$36,540,000
SUCCESSOR AGENCY TO THE
GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT
GARDEN GROVE COMMUNITY PROJECT
TAX ALLOCATION BONDS, ISSUE OF 2016

TAX CERTIFICATE

The Successor Agency to the Garden Grove Agency for Community Development (the "Issuer") hereby makes the following representations of facts and expectations and covenants to comply with the requirements of this Tax Certificate in connection with the $36,540,000 Successor Agency to the Garden Grove Agency for Community Development Garden Grove Community Project Tax Allocation Bonds, Issue of 2016 (the "Obligations"). These representations and covenants are in furtherance of the covenants contained in Section 5.1 of the Indenture of Trust dated as of June 1, 2014, as supplemented by the First Supplemental Indenture of Trust dated as of March 1, 2016 (collectively, the "Indenture"), each entered into by the Issuer and U.S. Bank National Association, as trustee (the "Trustee"), and in part are made pursuant to Section 1.141-2(d)(2) and Section 1.148-2(b)(2) of the Treasury Regulations. Capitalized terms used herein which are not otherwise defined herein shall have the respective meanings set forth in the Issuance Document.

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I. General Matters.

(a) Authority for Issuance. The undersigned and other officers and members of the Issuer are charged with the responsibility of authorizing and requesting the issuance of the Obligations.

(b) Sale of Obligations. The Obligations are being delivered to Mesirow Financial, Inc., on behalf of itself and Samuel A. Ramirez & Co., Inc. and Stifel, Nicolaus & Company, Incorporated, as underwriters (collectively, the "Underwriters") on the date hereof.

(c) Purpose of Obligations. The Obligations are being sold and delivered for the purpose of (i) paying and satisfying an outstanding obligation of the former Garden Grove Agency for Community Development as described in Exhibit A attached hereto (the "Project"), (ii) paying costs of issuance with respect to the Obligations (the "Issuance Costs"), and (iii) purchasing a municipal bond insurance policy and debt service reserve policy (collectively, the "Credit Enhancement") from by Build America Mutual Assurance Company (the "Credit Enhancer").

(d) Nature of Issue. All the Obligations are being sold and issued at the same time, have been sold pursuant to the same plan of financing, and are reasonably expected to be paid from substantially the same source of funds. Accordingly, the Obligations are a single issue of obligations for certain federal income tax purposes relating to the exclusion from gross income of interest on the Obligations. No other governmental obligations, which are reasonably expected to be paid from substantially the same source of funds, are being sold or issued at substantially the same time and sold pursuant to the same plan of financing as the Obligations.

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II. Private Activity.

(a) Governmental Use of Proceeds. Except as provided below and absent an opinion of nationally-recognized bond counsel that the exclusion from gross income of interest on the Obligations will not be adversely affected for federal income tax purposes, the Issuer will not allow any of the proceeds of the Obligations, or any refinanced obligations thereof, or any of the facilities financed or refinanced with such obligations to be used in the trade or business of any nongovernmental persons (other than in their roles as members of the general public) and will not loan any of the proceeds of the Obligations or any refinanced obligations to any nongovernmental persons. In furtherance of the foregoing, the Issuer represents the following with respect to the use of proceeds of the Obligations and the facilities financed and refinanced therewith.

(b) In General. No more than 10% of the principal of or interest on the Obligations, under the terms thereof or any underlying arrangement, has been or will be secured by any interest in property (whether or not the Project) used for a Private Use (as such term is defined in Section (e) below) or in payments in respect of property used for a Private Use, or will be derived from payments in respect of property used for a Private Use.

(c) No Private Loan Financing. No more than the lesser of 5% of the proceeds of the Obligations or $5,000,000 will be used to make or finance loans to any person other than to a state or local governmental unit (other than loans to finance any governmental tax or assessment of general application for a specific essential governmental function or loans that are used to acquire or carry Nonpurpose Investments (as such term is defined below)).

(d) No Disproportionate or Unrelated Use. No more than 5% of the proceeds of the Obligations or the Project has been or will be used for a Private Use that is unrelated or disproportionate to the governmental use of the proceeds of the Obligations (an "Unrelated or Disproportionate Use"), and no more than 5% of the principal of or interest on any of the Obligations has been or will be, under the terms of the Obligations or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Use that is an Unrelated or Disproportionate Use or in payments in respect of property used or to be used for a Private Use that is an Unrelated or Disproportionate Use.

(e) Definition of Private Use. For purposes of this Tax Certificate, the term "Private Use" means any activity that constitutes a trade or business that is carried on by persons or entities other than governmental entities. The leasing of property financed or refinanced with proceeds of the Obligations or the use by or the access of a person or entity other than a governmental unit to property or services on a basis other than as a member of the general public shall constitute a Private Use.

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III. Arbitrage Certifications.

The following states the expectations of the Issuer with respect to the amount and uses of the proceeds of the Obligations and certain other monies or property:

(a) Source and Use of Funds. The total proceeds to be derived by the Issuer from the sale of the Obligations, in the aggregate amount of $42,352,154.48 (representing $36,540,000.00 face amount of the Obligations, plus net original issue premium of $6,344,334.75, less Underwriter's discount of $182,501.12, less the Credit Enhancement fee of $349,679.15 to be paid directly to the Credit Enhancer by the Underwriter) are expected to be needed and fully expended as follows:

(i) $352,154.58 of such proceeds will be deposited in the 2016 Costs of Issuance Fund and, together with investment earnings thereon, will be expended to pay Issuance Costs within one year of the date hereof; and

(ii) $42,000,000.00 of such proceeds will be deposited into the 2016 Project Fund, and such amounts, together with the earnings thereon, will be utilized to pay Project costs.

(b) Over-Issuance. The total proceeds to be received by the Issuer from the sale of the Obligations, together with anticipated investment earnings thereon, do not exceed the total amount necessary for the purposes described above.

(c) Temporary Period. The Issuer has entered into a binding obligation to expend at least five percent (5%) of the proceeds of the Obligations (less amounts deposited in the Reserve Account) on the Project. Work on the construction and acquisition of the Project will proceed with due diligence to the completion thereof, and at least eighty-five percent (85%) of the proceeds derived from the sale of the Obligations, other than those held in the Reserve Account, will be expended within three years of the date hereof on the Project. In furtherance of such covenant, absent an opinion of nationally recognized bond counsel that the exclusion from gross income of interest on the Bonds will not be adversely affected for federal income tax purposes, the Issuer covenants to expend all sale and investment proceeds of the Obligations (less amounts deposited in the Reserve Account and Costs of Issuance Fund) on Project costs and not to redeem Obligations.

(d) Funds and Accounts. The Issuance Document (or other document) creates and establishes or continues the following funds and accounts with respect to the Obligations:

(i) the Debt Service Fund, and within such fund,

(A) the 2016 Bonds Interest Account,

(B) the 2016 Bonds Principal Account,

(C) the Reserve Account, and within such account,

(1) the 2014 Reserve Subaccount; and

(2) the 2016 Reserve Subaccount;

(ii) the 2016 Costs of Issuance Fund;

(iii) the 2016 Project Fund; and

(iv) the Rebate Fund.

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(e) Sinking Funds.

(i) Bona Fide Debt Service Funds. The 2016 Bonds Interest Account, and the 2016 Bonds Principal Account (to the extent such fund will be depleted every Bond Year) (collectively, the "Bona Fide Debt Service Funds"), will be used primarily to achieve a proper matching of revenues (and certain other monies) and payments of principal and interest with respect to the Obligations within each year. Amounts deposited in the Bona Fide Debt Service Funds will be depleted at least once a year except for a reasonable carryover amount, if any, which, in the aggregate, will not exceed the greater of (i) one year's earnings on such funds for the immediately preceding Bond Year, or (ii) one-twelfth of the annual debt service with respect to the Obligations for the immediately preceding Bond Year.

(ii) Reserved.

(iii) No Other Proceeds. Other than the Bona Fide Debt Service Funds, there are no funds or accounts of the Issuer established pursuant to the Issuance Document, or otherwise, that are reasonably expected to be used for the payment of principal and interest with respect to the Obligations or that are pledged as collateral for the Obligations and for which there is a reasonable assurance that amounts on deposit therein will be available for the payment of principal and interest with respect to the Obligations if the Issuer encounters financial difficulties. There are no amounts held under any agreement to maintain amounts at a particular level for the direct or indirect benefit of the holders of the Obligations or guarantor of the Obligations, if any, excluding for this purpose amounts in which the Issuer (or a substantial beneficiary) may grant rights that are superior to the rights of the holders of the Obligations or guarantor of the Obligations, if any, and amounts that do not exceed reasonable needs for which they are maintained and as to which the required level is tested no more frequently than every six months and that may be spent without any substantial restriction other than a requirement to replenish the amount by the next testing date. The term of the Obligations is not longer than is reasonably necessary for the governmental purpose of the issue, and the weighted average maturity of the Obligations does not exceed 120 percent of the average reasonably expected economic life of the Project.

(f) Reimbursement. No portion of the proceeds of the Obligations are being used to reimburse the Issuer for any expenditures that were incurred and paid thereby with respect to the Project prior to the issuance of the Obligations.

(g) Working Capital. No operational expenditures of the Issuer or any related entity are to be financed directly or indirectly with proceeds derived from the sale of the Obligations.

(h) Rebate Liability Account. Amounts deposited in the Rebate Fund are to assist the Issuer with compliance of Section 148(f) of the Code.

(i) Investment. The proceeds derived from the sale of the Obligations and the amounts on deposit in the aforementioned funds and accounts may be invested as follows:

(i) Proceeds derived from the sale of the Obligations held in the Costs of Issuance Fund, or in the Rebate Fund, will be invested as described in Subparagraphs (iv), (v), and (vi).

(ii) Amounts deposited in the Bona Fide Debt Service Funds may be invested at an unrestricted yield for a period not in excess of 13 months from the date of deposit of such amounts to such funds. Amounts described in the previous sentence that may not be invested at an unrestricted yield pursuant to such Subparagraph shall be invested either at a yield not in excess of the yield on the Obligations or in Tax-Exempt Obligations (as defined in Section IV).

(iii) Proceeds of the Obligations held in the 2016 Project Fund to pay Project costs may be invested at an unrestricted yield for a period of three years from the date hereof.

(iv) Investment earnings on obligations acquired with the amounts described in Subparagraph (iv) may be invested at an unrestricted yield for a period not to exceed the applicable period described in Subparagraph (iii) or one year from the date of receipt, whichever period is longer.

(v) Amounts described in Subparagraphs (iii) or (iv) above that may not be invested at an unrestricted yield pursuant to such Subparagraphs shall be invested either at a yield not in excess of the yield on the Obligations plus 1/8th of one percentage point or in Tax-Exempt Obligations.

(vi) Amounts held in the Rebate Fund (not described above) may be invested without regard to yield.

(j) Yield. For purposes of this Section III of this Tax Certificate, yield is calculated as set forth in Section 148 of the Code and Section 1.148-4 of the Treasury Regulations. Thus, yield generally means that discount rate which when used in computing the present value of all unconditionally payable payments representing principal, interest, and the fees of qualified guarantees paid and to be paid with respect to the Obligations produces an amount equal to the issue price of the Obligations. The issue price of the Obligations is $42,884,334.75 which is equal to the initial offering price of the Obligations to the public (excluding bond houses, brokers and similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount (at least 10 percent) of each maturity of the Obligations was or is reasonably expected to be sold, as represented by the Underwriter in Exhibit C. Yield with respect to the obligations allocable to proceeds of the Obligations, is that discount rate which when used in computing the present worth of the payments of principal and interest with respect to the obligations produces an amount equal to the purchase price of the obligation.

(1) The Credit Enhancement may be taken into account with respect to computing yield on the Obligations. The Underwriter has represented that the present value of the fees for the Credit Enhancement are reasonably expected to be less than the present value of the expected interest savings on the Obligations as a result of the Credit Enhancement, determined by using the yield on the Obligations, determined with regard to the Credit Enhancement, as the discount rate. The Credit Enhancement imposes a secondary liability of the Credit Enhancer that unconditionally shifts substantially all of the credit risk for certain payments on the Obligations. The Underwriter has represented that the fees for the Credit Enhancement is within a reasonable range of premiums charged for comparable credit enhancement for obligations comparable to the Obligations. The Credit Enhancer has represented that the fees for the Credit Enhancement do not include any payment for any direct or indirect services other than the transfer of credit risk. Certain certifications of the Credit Enhancer are attached hereto as Exhibit D.

(2) Absent an Opinion of nationally recognized bond counsel that the exclusion from gross income of interest on the Obligations will not be adversely affected for federal income tax purposes the follow representations are made:

(A) The Issuer will not enter into any hedge with respect to the Obligations.

(ii) Investment Contract. The Issuer has not invested any proceeds of the Obligations pursuant to an investment contract (within the meaning of Section 1.148-1(b) of the Treasury Regulations). In the event the Issuer acquires an investment contract with any of the proceeds of the Obligations, the Issuer and the provider of the investment contract will make certain representations in compliance with Section 1.148-5(d)(6)(iii) of the Treasury Regulations.

(k) Yield Reduction Payments. Notwithstanding the provisions of Section III(i) above that require the Issuer to invest proceeds derived from the sale of the Obligations and investment earnings thereon at a yield not in excess of the yield on the Obligations, the yield on certain nonpurpose investments acquired with proceeds of the Obligations will not be considered to be higher than the applicable yield limitation described in Section III(i) above if the Issuer makes "yield reduction payments" to the United States Treasury at the time and in the amounts described in Section 1.148-5(c) of the Treasury Regulations. The Issuer covenants to retain and consult with Bond Counsel prior to making any "yield reduction payments" pursuant to Section 1.148-5(c) of the Treasury Regulations. Absent an opinion of nationally recognized bond counsel that the exclusion from gross income of interest on the Obligations will not be adversely affected for federal income tax purposes, the Issuer will not enter into any hedges (including swaps or caps) with respect to the Obligations.

(l) No Artifice or Device. The Obligations are not and will not be part of a transaction or series of transactions (i) that attempts to circumvent the provisions of Section 148 of the Code, or any successor thereto, and the regulations promulgated thereunder or under any predecessor thereto, enabling the Issuer or any related person to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (ii) that increases the burden on the market for tax-exempt obligations in any manner, including, without limitation, by selling Obligations that would not otherwise be sold, or selling more Obligations, or issuing Obligations sooner, or allowing Obligations to remain outstanding longer, than otherwise would be necessary.

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IV. Rebate Compliance.

(a) Covenants. The Issuer hereby covenants to comply with the rebate requirements of Section 148(f) of the Code.

The Issuer acknowledges that the United States Department of the Treasury has issued certain regulations with respect to certain requirements relating to compliance with Section 148(f) of the Code. The Issuer covenants that it will determine precisely what is required with respect to Section 148(f) of the Code and will comply with any requirements applicable to the Obligations.

The Issuer acknowledges that, to the extent that an exception to the rebate requirements of Section 148(f) of the Code is not available with respect to the Obligations, under Section 148(f) of the Code, the federal government must be paid the sum of (i) the excess of the amount earned on all "nonpurpose investments" with respect to the Obligations over the amount that would have been earned had such investments been invested at a rate equal to the yield with respect to the Obligations, plus (ii) any income attributable to the excess described in (i) (the "Rebate Requirement").

The Issuer acknowledges that currently, unless an exception to the Rebate Requirement is available, compliance with Section 148(f) of the Code generally involves a multi-step process: (1) ascertaining the funds (the "Gross Proceeds") and investments (the "Nonpurpose Investments") subject to the Rebate Requirement of Section 148(f) of the Code after applying, if applicable, a universal cap with respect to the Obligations (the "Universal Cap"), (2) creating an investment history cash flow report with respect to the investment of Gross Proceeds of the Obligations, (3) determining the yield with respect to the Obligations (the "Yield"), (4) future valuing receipts and payments in the cash flow report (including certain deemed receipts and payments) using the Yield as the discount factor, and (5) determining the amount of rebatable arbitrage with respect to the Obligations and paying the appropriate amount to the United States Treasury. See Treas. Reg. Sections 1.148-O through 1.148-11, 1.149(d)-1, and 1.150-1 for rules with respect to rebate compliance methodology. See Subparagraph (b)(i) below for a description of Nonpurpose Investments with respect to the Obligations, Subparagraph (b)(ii) below for a description of Gross Proceeds of the Obligations, Subparagraph (b)(iii) below for the description of a Universal Cap with respect to the Obligations, Subparagraph (b)(iv) below for a description of Yield with respect to the Obligations for purposes of compliance with Section 148(f) of the Code, and Subparagraph (d) with respect to permitted investment of Gross Proceeds.

The Issuer also acknowledges that additional or different requirements may be applicable to the Obligations if certain exceptions are satisfied. See Paragraph (c) herein.

(b) Operative Terms.

(i) Nonpurpose Investments. Subject to the limitation in Subparagraph (b)(iii) below, Nonpurpose Investments are generally securities, obligations, annuity contracts or any other investment-type property that are not acquired to carry out the governmental purpose of the Obligations that are allocated to Gross Proceeds. However, Nonpurpose Investments do not include:

(A) United States Treasury - State and Local Government Series, Demand Deposit Securities; or

(B) Tax-exempt obligations. The term "tax-exempt obligations" for the purposes of this Tax Certificate includes (i) obligations the interest on which is excludable from gross income for federal income tax purposes, and not treated as an item of tax preference under Section 57(a)(5)(C) of the Code, (ii) an interest in a regulated investment company to the extent that at least ninety-five percent (95%) of the income to the holder of the interest is excludable from gross income under Section 103 of the Code, and (iii) a certificate of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program described in 31 CFR Part 344.

(ii) Gross Proceeds. Subject to the limitation in Subparagraph (b)(iii) below, "Gross Proceeds" with respect to the Obligations means:

(A) amounts actually or constructively received from the sale (or other disposition) of the Obligations;

(B) amounts actually or constructively received from investing amounts described in (A);

(C) amounts (other than proceeds derived from the sale of the Obligations) that are reasonably expected to be or are in fact used to pay debt service with respect to the Obligations;

(D) amounts pledged as security for the payment of debt service with respect to the Obligations or otherwise serving as a reserve fund with respect to the Obligations;

(E) "transferred proceeds" of the Obligations; and

(F) any other amounts which are replacement proceeds of the Obligations within the meaning of Treasury Regulation Section 1.148-1(c).

(iii) Universal Cap. Except as provided below, in no event shall the value of Nonpurpose Investments allocated to Gross Proceeds of the Obligations exceed the Universal Cap of the Obligations computed in accordance with Section 1.148-6 of the Treasury Regulations. The Universal Cap of the Obligations is equal to the value of the outstanding Obligations computed in accordance with Section 1.148-4 of the Treasury Regulations. The value of a Nonpurpose Investment on a date allocated to Gross Proceeds of the Obligations for this purpose is equal to the value of such investment in accordance with Treasury Regulation Section 1.148-5(d). The Universal Cap value and the value of Nonpurpose Investments are to be computed as of the first day of each Bond year that commences after the second anniversary of the issue date and if the applicable obligations, are a refunding issue, as of each date that, without regard to the Universal Cap, proceeds of any refunded issue become "transferred proceeds" of the Obligations within the meaning of Section 1.148-9 of the Treasury Regulations (a "Cap Computation Date"). Amounts described in Subparagraph (c)(i) are not subject to the Universal Cap. Between Cap Computation Dates, Nonpurpose Investments cease to be allocated to the Obligations to the extent they are expended or otherwise cease to be allocated to the Obligations under Section 1.148-6 of the Treasury Regulations. To the extent Nonpurpose Investments cease to be allocated to the obligations of any Obligations, other investments become so allocated up to the amount of the unused Universal Cap, computed in accordance with Section 1.148-6 of the Treasury Regulations. If on a Cap Computation Date Nonpurpose Investments have a value in excess of the Universal Cap, an amount of such investments necessary to eliminate that excess ceases to be allocated to the Obligations. Nonpurpose Investments cease to be allocated to the Obligations in the following order, within the meaning of Section 1.148-6 of the Treasury Regulations:

(1) first, amounts held in a sinking fund, pledged fund, or reserve or replacement fund for the Obligations (other than proceeds derived from the sale of the Obligations),

(2) second, transferred proceeds,

(3) third, proceeds derived from the sale of the Obligations and earnings thereon, all within the meaning of Section 1.148-6 of the Treasury Regulations, and

(4) a failure to do a Universal Cap calculation on a Cap Computation Date will not result in noncompliance with Section 148(f) of the Code if, in the absence of that failure, the Obligations would have satisfied the Rebate Requirement.

(iv) Yield See Section III hereof.

(c) Rebate Exception.

(i) Bona Fide Debt Service Funds. The Issuer will be relieved of the obligation to pay the Rebate Requirement with respect to amounts earned on funds in the Bona Fide Debt Service Funds.

(ii) Expenditure Exceptions. There are three expenditure exceptions from the Rebate Requirement - the "Two-Year Exception," the "Six-Month Exception," and the "Eighteen-Month Exception." The Issuer will be relieved of the obligation to pay the Rebate Requirement with respect to that portion of the proceeds of the Obligations described in each applicable Subclause (1) below of each Clause (A), (B), and (C), if the applicable requirements set forth in each applicable Subclause (2) below are satisfied of each Clause (A), (B), and (C).

(A) Two-Year Exception.

(1) The portion of the "available construction proceeds" (as defined below) of the Obligations at least 75 percent of which are to be used for construction expenditures (including reconstruction and rehabilitation) with respect to property that is to be owned by a governmental unit or an organization described in Section 501(c)(3) of the Code and exempt from federal income tax under Section 501(a) of the Code is described in this Subclause. The term "available construction proceeds" means an amount equal to the portion of the issue price (as defined in Section III of this Tax Certificate) of the Obligations described in this Subclause, increased by earnings thereon. Available construction proceeds do not include amounts to be used to pay Issuance Costs of the Obligations.

(2) This exception will be treated as being satisfied if at least 10% of the available construction proceeds of the Obligations are expended for the governmental purposes of the Obligations within the six-month period beginning on the date of issue of the Obligations, at least 45% of such amounts are expended for the governmental purposes of the Obligations within the one-year period beginning on the date of issue of the Obligations, at least 75% of such amounts are expended for the governmental purposes of the Obligations within the 18-month period beginning on the date of issue of the Obligations, and all of such amounts are expended for the governmental purposes of the Obligations within the two-year period beginning on the date of issue of the Obligations. The requirement that 100% of the available construction proceeds of the Obligations be expended within two years may be reduced to not below 95% provided that the amount not expended is held by the Issuer for a period not exceeding one year as a "reasonable retainage" as required or permitted by construction contracts with contractors. The requirement that 100% of the Gross Proceeds be expended within two years may be reduced by an amount equal to the lesser of 3% of the issue price of the Obligations or $250,000.00 if the Issuer exercised due diligence to complete the Project.

(B) Six-Month Exception. The Issuer will be relieved of the obligation to pay the Rebate Requirement with respect to the portion of the proceeds of the Obligations described in Subclause (1) below if the requirements described in Subclause (2) below are satisfied.

(1) All Gross Proceeds of the Obligations (other than "transferred proceeds" of the Obligations, and amounts described in Subparagraph (c)(i) of this Section IV of this Tax Certificate), are described in this Subclause.

(2) This exception will be treated as having been satisfied if all Gross Proceeds of the Obligations subject to this exception are expended for the governmental purposes of the Obligations no later than the day that is six months after the date of issue of the Obligations.

(C) Eighteen-Month Exception. The Issuer will be relieved of the obligation to pay the Rebate Requirement with respect to the portion of the proceeds of the Obligations described in Subclause (1) below if the requirements described in Subclause (2) below are satisfied.

(1) All Gross Proceeds of the Obligations allocable to new money purposes that may be invested at an unrestricted yield, including reasonably expected investment earnings as of the date hereof (other than amounts described in Subparagraph (c)(i) of this Tax Certificate), are described in this Subclause.

(2) This exception will be treated as being satisfied if at least 15% of such monies are expended for the governmental purposes of the Obligations within the six-month period beginning on the date of issue of the Obligations, at least 60% of such monies are expended for the governmental purposes of the Obligations within the one-year period beginning on the date of issue of the Obligations, and 100% of such monies are expended for the governmental purpose of the Obligations within the 18-month period beginning on the date of issue of the Obligations. The requirement that 100% of the Gross Proceeds be expended within 18 months may be reduced to not below five percent (5%) of the proceeds derived from the sale of the Obligations subject to this exception that is retained for reasonable business purposes relating to the property financed with the Obligations provided such monies are expended within 30 months of the issue date of the Obligations. Additionally, the requirement that 100% of the Gross Proceeds be expended within 18 months may be reduced by an amount equal to the lesser of 3% of the issue price of the Obligations or $250,000.00 if the Issuer exercised due diligence to complete the Project.

(iii) Expectations. The Issuer reasonably expects that at least seventy-five percent of the proceeds of the Obligations deposited in the 2016 Project Fund, and earnings thereon, are expected to be used for Project construction expenditures.

(iv) Elections.

(1) *Seventy-Five Percent Test.* Pursuant to Treasury Regulation Section 1.148-7(f)(1)(i), the Issuer expressly elects to satisfy the requirements of Section 148(f)(4)(C)(iv)(I) of the Code based upon its reasonable expectations.

(2) *Penalty in Lieu of Rebate.* Pursuant to Section 148(f)(4)(C)(vii) of the Code, the Issuer may elect, on the date hereof, to pay a penalty (the

"1½% Penalty"), with respect to each six-month period after the date the Obligations are issued, equal to 1½ percent of the amount of available construction proceeds (as described above), which as of the close of the six-month period are not spent as required by Paragraph (c)(ii)(A)(2). The 1½% Penalty shall cease to apply: (A) if the available construction proceeds are expended, (B) if a special three percent penalty (the "3% Penalty") is paid in accordance with Section 148(f)(4)(C) of the Code, or (C) after the latest maturity date of any Obligation (including any refunding bond). All penalties are to be paid to the United States not later than 90 days after the period to which the penalty relates. The Issuer expressly does not elect to pay the penalty described in Section 148(f)(4)(C)(vii) of the Code in lieu of the Rebate Requirement described in Section 148(f)(2) of the Code, the 3% Penalty described in Section 148(f)(4)(C)(viii) of the Code, or to terminate the 1½% Penalty pursuant to Section 148(f)(4)(C)(ix) of the Code. Additionally, the Issuer expressly does not elect to exclude earnings on any reasonably required reserve fund as available construction proceeds pursuant to Section 148(f)(4)(C)(vi)(IV) of the Code.

(3) Bifurcation. The Issuer expressly does not elect to treat the issue of Obligations as separate bond issues for purposes of Section 148(f)(4) of the Code.

(d) Prohibited Investments and Dispositions. The Issuer acknowledges that compliance with Section 148(f) of the Code may involve taking no action to artificially reduce the Rebate Requirement by the manner of investing Gross Proceeds. The Issuer covenants that absent an opinion of nationally recognized bond counsel that the exclusion from gross income of interest with respect to the Obligations will not be adversely affected, it will comply with the rules of this Subsection to assure compliance with Section 148(f) of the Code.

(i) No Nonpurpose Investment may be acquired with Gross Proceeds for an amount in excess of the fair market value of such Nonpurpose Investment. No Nonpurpose Investment may be sold or otherwise disposed of for an amount less than the fair market value of the Nonpurpose Investment.

(ii) The fair market value of any Nonpurpose Investment is the price that a willing buyer would pay to a willing seller to acquire the Nonpurpose Investment in a bona fide, arm's-length transaction, with no amounts to artificially reduce or increase the yield on the Nonpurpose Investment. Fair market value generally is determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding (i.e., the trade date rather than the settlement date). The purchase or sales price of a Nonpurpose Investment is not adjusted (except as provided below) to take into account any administrative costs of the Nonpurpose Investment. For calendar year 2016, a brokerage commission or similar fee for an investment contract and for investments for a yield restricted defeasance escrow is included as a receipt to the extent the commission exceeds the lesser of (A) $39,000.00 and (B) .2% of the computational base or, if more, $4,000; provided, a brokers fee or similar fee is included as a receipt to the extent all brokers fees or similar fees of the issue of Obligations exceed $110,000.00. For purposes of this Tax Certificate "computational base" means (A) for a guaranteed investment contract, the amount of Gross Proceeds to be deposited in the contract, and (B) for investments (other than guaranteed investment contracts) to be deposited in a yield restricted defeasance escrow, the amount of Gross Proceeds initially invested in those investments. For subsequent calendar years, the dollar limits described in this Subsection may be increased for cost-of-living adjustments. See Treas. Reg. Section 1.148-5(e)(2)(iii). Certain administrative costs, including reasonable direct administrative costs, other than carrying costs, such as brokerage commissions or selling commissions, but not legal and accounting fees, recordkeeping, custody and similar costs, may be taken into account in computing the Rebate

Requirement with respect to investments. See Treas. Reg. Section 1.148-5. General overhead costs and similar indirect costs of the Issuer such as employee salaries and office expenses and costs of computing rebatable arbitrage may not be taken into account. The following provisions provide guidelines as to when the Nonpurpose Investment will be deemed to be acquired for its fair market value. Other methods may be used, however, to establish fair market value.

(iii) Nonpurpose Investments that are investment contracts and investments purchased for a yield restricted defeasance escrow will be considered acquired and disposed of for an amount equal to the fair market value of such obligations if the following requirements are satisfied:

(A) The Issuer makes a bona fide solicitation for the purchase of the investment. A bona fide solicitation is a solicitation that satisfies all of the following requirements:

(1) The bid specifications are in writing and are timely forwarded to potential providers.

(2) The bid specifications include all material terms of the bid. A term is material if it may directly or indirectly affect the yield or the cost of the investment.

(3) The bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Issuer or any other person (whether or not in connection with the bond issue), and that the bid is not being submitted solely as a courtesy to the Issuer or any other person for purposes of satisfying the requirements of paragraph (B)(1) or (2) below.

(4) The terms of the bid specifications are commercially reasonable. A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the investment. For example, for solicitations of investments for a yield restricted defeasance escrow, the hold firm period must be no longer than the Issuer reasonably requires.

(5) For purchases of guaranteed investment contracts only, the terms of the solicitation take into account the Issuer's reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) All potential providers have an equal opportunity to bid. For example, no potential provider is given the opportunity to review other bids (i.e., a last look) before providing a bid.

(7) At least three reasonably competitive providers are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased.

(B) The bids received by the Issuer meet all of the following requirements:

(1) The Issuer receives at least three bids from providers that the Issuer solicited under a bona fide solicitation meeting the requirements of paragraph (A) of this

section and that do not have a material financial interest in the issue. A lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the issue date of the issue. In addition, any entity acting as a financial advisor with respect to the purchase of the investment at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue. A provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(2) At least one of the three bids described in paragraph (B)(1) of above is from a reasonably competitive provider, within the meaning of paragraph (A)(7) of this section.

(3) If the Issuer uses an agent to conduct the bidding process, the agent did not bid to provide the investment.

(C) The winning bid meets the following requirements:

(1) *Guaranteed investment contracts.* If the investment is a guaranteed investment contract, the winning bid is the highest yielding bona fide bid (determined net of any broker's fees).

(2) *Other investments.* If the investment is not a guaranteed investment contract, the following requirements are met:

a. The winning bid is the lowest cost bona fide bid (including any broker's fees). The lowest cost bid is either the lowest cost bid for the portfolio or, if the Issuer compares the bids on an investment-by-investment basis, the aggregate cost of a portfolio comprised of the lowest cost bid for each investment. Any payment received by the Issuer from a provider at the time a guaranteed investment contract is purchased (e.g., an escrow float contract) for a yield restricted defeasance escrow under a bidding procedure meeting the requirements of paragraph (iii) is taken into account in determining the lowest cost bid.

b. The lowest cost bona fide bid (including any broker's fees) is not greater than the cost of the most efficient portfolio comprised exclusively of State and Local Government Series Securities from the United States Department of the Treasury, Bureau of Public Debt. The cost of the most efficient portfolio of State and Local Government Series Securities is to be determined at the time that bids are required to be submitted pursuant to the terms of the bid specifications.

c. If State and Local Government Series Securities from the United States Department of the Treasury, Bureau of Public Debt are not available for purchase on the day that bids are required to be submitted pursuant to terms of the bid specifications because sales of those securities have been suspended, the cost comparison of (C)(2)(2.) is not required.

(D) The provider of the investments or the obligor on the guaranteed investment contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the investment.

(E) The Issuer retains the following records with the bond documents until three years after the last outstanding bond is redeemed:

(1) For purchases of guaranteed investment contracts, a copy of the contract, and for purchases of investments other than guaranteed investment contracts, the purchase agreement or confirmation.

(2) The receipt or other record of the amount actually paid by the Issuer for the investments, including a record of any administrative costs paid by the Issuer, and the certification under paragraph (D) above.

(3) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(4) The bid solicitation form and, if the terms of the purchase agreement or the guaranteed investment contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation. For example, if the Issuer purchases a portfolio of investments for a yield restricted defeasance escrow and, in order to satisfy the yield restriction requirements of Code Section 148, an investment in the winning bid is replaced with an investment with a lower yield, the Issuer must retain a record of the substitution and how the price of the substitute investment was determined. If the Issuer replaces an investment in the winning bid portfolio with another investment, the purchase price of the new investment is not covered by the safe harbor unless the investment is bid under a bidding procedure meeting the requirements of paragraph (iii).

(5) For purchases of investments other than guaranteed investment contracts, the cost of the most efficient portfolio of State and Local Government Series Securities, determined at the time that the bids were required to be submitted pursuant to the terms of the bid specifications.

(iv) Nonpurpose Investments that are certificates of deposit with a fixed interest rate, a fixed principal payment schedule, a fixed maturity, and a substantial penalty for early withdrawal, will be considered acquired for their fair market value if the following requirements are satisfied:

(A) the yield on the certificate of deposit is not less than the yield on reasonably comparable direct obligations of the United States; and

(B) the yield on the certificate of deposit is not less than the highest yield that is published or posted by the provider to be currently available from the provider on comparable certificates of deposit offered to the public.

(v) Except as otherwise provided in paragraph (d), any Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code §1273, shall be rebuttably presumed to be acquired or disposed of for an amount in excess of the fair market value of the Nonpurpose Investment.

(vi) The fair market value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price.

(e) Bond Year. For purposes of this Certificate, Bond Year ends on each October 2 and begins on each October 1; provided that the first Bond Year begins on the date hereof and the last Bond Year ends on the date no Obligations are outstanding.

* * *

V. Recordkeeping and Allocation.

(a) Recordkeeping. The Issuer will maintain or cause to be maintained sufficient records to support compliance with the provisions of this Tax Certificate and to support the exclusion from gross income of interest on the Obligations for federal income tax purposes, including, but not limited to, the following:

(i) basic records relating to the Obligations (e.g., indenture, loan agreement, and opinions);

(ii) documentation evidencing expenditure of Obligation proceeds;

(iii) documentation evidencing use of Obligation financed property (e.g., management and service contracts);

(iv) documentation evidencing sources of payment and security for Obligations; and

(v) documentation pertaining to the investment of Obligation proceeds (including rebate calculations).

In particular, the Issuer will maintain or cause to be maintained detailed records with respect to each security, obligation, annuity contract, or another investment-type property allocated to Gross Proceeds, including: (i) purchase date, (ii) purchase price, (iii) information establishing fair market value on the date such investment is allocated to Gross Proceeds, (iv) any accrued interest paid, (v) face amount, (vi) coupon rate, (vii) periodicity of interest payments, (vii) disposition price, (ix) any accrued interest received, and (x) disposition date. The Issuer shall establish separate sub-accounts or take other accounting measures in order to account fully for all Gross Proceeds. The Issuer shall maintain books and records with respect to the allocation of Gross Proceeds in accordance with this Tax Certificate. All records required to be maintained pursuant to this Tax Certificate must be kept as long as the Obligations are outstanding plus three years after all Obligations are retired, and with respect to obligations refunded by the Obligations, for the same period required for the Obligations.

(b) Allocation. The Issuer may use any reasonable, consistently applied accounting method to account for Gross Proceeds of the Obligations in accordance with Treasury Regulation Section 1.148-6; for purposes of allocating Gross Proceeds to capital expenditures intended to be financed pursuant to this Tax Certificate after the date of issue of the applicable tax-exempt obligation, and paid to unrelated third parties ("Qualified Capital Expenditures"), the Issuer may use the following accounting methods: "specific tracing," "gross-proceeds-spent-first," "first-in, first-out," or a ratable allocation method. The Issuer covenant to consult with nationally recognized bond counsel with respect to the applicable method of allocation of Gross Proceeds to expenditures that are not Qualified Capital Expenditures. In addition, the accounting method applied must account uniformly for (i) Gross Proceeds commingled with other moneys in excess of $25,000 and such other commingled moneys and (ii) Gross Proceeds for each fiscal year or interim fiscal period therein during which the issue is outstanding. Another accounting method may, however, be utilized for moneys if it is for a bona fide purpose unrelated to federal income tax restrictions. If Gross Proceeds are commingled with other moneys (other than in an open-end regulated investment company) in an amount in excess of $25,000 (a "Commingled Fund"), the following additional requirements must be satisfied. First, all payments and receipts with respect to investments in the Commingled Fund must be allocated among the different moneys ratably based upon either (i) average daily balances during a "Computation Period" (as defined below) or (ii) the average of the beginning and ending balances of the amounts in the Commingled Fund for a Computation Period that does not exceed one month. A Commingled Fund may use as its Computation Period any consistent time period within its fiscal year that does not exceed three months. Not less frequently than at the end of each Computation Period, the Commingled Fund must compute and allocate to different types of moneys all payments, receipts, income, gain or losses realized, and expenditures. Second, except as provided below, the Commingled Fund must treat all of its investments as if sold at fair market value on the last day of the fiscal year or as of the last day of each Computation Period, and so allocate net gains or losses from such deemed sales (the "Mark-to-Market Requirement"). A Commingled Fund need not satisfy the Mark-to-Market Requirement if (i) the remaining weighted average maturity of all investments held by the Commingled Fund during a fiscal year does not exceed eighteen months and such investments consist exclusively of debt obligations, (ii) the Commingled Fund serves as a common reserve fund or sinking fund for two or more issues of the same issuer or (iii) the Issuer (and any related party) do not own more than twenty-five percent of beneficial interests in the Commingled Fund. Common reserve funds or sinking funds for two or more issues must be ratably allocated (not less frequently than once every five years and on each date a new issue is added or retired (if relative original principal amounts are used to so allocate)) in accordance with (i) the value of the bonds under Treasury Regulation Section 1.148-4(e), (ii) the relative amounts of the remaining maximum annual debt service payable on the issues, or (iii) the relative original stated principal amounts of the outstanding issues. Notwithstanding any other provision of this Tax Certificate, the allocation methodology applied must be consistent for all purposes of this Tax Certificate.

The Issuer must account for the allocation of Gross Proceeds to expenditures not later than eighteen months after the later of the date the expenditure is paid and the date the applicable Project is placed in service and in any event, by the date sixty days after the fifth anniversary of the issue date of the Obligations or the date 60 days after the retirement of the Obligation if earlier.

* * *

VI. Miscellaneous.

(a) Federal Guarantee. The Issuer will not invest any of the proceeds of the Obligations in a manner which would result in the Obligations being considered "federally guaranteed" within the meaning of Section 149(b) of the Code, except as permitted therein (i.e., will not cause interest with respect to the Obligations to be included in gross income for federal income tax purposes).

(b) Information Reporting. Attached as Exhibit E is a copy of the Form 8038-G filed with respect to the Obligations.

(c) No Pooling. The Issuer does not expect to use and will not use the proceeds of the Obligations, nor any refinanced obligations, to make or finance loans to two or more ultimate borrowers.

(d) Hedge Bonds. Not more than 50% of the proceeds of the Obligations allocable to new money purposes will be invested at a guaranteed rate of return for a term of four years or more.

* * *

VII. Concluding Matters.

(a) Reliance. The expectations of the Issuer concerning certain uses of Obligation proceeds and certain other moneys described herein and other matters are based in whole or in part upon representations of other parties as set forth in this Tax Certificate or the exhibits attached hereto. The Issuer is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representations made in this Tax Certificate or exhibits attached hereto.

(b) Authority. The undersigned is an authorized representative of the Issuer, and is acting for and on behalf of the Issuer in executing this Tax Certificate. To the best of the knowledge and belief of the undersigned, there are no other facts, estimates or circumstances that would materially change the expectations as set forth herein, and said expectations are reasonable.

(c) Amendment. Notwithstanding any provision of this Tax Certificate, the Issuer may amend this Tax Certificate and thereby alter any actions allowed or required by this Tax Certificate if such amendment is based on an opinion of bond counsel that the exclusion from gross income of interest with respect to the Obligations will not be adversely affected.

Dated: March 17, 2016

SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT

By: Kingsley Okereke

Kingsley Okereke
Finance Director

EXHIBIT A

DESCRIPTION OF EXPECTED PROJECT COSTS PAID OR TO BE PAID FROM PROCEEDS OF THE OBLIGATIONS

$42,000,000 grant for waterpark hotel pursuant to First Amended and Restated Disposition and Development Agreement by and between Garden Grove Agency for Community Development and Garden Grove MXD, LLC and Implementation Agreement (Water Park DDA) between Successor Agency to the Garden Grove Agency for Community Development and Garden Grove MXD, Inc.

EXHIBIT B

OFFICIAL ACTION

Reserved

EXHIBIT C

CERTIFICATE OF THE UNDERWRITER

Mesirow Financial, Inc., on behalf of itself and Samuel A. Ramirez & Co., Inc. and Stifel, Nicolaus & Company, Incorporated (collectively, the "Underwriters") have acted as the Underwriters of the $36,540,000 Successor Agency to the Garden Grove Agency for Community Development Garden Grove Community Project Tax Allocation Bonds, Issue of 2016 (the "Obligations"), and hereby certifies and represents the following, under penalties of perjury, based upon the information available to it:

A. Issue Price.

1. As of the date the purchase agreement was entered into by the Issuer and the Underwriter with respect to the Obligations (the "Sale Date"), the Underwriter reasonably expected to sell at least 10% of each maturity of the Obligations to the general public (excluding bond houses, brokers, or similar persons acting in the capacity of underwriters or wholesalers) in a bona fide public offering at the prices listed on Schedule A.

2. In our opinion, and based upon our estimate as of the date hereof, the initial offering prices of the Obligations are within a reasonable range of, and should reflect, the fair market prices for such Obligations as of the Sale Date.

3. As of the date of execution of the attached Tax Certificate, all of the Obligations have actually been offered to the general public at the prices listed in Schedule A.

4. At least 10% of each maturity of the Obligations have been sold or was reasonably expected to be sold at the prices listed on Schedule A.

B. Credit Enhancement.

1. The present value of the amount paid to obtain the Credit Enhancement (as defined in the Tax Certificate) is less than the present value of the interest reasonably expected to be saved as a result of having the Credit Enhancement, using the yield with respect to the Obligations as the discount factor for this purpose.

2. To the best knowledge of the undersigned, the amount paid by the Issuer to the Credit Enhancer for the Credit Enhancement is within a reasonable range of premiums charged for comparable credit enhancement for obligations comparable to the Obligations.

C. Arbitrage Yield.

1. We have calculated the arbitrage yield with respect to the Obligations to be 2.5320969%. in accordance with the following instructions provided by Bond Counsel. Bond Counsel has advised that yield on the Obligations is the discount rate that, when used in computing the present value as of the issue date of all unconditionally payable payments of principal and interest on the Obligations, produces an amount equal to the present value, using the same discount rate, of the aggregate issue price of bonds of the issue as of the issue date. Bond Counsel has advised that the issue price is determined based on the prices of each maturity of the Obligations listed in

Exhibit A as described in paragraph A.1 above. To the extent that we provided the Issuer and Bond Counsel with certain computations that show a bond yield, issue price, weighted average maturity and certain other information with respect to the Obligations, these computations are based on our understanding of directions that we have received from Bond Counsel regarding interpretation of the applicable law. We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by Bond Counsel.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

All terms not defined herein have the meanings ascribed to those terms in the attached Tax Certificate.

Dated: March 17, 2016

MESIROW FINANCIAL, INC., on behalf of itself and SAMUEL A. RAMIREZ & CO., INC. and STIFEL, NICOLAUS & COMPANY, INCORPORATED

By: ______________________
Authorized Officer

SCHEDULE A

Price of Obligations Offered or Reasonably Expected to be Offered to the General Public in a Bona Fide Public Offering

	Maturity Date (October 1)	*Principal Amount*	*Interest Rate*	*Price*
Serial Bonds	2020	$ 1,900,000	4.000%	112.804
	2021	1,975,000	4.000	114.383
	2022	2,055,000	5.000	122.279
	2023	2,160,000	5.000	123.735
	2024	2,265,000	5.000	124.863
	2025	2,380,000	5.000	125.736
	2026	2,500,000	5.000	125.404 C
	2027	2,625,000	5.000	124.079 C
	2028	2,755,000	5.000	122.671 C
	2029	2,895,000	5.000	121.874 C
	2030	3,040,000	5.000	121.183 C
	2031	3,190,000	5.000	120.300 C
Term Bond	2033	6,800,000	3.000	97.857

C Priced to the April 1, 2026 optional redemption date at par.

EXHIBIT D

DISCLOSURE, NO DEFAULT AND TAX CERTIFICATE OF BUILD AMERICA MUTUAL ASSURANCE COMPANY

BAM Policy No.: 2016B0160

BONDS: $32,665,000 in aggregate principal amount of
Successor Agency to the Garden Grove Agency for Community Development, California
Tax Allocation Refunding Bonds, Issue of 2016, maturing on October 1 of the years 2022 through 2031, inclusive and October 1, 2033

Date of the Official Statement: February 24, 2016

The undersigned hereby certifies on behalf of BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), in connection with the issuance by BAM of its Policy referenced above (the "Policy") in respect of the Bonds referenced above (the "Bonds") that:

(i) The information set forth under the caption "BOND INSURANCE-BUILD AMERICA MUTUAL ASSURANCE COMPANY" in the official statement referenced above, relating to the Bonds (the "Official Statement") is true and correct;

(ii) BAM is not currently in default nor has BAM ever been in default under any policy or obligation guaranteeing the payment of principal of or interest on an obligation;

(iii) The Policy is an unconditional and recourse obligation of BAM (enforceable by or on behalf of the holders of the Bonds) to pay the scheduled principal of and interest on the Bonds when due in the event of Nonpayment by the Issuer (as set forth in the Policy);

(iv) The insurance payment (inclusive of the sum of the Risk Premium and the Member Surplus Contribution) (the "Insurance Payment") is solely a charge for the transfer of credit risk and was determined in arm's length negotiations and is required to be paid to BAM as a condition to the issuance of the Policy;

(v) BAM will, for federal income tax purposes, treat the Insurance Payment as solely in consideration for the insurance risk it assumes in the Policy and not as consideration for an investment in BAM or its assets;

(vi) No portion of such Insurance Payment represents an indirect payment of costs of issuance, including rating agency fees, other than fees paid by BAM to maintain its rating, which, together with all other overhead expenses of BAM, are taken into account in the formulation of its rate structure, or for the provision of additional services by BAM, or represents a direct or indirect payment for any goods or services provided to the Issuer (including the right to receive a dividend), or the direct or indirect payment for a cost, risk or other element that is not customarily borne by insurers of tax-exempt bonds (in transactions in which the guarantor has no involvement other than as a guarantor);

(vii) BAM is not providing any services in connection with the Bonds other than providing the Policy, and except for the Insurance Payment, BAM will not use any portion of the Bond proceeds;

(viii) The Insurance Payment charged by BAM for the issuance of the Policy is not conditioned upon the sale of Bonds to BAM, and such Insurance Payment has been determined without regard to any decision by BAM to purchase Bonds;

(ix) Except for payments under the Policy in the case of Nonpayment by the Issuer, there is no obligation to pay any amount of principal or interest on the Bonds by BAM;

(x) (a) BAM has not paid any dividends to date, (b) BAM's Board of Directors has resolved that BAM's priorities for surplus, as it accumulates, will be to preserve capital strength and claims paying resources for the benefit of its members and secondarily to return value by reducing premiums charged for its insurance, and (c) BAM has no current expectation that any dividends will be paid;

(xi) BAM does not expect that a claim or any other payment will be made on or with respect to the Policy or by BAM to the Issuer;

(xii) Neither the Issuer nor any other Obligor is entitled to a refund of the Insurance Payment for the Policy in the event a Bond is retired before the final maturity date.

BAM makes no representation as to the nature of the interest to be paid on the Bonds or the treatment of the Policy under Section 1.148-4(f) of the Income Tax Regulations.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: ______________________________
Authorized Officer

Dated: March 17, 2016

EXHIBIT E

FORM 8038-G

Form **8038-G** (Rev. September 2011) Department of the Treasury Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)

▶ See separate instructions.

Caution: *If the issue price is under $100,000, use Form 8038-GC.*

OMB No. 1545-0720

Part I Reporting Authority

If Amended Return, check here ▶ ☐

1 Issuer's name Successor Agency to the Garden Grove Agency for Community Development	2 Issuer's employer identification number (EIN) 95-6005848
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) Carol L. Lew, Esq.	3b Telephone number of other person shown on 3a 949-725-4237
4 Number and street (or P.O. box if mail is not delivered to street address) 11222 Acacia Parkway — Room/suite	5 Report number *(For IRS Use Only)* 3
6 City, town, or post office, state, and ZIP code Garden Grove, CA 92840	7 Date of issue 03/17/2016
8 Name of issue Garden Grove Community Project Tax Allocation Bonds, Issue of 2016	9 CUSIP number 365250BF3
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Kingsley Okereke, Finance Director	10b Telephone number of officer or other employee shown on 10a 714-741-5060

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11	Education	11		
12	Health and hospital	12		
13	Transportation	13		
14	Public safety	14		
15	Environment (including sewage bonds)	15		
16	Housing	16		
17	Utilities	17		
18	Other. Describe ▶ Redevelopment, multiple uses	18	42,884,334	75
19	If obligations are TANs or RANs, check only box 19a ▶ ☐			
	If obligations are BANs, check only box 19b ▶ ☐			
20	If obligations are in the form of a lease or installment sale, check box ▶ ☐			

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	10/01/2033	42,884,334.75	$ 36,450,000.00	11.634 years	2.5320969 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest				22	0	00
23	Issue price of entire issue (enter amount from line 21, column (b))				23	42,884,334	75
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	534,655	60			
25	Proceeds used for credit enhancement	25	349,679	15			
26	Proceeds allocated to reasonably required reserve or replacement fund	26	0	00			
27	Proceeds used to currently refund prior issues	27	0	00			
28	Proceeds used to advance refund prior issues	28	0	00			
29	Total (add lines 24 through 28)				29	884,334	75
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)				30	42,000,000	00

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	N/A years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded ▶	N/A years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) ▶	N/A
34	Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)	N/A

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	0	00
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	0	00
b	Enter the final maturity date of the GIC ►			
c	Enter the name of the GIC provider ►			
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	0	00

38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► ☐ and enter the following information:

b Enter the date of the master pool obligation ►

c Enter the EIN of the issuer of the master pool obligation ►

d Enter the name of the issuer of the master pool obligation ►

39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ► ☐

40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ► ☐

41a If the issuer has identified a hedge, check here ► ☐ and enter the following information:

b Name of hedge provider ►

c Type of hedge ►

d Term of hedge ►

42 If the issuer has superintegrated the hedge, check box ► ☐

43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ► ☒

44 If the issuer has established written procedures to monitor the requirements of section 148, check box ► ☒

45a If some portion of the proceeds was used to reimburse expenditures, check here ► ☐ and enter the amount of reimbursement ►

b Enter the date the official intent was adopted ►

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

► [signature] 03/17/2016 ► Kingsley Okereke, Finance Director

Signature of issuer's authorized representative | Date | Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Carol L. Lew, Esq.	[signature]	03/17/2016		P01259683
Firm's name ► Stradling Yocca Carlson & Rauth				
Firm's address ► 660 Newport Center Dr, Ste 1600, Newport Beach, CA 92660			Phone no.	949-725-4237

CERTIFIED MAIL™

7196 9008 9115 0120 3565

Return Receipt Requested

ITEM #35660
version DF 2/03

WALZ POSTAL SOLUTIONS™

TO REORDER GO TO
www.walzpostal.com
OR CALL 1-800-882-3811

FOLD AND TEAR HERE

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X

☐ Agent
☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

2. Article Number

7196 9008 9115 0120 3565

3. Service Type CERTIFIED MAIL™

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

1. Article Addressed to:

Internal Revenue Service Center

Ogden, UT 84201

PS Form 3811, February 2003

Domestic Return Receipt

LINE 1

1A
0582-1

EXHIBIT F

$36,540,000
SUCCESSOR AGENCY TO THE
GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT
GARDEN GROVE COMMUNITY PROJECT
TAX ALLOCATION BONDS, ISSUE OF 2016

POST-ISSUANCE COMPLIANCE

The Issuer understands that post issuance compliance with the restrictions contained in the attached Tax Certificate is required to ensure that interest on the Obligations remains excluded from gross income for federal income purposes. The Issuer understands that the attached Tax Certificate, together with this exhibit, contains written post issuance procedures of the Issuer to effectuate post issuance compliance. In furtherance thereof, the Issuer hereby agrees to:

1. Assign responsible personnel of the Issuer to monitor and ensure compliance with the restrictions contained in the attached Tax Certificate.

2. Provide adequate training to responsible Issuer personnel to effectuate the purposes of this exhibit.

3. Have Issuer personnel regularly review the restrictions of the Tax Certificate and establish adequate record retention and calendaring mechanisms internally to ensure that the Issuer will be able to establish post issuance compliance with the restrictions of the attached Tax Certificate. In particular, the Issuer will maintain records detailing the investment and expenditures of Obligation proceeds, as provided in the Tax Certificate. The Issuer will seek expert advice regarding compliance with the arbitrage rebate and yield restriction provisions of the Tax Certificate, and carefully monitor and calendar the dates by which Obligation proceeds should be expended to comply with yield restriction and rebate exceptions and the dates rebate must be paid.

4. Regularly consult with Bond Counsel and other Issuer advisors regarding any issues that arise regarding post issuance compliance with the attached Tax Certificate (including any failure or anticipated failure to expend Obligation proceeds during the periods described in the attached Tax Certificate or any changes in use of the Project). The Issuer understands that the use of the Project financed by the Refunded Obligations must be monitored throughout the term to maturity of the Obligations, and records must be retained regarding any contracts or other arrangements relating to such use as provided in the Tax Certificate.

All terms not defined herein have the meanings ascribed in the attached Tax Certificate.

Dated: March 17, 2016

SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT

By: ______________________

Kingsley Okereke
Finance Director