 15c2-12; and the information and statements contained in the Official Statement as of its date (excluding information relating to DTC and the book-entry system as to which no representation is made) does not and will not on the Closing Date 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;

(i) No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any State or federal court or State or federal governmental agency or public body is required by the Corporation in connection with the issuance, delivery or sale of the Series 2018 Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Series 2018 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States of America as the Underwriter may reasonably

request, or which have not been taken or obtained; provided, however, that the Corporation shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof;

(j) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Series 2018 Bonds, an event occurs which might or would cause the information contained in the Official Statement as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was made, not misleading, the Corporation will notify the Authority and the Underwriter, and, if in the opinion of the Authority or the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Corporation will forthwith prepare and furnish to the Underwriter (at the expense of the Corporation) (i) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (ii) if such event takes place subsequent to the Closing, such certificates, instruments and other documents as the Underwriter may deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Series 2018 Bonds, the Corporation will furnish such information with respect to itself as the Underwriter may from time to time reasonably request;

(k) On the Closing Date, each of the representations and certifications of the Corporation in the Financing Documents to be executed by it and in this Purchase Agreement will be true, accurate and complete;

(l) Any certificate signed by an authorized officer of the Corporation delivered to the Underwriter shall be deemed a representation and warranty by the Corporation to the Underwriter as to the statements made therein;

(m) Between the date of this Purchase Agreement and the Closing Date, the Corporation will not, without the prior written consent of the Underwriter, offer or issue any bonds, notes or other obligations for borrowed money.

4. Conditions to the Obligations of the Underwriter.

The Underwriter hereby enters into this Purchase Agreement in reliance upon the representations and warranties of the Authority and the Corporation contained herein and the representations and warranties of the Authority and the Corporation to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Authority and the Corporation of their obligations both on and as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Series 2018 Bonds shall be subject, at the option of the Underwriter, to the accuracy of the representations and warranties of the Authority

and the Corporation contained herein as of the date hereof and as of the Closing Date, to the accuracy of the statements of the officers and other officials of the Corporation and the Authority made in any certificate or other document furnished pursuant to the provisions hereof, to the performance by the Authority and the Corporation of their respective obligations to be performed hereunder and under the Financing Documents at or prior to the Closing Date, and also shall be subject to the following additional conditions:

(a) The Underwriter shall receive, within seven Business Days of the date hereof, copies of the Official Statement (including all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriter), in such reasonable quantity as the Underwriter shall have requested;

(b) At the Closing, the Financing Documents shall have been duly authorized, executed and delivered by the respective parties thereto, and the Official Statement shall have been duly authorized, executed and delivered by the Authority and the Corporation, all in substantially the forms heretofore submitted to the Underwriter, with only such changes as shall have been agreed to in writing by the Underwriter, and shall be in full force and effect; and there shall be in full force and effect such resolution or resolutions of the Governing Board of the Authority and the Board of Directors of the Corporation as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(c) The Underwriter shall have the right to terminate this Purchase Agreement by notification to the Authority and Corporation from the Underwriter of the election of the Underwriter to do so if, after the execution hereof and prior to the Closing:

(i) an event shall occur which makes untrue or incorrect in any material respect, as of the time of such event, any statement or information contained in the Official Statement or which is not reflected in the Official Statement but should be reflected therein in order to make the statements contained therein not misleading in any material respect and, in either such event, (a) the Authority refuses to permit the Official Statement to be supplemented to supply such statement or information in a manner satisfactory to the Underwriter or the effect of the Official Statement as so supplements, in the judgment of the Underwriter, would materially adversely affect the market price or marketability of the Series 2018 Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices or yields, by the Underwriter of the Series 2018 Bonds; or

(ii) legislation shall be introduced in, enacted by, reported out of committee, or recommended for passage by State, either House of the Congress of the United States of America, or recommended to the Congress or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States of America, the Treasury Department of the United States of America, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation is proposed for consideration by either such committee by any member thereof or presented as an option for consideration by either such committee by the staff or such committee or by the staff of the Joint Committee on Taxation of the Congress of the United States of America, or a bill to amend the Internal Revenue Code (which, if enacted, would be effective as of a date prior to the

Closing) shall be filed in either House of Congress, or a decision by a court of competent jurisdiction shall be rendered, or a regulation or filing shall be issued or proposed by or on behalf of the Department of the Treasury or the Internal Revenue Service of the United States of America, or other agency of the federal government, or a release or official statement shall be issued by the President, the Department of the Treasury or the Internal Revenue Service of the United States of America, in any such case with respect to or affecting (directly or indirectly) the taxation of interest received on obligations of the general character of the Series 2018 Bonds which, in the opinion of the Underwriter, materially adversely affects the market price or marketability of the Series 2018 Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices or yields, by the Underwriter of the Series 2018 Bonds; or

(iii) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, sale or distribution of obligations of the general character of the Series 2018 Bonds is in violation or would be in violation of any provisions of the Securities Act of 1933, as amended (the “Securities Act”), the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”); or

(iv) legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Series 2018 Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act, or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act, or that the issuance, offering, or sale of obligations of the general character of the Series 2018 Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

(v) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of America of a national or international emergency or war or other calamity or crisis, including, without limitation, a downgrade of the sovereign debt rating of the United States of America by any major credit rating agency or payment default on United States Treasury obligations, or 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 of America or any city, county or other political subdivision located in the United States of America having a population of over 1,000,000, the effect of which on financial markets is to, in the reasonable judgment of the Underwriter, materially adversely affect the market price or marketability of the Series 2018 Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices or yields, by the Underwriter of the Series 2018 Bonds as contemplated in the Official Statement; or

(vi) there shall have occurred a general suspension of trading, minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges or prices for securities shall have been required on the New York Stock Exchange or other national stock exchange whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental agency having jurisdiction or any national securities exchange shall have: (i) imposed additional material restrictions not in force as of the date hereof with respect to trading in securities generally, or to the Series 2018 Bonds or similar obligations; or (ii) materially increased restrictions now in force with respect to the extension of credit by or the charge to the net capital requirements of underwriters or broker-dealers such as to, in the judgment of the Underwriter, materially adversely affect the market price or marketability of the Series 2018 Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices or yields, by the Underwriter of the Series 2018 Bonds as contemplated in the Official Statement; or

(vii) a general banking moratorium shall have been declared by federal or New York or State authorities or a major financial crisis or a material disruption in commercial banking or securities settlement or clearances services shall have occurred such as to make it, in the judgment of the Underwriter, impractical or inadvisable to proceed with the offering of the Series 2018 Bonds as contemplated in the Official Statement; or

(viii) a downgrading or suspension of any rating (without regard to credit enhancement) by Moody's Investors Service, Inc. ("Moody's"), S&P Global Ratings ("S&P"), or Fitch Ratings ("Fitch") of any debt securities issued by the Authority or the County or a County controlled entity, or (ii) there shall have been any official statement as to a possible downgrading (such as being placed on "credit watch" or "negative outlook" or any similar qualification) of any rating by Moody's, S&P or Fitch of any debt securities issued by the Authority or the County or a County controlled entity, including the Series 2018 Bonds;

(ix) the commencement of any action, suit or proceeding described in Section 2(f) or Section 3(f) of this Purchase Agreement; or

(x) a material adverse change in the affairs of the Authority, the Corporation or the County.

(d) At or prior to the Closing Date, the Underwriter shall have received the following documents, in each case satisfactory in form and substance to the Underwriter:

(1) A copy of each of the Financing Documents, each duly executed and delivered by the respective parties thereto;

(2) The unqualified approving opinion, dated the Closing Date and addressed to the Authority and the County, of Bond Counsel in substantially the form attached to the Official Statement as APPENDIX E, and a letter of such counsel, dated the Closing Date and addressed to the Underwriter to the effect that such opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to them;

(3) The supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriter, substantially to the effect that (i) this Purchase Agreement has been duly executed and delivered by the Authority and the County and is the valid and binding agreement of the Authority and the County, (ii) the Series 2018 Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act; and (iii) the statements contained in the Preliminary Official Statement and in the Official Statement under the captions “INTRODUCTION - General,” “- The Corporation,” and “- Security for the Bonds,” “THE BONDS,” “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS,” “TAX MATTERS,” APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS,” excluding any material that may be treated as included under such captions by cross reference or reference to other documents or sources, insofar as such statements expressly summarize certain provisions of the Series 2018 Bonds, the Indenture, the Loan Agreement, the Facility Lease, the Ground Lease and Bond Counsel’s opinion concerning certain federal tax matters relating to the Series 2018 Bonds, are accurate in all material respects;

(4) The opinion of Jones Hall, A Professional Law Corporation, as counsel for the Authority, dated the Closing Date and addressed to the Underwriter, in form and substance acceptable to Bond Counsel and the Underwriter;

(5) The opinion of counsel to the Trustee, dated the Closing Date and addressed to the Underwriter, the Authority and the County to the effect that: (i) the Trustee has been duly organized and is validly existing in good standing as a national banking association under the laws of the United States of America with trust powers and full corporate power to undertake the trust of the Indenture; (ii) the Trustee has duly authorized, executed and delivered the Indenture and by all proper corporate action has authorized the acceptance of the duties and obligations of the Trustee under the Indenture; and (iii) the Indenture constitutes the legally valid and binding agreement of the Trustee, enforceable against the Trustee in accordance with its terms;

(6) The opinion of counsel to the County, dated the Closing Date and addressed to the Underwriter, to the effect that (i) the County is a political subdivision of the State, validly existing under the Constitution and laws of the State; (ii) the Ordinance adopted on _____, 2018 (the “County Ordinance”), authorizing the execution and delivery of the Financing Documents to which the County is a party and the Letter of Representations attached as Exhibit B (the “Letter of Representations”), has been duly adopted at a meeting of the County Board of Supervisors which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and has not been amended, modified or rescinded; (iii) the County has full legal right, power and authority to enter into and carry out the transactions contemplated of it by the Financing Documents to which the County is a party and the Letter of Representations; (iv) the Financing Documents to which the County is a party and the Letter of Representations have been duly authorized, executed and delivered by and County, and assuming due authorization, execution and delivery of such documents by the other parties thereto, the Financing Documents to which the County is a party constitute legally binding agreements of the County enforceable against the County in accordance with their respective terms (except as limited herein); (v) the County has obtained all State governmental, legislative, administrative and judicial authorizations, approvals, consents

and orders that are required to be obtained on connection with the County's performance of its obligations under the Financing Documents to which the County is a party, the Letter of Representations and the County Ordinance, unless the failure to obtain such authorizations, approvals, consents or orders would not have a material adverse effect on the due performance by the County of such obligations, provided that no opinion is rendered as to any approvals, consents and orders as may be required under Federal law or the Blue Sky laws or securities laws of any other state in connection with such performance; and (vi) except as disclosed in the Official Statement, the execution and delivery of the Financing Documents to which the County is a party and the Letter of Representations do not materially conflict or constitute a material breach or default under any State law, administrative regulation or other agreement to which the County is a party or to which it is bound; (vii) except as described in the Official Statement, no litigation is pending or, to the best of such counsel's knowledge, threatened in any State or federal court (1) challenging the titles of the officials of the County signatory to any of the Financing Documents to which the County is a party to their respective offices; (2) contesting or affecting the validity of the Financing Documents to which the County is a party or the County Ordinance; (3) in any way contesting the power of the County to approve, execute and deliver the Financing Documents to which the County is a party or to adopt the County Ordinance; (4) to restrain or enjoin the Base Rental Payments under the Facility Lease; or (5) asserting that the Preliminary Official Statement or the Official Statement contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(7) The opinion of counsel to the Corporation, dated the Closing Date and addressed to the Underwriter, to the effect that (i) the Corporation is a nonprofit public benefit corporation of the State, validly existing under the Constitution and laws of the State; (ii) the Corporation Resolution authorizing the execution and delivery of the Financing Documents to which the Corporation is a party and this Purchase Agreement has been duly adopted at a meeting of the Board of Directors of the Corporation which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and has not been amended, modified or rescinded; (iii) the Corporation has full legal right, power and authority to enter into and carry out the transactions contemplated of it by the Financing Documents to which the Corporation is a party and this Purchase Agreement; (iv) the Financing Documents to which the Corporation is a party and this Purchase Agreement have been duly authorized, executed and delivered by and Corporation, and assuming due authorization, execution and delivery of such documents by the other parties thereto, the Financing Documents to which the Corporation is a party and this Purchase Agreement constitute legally binding agreements of the Corporation enforceable against the Corporation in accordance with their respective terms (except as limited herein); (v) the Corporation has obtained all State governmental, legislative, administrative and judicial authorizations, approvals, consents and orders that are required to be obtained on connection with the Corporation's performance of its obligations under the Financing Documents to which the Corporation is a party, this Purchase Agreement and the Corporation Resolution, unless the failure to obtain such authorizations, approvals, consents or orders would not have a material adverse effect on the due performance by the Corporation of such obligations, provided that no opinion is rendered as to any approvals, consents and orders as may be required under Federal law or the Blue Sky laws or securities laws of any other state in connection with such

performance; and (vi) except as disclosed in the Official Statement, the execution and delivery of the Financing Documents to which the Corporation is a party and this Purchase Agreement do not materially conflict or constitute a material breach or default under any State law, administrative regulation or other agreement to which the Corporation is a party or to which it is bound; (vii) except as described in the Official Statement, no litigation is pending or, to the best of such counsel's knowledge, threatened in any State or federal court (1) challenging the titles of the officials of the Corporation signatory to any of the Financing Documents to which the Corporation is a party or this Purchase Agreement to their respective offices; (2) contesting or affecting the validity of the Financing Documents to which the Corporation is a party, this Purchase Agreement or the Corporation Resolution; (3) in any way contesting the power of the Corporation to approve, execute and deliver the Financing Documents to which the Corporation is a party or this Purchase Agreement or to adopt the Corporation Resolution; (4) to restrain or enjoin the Base Rental Payments under the Facility Lease; or (5) asserting that the Preliminary Official Statement or the Official Statement contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(8) The opinion, dated the Closing Date and addressed to the Underwriter, of Norton Rose Fulbright US LLP, Counsel to the Underwriter, in form and substance satisfactory to the Underwriter;

(9) A certificate or certificates, dated the Closing Date, signed by a duly authorized official of the Authority, in form and substance satisfactory to the Underwriter, to the effect that the representations and warranties of the Authority contained in this Purchase Agreement are true and correct on and as of the Closing Date with the same effect as if made on the Closing Date;

(10) A certificate or certificates, dated the Closing Date, signed by a duly authorized official of the Corporation, in form and substance satisfactory to the Underwriter, to the effect that the representations and warranties of the Corporation contained in this Purchase Agreement are true and correct on and as of the Closing Date with the same effect as if made on the Closing Date;

(11) A certificate or certificates, dated the Closing Date, signed by a duly authorized official of the County, in form and substance satisfactory to the Underwriter, to the effect that the representations and warranties of the County contained in the Letter of Representations are true and correct on and as of the Closing Date with the same effect as if made on the Closing Date;

(12) A certificate, dated the Closing Date, signed by a duly authorized official of the Trustee, satisfactory in form and substance to the Underwriter, to the effect that:

a. the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Indenture;

b. the Trustee is duly authorized to enter into the Indenture and the Trustee has duly executed and delivered the Indenture;

c. the execution and delivery of the Indenture and compliance with the provisions on the Trustee's part contained therein, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or Blue Sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture; and

d. it has not been served with any action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, nor, to the best of the knowledge of the Trustee, is any such action or other proceeding threatened against the Trustee, as such but not in its individual capacity, affecting the existence of the Trustee, or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the collection of Revenues to be applied to pay the principal, premium, if any, and interest on the Series 2018 Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Indenture, or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing, wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of the Indenture;

(13) A copy of the Official Statement, executed on behalf of the Corporation by authorized representative thereof;

(14) A copy of the general resolution of bylaws of the Trustee authorizing the execution and delivery of the Indenture;

(15) A certified copy of the Authority Resolution;

(16) A certified copy of the County Ordinance;

(17) A certified copy of the Corporation Resolution;

(18) Evidence of the existence and validity of a policy or policies of title insurance with respect to the Leased Property;

(19) Evidence that any ratings described in the Official Statement are in full force and effect as of the Closing Date;

(20) Evidence of the consent of the County's outside auditor to the inclusion of the financial statements set forth as APPENDIX B to the Preliminary Official Statement and the Official Statement;

(21) An opinion from County Counsel, dated the Closing Date and addressed to the Underwriter of County Counsel to the effect that information under the caption “LITIGATION” in the Preliminary Official Statement and the Official Statement is true and correct in all material respects and, as of its respective date did not and as of the Closing Date does not, contain any untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading;

(22) An opinion from Orrick, Herrington & Sutcliffe LLP, dated the Closing Date and addressed to the Underwriter to the effect that based upon information made available to such counsel in the course of such counsel’s review of Appendix A to the Preliminary Official Statement and Appendix A to the Official Statement, and without having undertaken to determine independently or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in Appendix A to the Preliminary Official Statement or Appendix A to the Official Statement, nothing has come to the attention of such counsel that has caused such counsel to believe that the Preliminary Official Statement or the Official Statement, as of the date thereof, the date hereof or the Closing Date, 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 made, in the light of the circumstances under which they were made, not misleading; provided, that no opinion is expressed regarding information under the caption “LITIGATION” in the Appendix A to the Preliminary Official Statement or Appendix A to the Official Statement;

(23) A certified copy of the Authority’s Joint Exercise of Powers Agreement;
and

(24) Such additional legal opinions, certificates, proceedings, instruments, title insurance, other insurance policies or evidences thereof and other documents as the Underwriter, Underwriter’s Counsel or Bond Counsel may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the representations of the Authority and the County herein and of the statements and information contained in the Preliminary Official Statement and the Official Statement, and the due performance or satisfaction by the Trustee, the Authority and the County at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by any of them in connection with the transactions contemplated hereby and by the Financing Documents.

If the Authority or the County shall be unable to satisfy the conditions to the Underwriter’s obligations contained in this Purchase Agreement or if the Underwriter’s obligations shall be terminated for any reason permitted herein, all obligations of the Underwriter hereunder may be terminated by the Underwriter at, or at any time prior to, the Closing Date by written notice to the County and the Authority and neither the Underwriter nor the Authority or County shall have any further obligations hereunder.

5. Expenses.

All expenses and costs incident to the authorization, execution, delivery and sale of the Series 2018 Bonds to the Underwriter, including the costs of printing of the Preliminary Official

Statement, the Official Statement, the cost of duplicating the Financing Documents, the fees of accountants, financial advisors, consultants and rating agencies, the initial fee of the Trustee and its counsel in connection with the execution and delivery of the Series 2018 Bonds, the fees and expenses of Bond Counsel and the costs of title insurance and all endorsements shall be paid from the proceeds of the Series 2018 Bonds. All out of pocket expenses of the Underwriter, including traveling and other expenses of the Underwriter, including those associated with the California Debt and Investment Advisory Commission fee, charges of the CUSIP Service Bureau and DTC, the costs of preparation of any Blue Sky and legal investment surveys prepared by Underwriter's Counsel and the fees and expenses of Underwriter's Counsel, shall be paid from the expense component of the Underwriter's spread by the Underwriter. The County shall pay for expenses incurred on behalf of the County's employees which are incidental to implementing this agreement, including, but not limited to, meals, transportation and lodging of those employees.

6. Notices.

Any notice or other communication to be given to the parties to this Purchase Agreement may be given by delivering the same in writing to the respective party at the following address:

Underwriter:	Citigroup Global Markets Inc. 444 South Flower Street, 27 th Floor Los Angeles, California 90071 Attention: Christopher Mukai
County:	County of Orange 333 W. Santa Ana Blvd., 3rd Floor Santa Ana, California 92701 Attention: Public Finance Director
Authority:	California Municipal Finance Authority 2111 Palomar Airport Road, Suite 320 Carlsbad, California 92011 Attention: Executive Director

7. No Advisory or Fiduciary Role.

The Authority and Corporation acknowledge and agree that (i) the purchase and sale of the Series 2018 Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the Authority and the Corporation, and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of the Authority or Corporation, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Authority or Corporation 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 Authority or Corporation on other matters) and the Underwriter has no obligation to the Authority or Corporation with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Agreement or as

required by MSRB rules and (iv) the Authority and Corporation have consulted their own legal, financial and other advisors to the extent they have deemed appropriate. The Authority and Corporation further acknowledge that they have previously provided the Underwriter with an acknowledgement of receipt of the required disclosure under MSRB Rule G-17.

8. Indemnification.

The Underwriter agrees to indemnify and hold harmless the Authority, and the past, present and future members of its Board of Directors, officers, counsel, financial advisors and agents (the “Indemnified Parties”) from and against any and all losses, claims, damages, liabilities, or expenses (including attorneys’ fees), causes of action (whether based on negligence or otherwise), including reasonable costs of investigation, to which jointly or severally, any or all of the Indemnified Parties may become subject insofar as any such loss, claim, damage, liability or expense (or actions with respect thereto) arises out of or is based on any untrue statement or alleged untrue statement of a material fact contained in any Preliminary or final Official Statement, or any supplement thereto, or arising out of or is based upon the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading, so made or omitted negligently, intentionally, or in any other manner, which untrue statement or omission or the alleged untrue statement or omission was made in reliance upon the information furnished therein by the Underwriter expressly for use in the sections of the Preliminary or final Official Statement designated “MATURITY SCHEDULE,” “DEBT SERVICE REQUIREMENTS” and “UNDERWRITING.”

Any Indemnified Party shall notify the Underwriter of the existence of any claim, demand, or other matter to which the Underwriter’s indemnification obligations would apply, and shall give to the Underwriter a reasonable opportunity to defend the same at their own expense and with counsel satisfactory to the Indemnified Party; provided that the Indemnified Party shall at all times also have the right to fully participate in the defense. If the Indemnified Party is advised in an opinion of counsel that there may be legal defenses available to it which are different from or in addition to those available to the Underwriter or if the Underwriter shall, after this notice and within a period of time necessary to preserve any and all defenses to any claim asserted, fail to assume the defense or to employ counsel for that purpose satisfactory to the Indemnified Party, the Indemnified Party shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle the claim, demand or other matter on behalf of, for the account of, and at the risk of, the Underwriter. The Underwriter shall be responsible for the reasonable fees, costs, and expenses of the Indemnified Party in conducting its defense.

The Indemnified Parties, other than the Authority, shall be considered to be third party beneficiaries of this Purchase Agreement for purposes of this Section.

9. Survival of Representations and Warranties.

The representations and warranties of the Authority and the Corporation dated as of their date set forth in or made pursuant to this Purchase Agreement shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing or termination of this Purchase Agreement and regardless of any investigations or statements as to the results thereof

made by or on behalf of the Underwriter and regardless of delivery of and payment for the Series 2018 Bonds.

10. Effectiveness.

This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by a duly authorized officer of the Authority and the Corporation and shall be valid and enforceable as of the time of such acceptance.

11. Execution in Counterparts.

This Purchase Agreement may be executed in counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

12. Headings.

The headings of the sections of this Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

13. Governing Law.

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

14. Entire Agreement.

This Purchase Agreement embodies the entire agreement and understanding between the parties relating to the subject matter hereof and supersedes all prior agreements and understandings related to such subject matter, and it is agreed that there are no terms, understandings, representations or warranties, express or implied, other than those set forth herein.

[Remainder of page intentionally left blank.]

If the above terms are acceptable, please cause a duly authorized officer of the Authority and the Corporation to execute the acceptance below.

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.,
as Underwriter

By: _____

Christopher Mukai
Managing Director

ACCEPTED:

CALIFORNIA MUNICIPAL FINANCE
AUTHORITY

By: _____

Authorized Signatory

CAPITAL FACILITIES DEVELOPMENT CORPORATION

By: _____

Board Member

Time: ____:____

EXHIBIT A

MATURITY SCHEDULE

<u>Maturity (June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				

\$_____ % Term Bonds due June 1, 20__ Yield: ___%; Price: ___

\$_____ % Term Bonds due June 1, 20__ Yield: ___%; Price: ___

EXHIBIT B

LETTER OF REPRESENTATIONS OF THE COUNTY

California Municipal Finance Authority
2111 Palomar Airport Road, Suite 320
Carlsbad, California 92011

Capital Facilities Development Corporation
333 W. Santa Ana Boulevard
Santa Ana, California 92701

Citigroup Global Markets Inc.
444 South Flower Street, 27th Floor
Los Angeles, California 90071

Re: \$_____ aggregate principal amount of the California Municipal Finance Authority Lease Revenue Bonds, Series 2018A (Orange County Civic Center Infrastructure Improvement Program – Phase II) (the “Series 2018 Bonds”)

Ladies and Gentlemen:

The California Municipal Finance Authority (the “Authority”) and the Capital Facilities Development Corporation (the “Corporation”) propose to enter into a Loan Agreement, dated as of November 1, 2018 (the “Loan Agreement”), whereby the proceeds of the Series 2018 Bonds will be loaned to the Corporation on such terms and conditions as set forth in the Loan Agreement. Pursuant to a Bond Purchase Agreement, dated the date hereof (the “Purchase Agreement”), with Citigroup Global Markets Inc., as underwriter (the “Underwriter”), the Corporation and the Authority, the Authority will agree to sell and the Underwriter will agree to purchase all of the Series 2018 Bonds, if any are purchased. The Series 2018 Bonds are being issued (i) finance the acquisition, construction and equipping of a new office building that includes administrative offices of the County of Orange (the “County”), a room for Board of Supervisors and department meetings, and two levels of below-grade secured employee parking for the County, as Phase II of the County’s Civic Center Infrastructure Improvement Program, (ii) fund capitalized interest accruing on the Series 2018 Bonds, and (iii) pay costs of issuance of the Series 2018 Bonds. Capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

As a precondition to entering into the Purchase Agreement and to facilitate the sale and purchase and offering of the Series 2018 Bonds therein contemplated, the County hereby represents, warrants and agrees with each of you as follows:

(a) The County is and will be on the Closing Date a political subdivision of the State of California (the “State”) organized and operating pursuant to the Constitution and laws of the State with full power and authority to conduct its business, to adopt the County Ordinance on

_____, 2018 (the “County Ordinance”), authorizing the execution and delivery of the Financing Documents to which the County is a party and this Letter of Representations (this “Letter of Representations”) to be executed by it, and to consummate the transactions contemplated hereby and thereby;

(b) The Board of Supervisors of the County has duly adopted the County Ordinance, and the County has duly authorized and approved the execution and delivery of, and the performance by the County of the obligations on its part contained in, the Financing Documents to be executed by it and the consummation by it of all other transactions of the County contemplated by the Official Statement, the Ground Lease, the Facility Lease, this Letter of Representations and the Purchase Agreement;

(c) This Letter of Representations and the Financing Documents to be executed by County and the other documents contemplated hereby and by the Official Statement to which the County is a party, when executed and delivered by the County and assuming due execution and delivery by all other parties thereto, will constitute the valid and binding obligations of the County enforceable in accordance with their respective terms except as the enforceability may be subject to applicable limitations of bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or equitable principles affecting the enforcement of creditors’ rights. The enforcement of this Letter of Representations and the Financing Documents to be executed by the County are subject to the effect of the general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public entities in the State;

(d) The execution and delivery by the County of the Financing Documents to be executed by it and this Letter of Representations, and compliance with the provisions on the County’s part contained herein and therein, will not, as of the date hereof or as of the Closing Date, conflict with or constitute a material breach of or material default under any State or federal law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the County is a party, nor will any such execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the County under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note resolution, agreement or other instrument, except as provided in the Financing Documents;

(e) The County is not in material breach of or in material default under any existing law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the County is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute a material default under any such instrument by the County and which would adversely affect the Financing Documents or the payment of Base Rental Payments;

(f) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any State or federal court, public board or body pending against the County or, to the knowledge of the County, threatened against the County (i) to restrain or enjoin the issuance, sale or delivery of the Series 2018 Bonds or the payment of Base Rental Payments under the Facility Lease, or (ii) in any way contesting or affecting (a) the validity or enforceability of the Series 2018 Bonds, the Purchase Agreement, or the Financing Documents to which the County is a party, (b) the existence or powers of the County, (c) the transactions contemplated hereby or by the Official Statement or any agreement or instrument to which the County is a party or that is contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement, (d) the completeness or accuracy of the Official Statement, or (e) the tax-exempt status of the interest on the Series 2018 Bonds;

(g) The County will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may request in order to qualify the Series 2018 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 of America as the Underwriter may designate and will use its best efforts to continue such qualification in effect until the End of the Underwriting Period (as defined in the Purchase Agreement), and consents to and ratifies the use of the Official Statement by the Underwriter in obtaining such qualifications; provided, however, that in no event shall the County be required to take any action which would subject it to general or unlimited service of process in any jurisdiction in which it is not now so subject;

(h) As of the date thereof, the information and statements contained in the Preliminary Official Statement (excluding information provided by the Underwriter or relating to DTC and the book-entry system or CUSIP numbers or under the captions “INTRODUCTION – The Authority” and “THE AUTHORITY” and “NO LITIGATION – The Authority” (collectively, the “Excluded Information”) as to which no representation is made) did 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, except for information permitted to be omitted therefrom by Rule 15c2-12; and the information and statements contained in the Official Statement (other than the Excluded Information as to which no representation is made) does not and will not on the Closing Date 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;

(i) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Series 2018 Bonds, an event occurs which might or would cause the information contained in the Official Statement as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was made, not misleading, the County will notify the Authority and the Underwriter, and, if in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the County will forthwith prepare and furnish to the Underwriter (at the expense of the County) (i) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the

Underwriter) which will amend or supplement the Official Statement so that it will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (ii) if such event takes place subsequent to the Closing, such certificates, instruments and other documents as the Underwriter may deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Series 2018 Bonds, the County will furnish such information with respect to itself as the Underwriter may from time to time reasonably request;

(j) On the Closing Date, each of the representations and certifications of the County in the Financing Documents to be executed by it and in this Letter of Representations will be true, accurate and complete;

(k) Any certificate signed by an authorized officer of the County delivered to the Underwriter shall be deemed a representation and warranty by the County to the Underwriter as to the statements made therein;

(l) The financial statements of the County set forth as APPENDIX B to the Official Statement fairly present the financial position of the County as of the dates indicated and the results of its operations, for the periods therein specified, and, except as may be noted therein or in the Official Statement, are in conformity with generally accepted accounting principles applicable to the County, and, except as disclosed in the Official Statement, there has been no material adverse change in the financial condition of the County since the date thereof;

(m) Reserved;

(n) The exceptions set forth in the preliminary title report with respect to the Leased Property, subject to permitted encumbrances, do not, and the exceptions set forth in the policy or policies of title insurance will not, materially impair the value of the Leased Property, the existing facilities thereon or the sites thereof, nor materially impair the County's enjoyment of the same for any purposes for which they are, or may reasonably be expected to be, used;

(o) No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any State or federal court or State or federal governmental agency or public body is required by the County in connection with the issuance, delivery or sale of the Series 2018 Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Series 2018 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States of America as the Underwriter may reasonably request, or which have not been taken or obtained; provided, however, that the County shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof;

(p) The Official Statement does not omit reference to any instance during the last five years in which the County failed to comply in all material respects with any of its continuing disclosure undertakings under Rule 15c2-12; and

(q) Between the date of the Purchase Agreement and the Closing Date, the County will not, without the prior written consent of the Underwriter, offer or issue any bonds, notes or other obligations for borrowed money.

To the extent permitted by law, the County agrees to indemnify and hold harmless the Authority and each person, if any, who controls (as such term is defined in Section 15 of the Securities Act of 1933, as amended) the Authority and the officers, agents, attorneys, members and employees of the Authority against any and all judgments, losses, claims, damages, liabilities and expenses (i) arising out of any statement or information in the Official Statement, except for information set forth under the headings “THE AUTHORITY” and “NO LITIGATION - The Authority,” that is or is alleged to be untrue or incorrect in any material respect or the omission or alleged omission therefrom of any statement or information that should be stated therein or that is necessary to make the statements therein, except for information set forth under the headings “THE AUTHORITY” and “NO LITIGATION - The Authority,” not misleading in any material respect, and (ii) to the extent of the aggregate amount paid in settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or omission if such settlement is effected with the written consent of the County. In case any claim shall be made or action brought against the Authority or any controlling person based upon the Preliminary Official Statement or Final Official Statement for which indemnity may be sought against the County, as provided above, the Authority shall promptly notify the County in writing setting forth the particulars of such claim or action and the County shall assume the defense thereof, including the retaining of counsel acceptable to the Authority and the payment of all expenses. The Authority or any such controlling person shall have the right to retain separate counsel in any such action and to participate in the defense thereof but shall bear the fees and expenses of such counsel unless (i) the County shall have specifically authorized the retaining of such counsel or (ii) the parties to such suit include the Authority or such controlling person or persons, and the County and the Authority or such controlling person or persons have been advised by such counsel that one or more legal defenses may be available to it or them which may not be available to the County, in which case the County shall not be entitled to assume the defense of such suit notwithstanding its obligation to bear the fees and expenses of such counsel.

This Letter of Representations shall be binding on and inure solely to the benefit of each of you and, to the extent set forth herein, persons controlling any of you, and their respective officers, employees, agents and personal of the Underwriter, its successors and assigns, and no other person or firm shall acquire or have any right under or by virtue of this Letter of Representations.

This Letter of Representations may be executed in any number of counterparts and all such counterparts shall together constitute one and the same instrument.

If the foregoing is in accordance with your understanding and agreement between us, please sign and return to the Underwriter a duplicate of this Letter of Representations whereupon it shall constitute a binding agreement among us in accordance with the terms thereof.

Very truly yours,

COUNTY OF ORANGE

By: _____
Authorized Signatory

EXHIBIT C

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Citigroup Global Markets Inc. (“Citigroup”), hereby certifies as set forth below with respect to the sale and issuance of the California Municipal Finance Authority Lease Revenue Bonds, Series 2018A (Orange County Civic Center Infrastructure Improvement Program – Phase II) (the “Bonds”) of California Municipal Finance Authority (the “Issuer”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) Citigroup offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, Citigroup agreed in writing on or prior to the Sale Date that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the unsold Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) offered or sold any unsold Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) ***Hold-the-Offering-Price Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) ***Holding Period*** means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which Citigroup sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *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.

(e) *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.

(f) *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 _____, 2018.

(h) *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 retail 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 Citigroup’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 Tax Certificate with respect to the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP 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.

CITIGROUP GLOBAL MARKETS INC.

By: _____

Name: _____

Title: _____

Dated: _____, 2018

SCHEDULE A TO ISSUE PRICE CERTIFICATE

SCHEDULE B TO ISSUE PRICE CERTIFICATE

SCHEDULE I

[No unsold maturities.]