

§ \_\_\_\_\_  
**CITY OF SACRAMENTO  
COLLEGE SQUARE  
COMMUNITY FACILITIES DISTRICT NO. 2005-01  
2007 SPECIAL TAX BONDS**

**BOND PURCHASE CONTRACT**

September \_\_, 2007

City of Sacramento  
915 I Street  
Historic City Hall  
Third Floor #0900  
Sacramento, CA 95814-2704

Ladies and Gentlemen:

The undersigned (the "Underwriter") hereby offers to enter into this Bond Purchase Contract (this "Bond Purchase Contract") with the City of Sacramento (the "City") for the purchase by the Underwriter and the delivery to the Underwriter of the Bonds specified below. This offer is made subject to acceptance by the City on or before 11:59 P.M., California time, on the date hereof, and upon such acceptance this Bond Purchase Contract shall be in full force and effect in accordance with its terms and shall be binding upon the City and the Underwriter.

1. **Purchase and Sale.** Upon the terms and conditions and in reliance upon the representations herein set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the \$\_\_\_\_\_ aggregate principal amount of the City of Sacramento College Square Community Facilities District No. 2005-01, 2007 Special Tax Bonds (the "Bonds") dated September \_\_, 2007, as more fully described in the Official Statement hereinafter mentioned, at the purchase price of \$\_\_\_\_\_ (representing the aggregate principal amount of the Bonds of \$\_\_\_\_\_ [plus original issue premium of \$\_\_\_\_\_] and less underwriter's discount of \$\_\_\_\_\_). The Bonds will mature on the dates and in the amounts, and bear interest at the rates, and be subject to mandatory redemption as set forth in Exhibit A attached hereto.

The Bonds are authorized to be issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), and shall be as described in, and shall be secured under and pursuant to, the Indenture dated as of September 1, 2007 (the "Indenture"), by and between the City and The Bank of New York Trust Company, N.A. (the "Trustee"), in substantially the forms previously submitted to the Underwriter with only such changes therein as shall be mutually agreed upon by the City and the Underwriter. Capitalized terms used herein that are defined in the Indenture shall have the same meanings when used herein.

The Bonds are being issued to provide funds to finance the acquisition and construction of certain public improvements and certain City fees within the City of Sacramento College Square Community Facilities District No. 2005-01 (the "District") pursuant to the Act.

The payment of the principal of and interest on the Bonds is secured by Special Taxes and a pledge of amounts on deposit in the funds and accounts established pursuant to the Indenture, including a Bond Reserve Fund established under the Indenture (the "Reserve Fund").

The Bonds shall be substantially in the form described in, and shall be executed, delivered and secured under and pursuant to, and shall be payable and subject to prepayment as provided in, the Indenture.

2. **Official Statement.** A Preliminary Official Statement, dated August \_\_, 2007 (including the cover page and all appendices, exhibits and statements thereon or attached thereto, being herein called the "Preliminary Official Statement" and, with such changes as are accepted by the Underwriter, being herein called the "Official Statement"), has been delivered to the Underwriter in connection with the Bonds.

The City also agrees to deliver to the Underwriter, at the City's sole cost and at such address as the Underwriter shall specify, as many copies of the Official Statement as the Underwriter shall reasonably request as necessary to comply with paragraph (b)(4) of Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule") and with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board. The City agrees to deliver such copies of the Official Statement within seven (7) business days after the date hereof. By acceptance of this Bond Purchase Contract, the City hereby authorizes the use of copies of the Preliminary Official Statement and the Official Statement in connection with the offering and sale of the Bonds.

The Underwriter agrees to promptly file a copy of the final Official Statement, including any supplements prepared by the City, with a nationally recognized municipal securities information repository, and to take any and all other actions necessary to comply with applicable Securities and Exchange Commission rules and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to the ultimate purchasers thereof.

In connection with the issuance of the Bonds, and in order to assist the Underwriter in complying with the Rule, the City, on behalf of itself and the District, will execute a Continuing Disclosure Certificate (the "City Continuing Disclosure Certificate") dated the date of issuance of the Bonds. In addition, and also to assist the Underwriter in complying with the Rule, the City shall cause one or more property owners in the District (collectively, the "Developers") to execute Continuing Disclosure Certificates (collectively, the "Developer Continuing Disclosure Certificates") dated the Closing Date (as defined below).

3. **Bona Fide Public Offering.** The Underwriter agrees to make a bona fide public offering of the Bonds at the initial offering prices or yields set forth in the Official Statement; however, the Underwriter reserves the right to make concessions to dealers and to change such initial offering prices or yields as the Underwriter shall deem necessary in connection with the marketing and sale of the Bonds.

4. **Closing.** At 10:00 A.M., California time, on September \_\_, 2007, or at such other time or on such earlier or later date upon which the City and the Underwriter mutually agree (the "Closing Date"), the Trustee will deliver or cause to be delivered the Bonds, duly executed, at the offices of The Depository Trust Company in New York, New York, or at such other place upon which the City and the Underwriter mutually agree, together with the other documents hereinafter mentioned. The Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 above by federal wire transfer (such delivery and payment being herein referred to as the "Closing") to the order of the Trustee on behalf of the City in an amount equal to the purchase price set forth in Section 1 above. CUSIP identification numbers shall be printed on the Bonds, but the failure to print such numbers on any of the Bonds or any error with respect thereto shall not constitute cause for a failure or refusal by the Underwriter to accept delivery of, or pay for, the Bonds in accordance with the terms of this Bond Purchase Contract.

5. **Representations, Warranties and Agreements of the City.** The City represents, warrants and covenants to the Underwriter that:

(a) The City is and will be on the date of Closing a municipal corporation and charter city duly organized and validly existing under and by virtue of the Constitution and laws of the State of California and has all necessary power and authority to form the District, levy the Special Taxes and enter into and perform its duties under the Indenture, the City Continuing Disclosure Certificate and this Bond Purchase Contract (collectively, the "City Documents") and, when executed and delivered by the respective parties thereto, the City Documents will constitute the legal, valid and binding obligations of the City enforceable against the City in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought.

(b) To the current actual knowledge of the City after reasonable investigation (which did not include the review or search of records in any court or agency, or the review or search of City records other than those directly and immediately connected with the financing contemplated by this Bond Purchase Contract), other than as disclosed in the Official Statement, the formation of the District, the levying of the Special Taxes, the execution and delivery of the City Documents and compliance with the provisions thereof, and the approval of the Official Statement, will not in any material respect conflict with, or constitute a breach of or default under, any law, administrative regulation, judgment, court decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject, nor will any such formation, levy, execution, delivery, compliance or approval 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 City 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 City Documents.

(c) Except as may be required under blue sky or other securities laws of any state, no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory authority is required in connection with the execution, delivery and sale of the Bonds or the consummation by the City of the other transactions on its part contemplated by the Official Statement and the City Documents.

(d) To the current actual knowledge of the City after reasonable investigation (which did not include a search of records in any court or agency), other than as disclosed in the Official Statement, the City has not been served with process in, or overtly threatened with, any action, suit, proceeding or investigation, at law or in equity, before or by any court or agency, that (i) would materially and adversely impact the City's ability to complete the transactions on its part described in or contemplated by the Official Statement; (ii) seeks to restrain or enjoin the delivery of the Bonds or the payment of the Special Taxes; (iii) contests or affects the validity or enforceability of the City Documents or the Bonds, the formation of the District, the levy of the Special Tax, the transactions on the part of the City relating to the plan of financing described in the Official Statement, or the completeness or accuracy of the Official Statement; or (iv) would materially and adversely affect the City or the validity or enforceability of the City Documents or the Bonds were an unfavorable decision, ruling or finding rendered.

(e) Both at the date hereof and at the date of Closing, the statements and information relating to the City and the District contained in the Official Statement are and will be true and correct in all material respects, and such information does not and will not contain any untrue statement of a material fact or omit to state any material fact with respect to the City 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 in any material respect.

(f) The City shall cooperate with the Underwriter in endeavoring to qualify the Bonds for offering and sale under the securities or blue sky laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the City shall not be required to execute a special or general consent to service of process in any jurisdiction in which it is not now so subject or to qualify to do business in any jurisdiction where it is not now so qualified.

(g) By official action of the City prior to or concurrently with the execution of this Bond Purchase Contract, the City has duly formed the District, approved the distribution of the Official Statement and authorized and approved the execution and delivery of and the performance by the City of the obligations on its part contained in the City Documents and the consummation by it of all other transactions with respect to the execution and delivery of the Bonds as contemplated by the Official Statement and this Bond Purchase Contract, and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded.

(h) To the current actual knowledge of the City after reasonable investigation (which did not include the review or search records in any court or agency, or the review or search of City records other than those directly and immediately connected with the financing contemplated by this Bond Purchase Contract), other than as disclosed in the Official Statement, the City is not in breach of or default under any applicable law or administrative regulation of the State of California 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 City is a party or to which it or any of its property is otherwise subject which breach or default would have a material and adverse impact on the City's ability to perform its obligations under the City Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, which would have a material and adverse impact on the City's ability to perform its obligations under the City Documents.

(i) The City covenants with the Underwriter that so long as the Underwriter is required under the Rule to send any potential customer, on request, a copy of the Official Statement (the "Delivery Period"), if an event occurs that would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to 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, the City shall notify the Underwriter of any such event of which it has knowledge, 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 City shall cooperate with the Underwriter in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Underwriter. All printing expenses thereby incurred during the 25 days after Closing shall be paid for by the City.

(j) If the information relating to the City, the District, the City Documents or the Bonds contained in the Official Statement is amended or supplemented pursuant to the immediately preceding subparagraph, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the end of the Delivery Period, the portions of the Official Statement so supplemented or amended will 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.

(k) The City shall not take or omit to take, as appropriate, any action that would cause the interest on the Bonds to be subject to California personal income taxation or affect the

exclusion of interest on the Bonds from gross income for federal income tax purposes.

6. **Closing Conditions.** The Underwriter has entered into this Bond Purchase Contract in reliance upon the representations and warranties of the City contained herein, the certificates of the City and the Trustee to be delivered pursuant hereto and the opinions of Bond Counsel, counsel to the Trustee and the City Attorney required hereby. The Underwriter's obligations under this Bond Purchase Contract are and shall be subject to the following further conditions:

(a) At the time of Closing, the City Documents shall be in full force and effect as valid and binding obligations between or among the various parties thereto and the City Documents and the Official Statement shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, and there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby.

(b) At or prior to the Closing, the Underwriter shall receive the following documents, in each case satisfactory in form and substance to the Underwriter:

(1) the unqualified approving opinion of Bond Counsel in substantially the form included as Appendix F to the Official Statement, dated the date of Closing, addressed to the City and a reliance letter to the Underwriter, which may be included in the opinion referred to in clause (2) below;

(2) a supplemental opinion of Bond Counsel, dated the date of Closing, addressed to the Underwriter, to the effect that:

(i) the information contained in the Official Statement, under the captions "INTRODUCTORY STATEMENT" (other than under the captions "Security for the Bonds – *Appraised Value of Property Within the District,*" "Risk Factors" and "Professionals Involved in the Offering"), "THE BONDS" (other than under the caption "Debt Service Schedule"), "SECURITY FOR THE BONDS" (other than under the captions "- The Special Tax," "- Overlapping Mello-Roos and Assessment Districts" and "-No Additional Indebtedness") and, "CONCLUDING INFORMATION – Tax Matters" and "- Legal Opinion," and in "APPENDIX C – SUMMARY OF THE INDENTURE," and in "APPENDIX F – PROPOSED FORM OF OPINION OF BOND COUNSEL," excluding any material that may be treated as included under such captions by cross-reference, insofar as such statements expressly summarize certain provisions of the Indenture and the form and content of Bond Counsel's opinion are accurate in all material respects; and

(ii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Indenture is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended;

(3) an opinion of the City Attorney, dated the date of Closing, addressed to the Underwriter, to the effect that:

(i) the City is a municipal corporation and charter city duly organized and validly existing under and by virtue of the Constitution and laws of the State of California;

(ii) the City has all necessary power and authority to enter into and perform its duties under the City Documents;

(iii) the resolutions of the City approving and authorizing the formation of the District, the levy of the Special Taxes, the authorization to issue Bonds, the execution and delivery of the City Documents and approving the Official Statement have been duly adopted at meetings of the City Council of the City that were called and held in accordance with law and with all public notice required by law and at which a quorum was present and acting throughout, and such resolutions are in full force and effect and have not been amended, modified or rescinded;

(iv) except as disclosed in the Official Statement or the legal opinion of Bond Counsel, to the City Attorney's current actual knowledge after reasonable investigation (which did not include a search of records in any court or agency), the City has not been served with process in, or overtly threatened with, any action, suit, proceeding or investigation at law or in equity before or by any court or agency:

- that seeks to restrain or enjoin the delivery of the Bonds,
- that in any way contests or affects the validity of the Bonds or the City Documents,
- that contests the powers of the City or its authority to enter into the Bonds or the City Documents,
- that materially and adversely impacts the City's ability to complete the transactions on its part described in the Official Statement, or
- that contests in any way the completeness or accuracy of the Official Statement or any amendment or supplement to the Official Statement.

(v) to the City Attorney's current actual knowledge, after reasonable investigation (which did not include a review or search of City records other than those directly and immediately connected with the financing contemplated by this Bond Purchase Contract), the execution and delivery of the City Documents and the Bond Purchase Contract and compliance with the provisions thereof, and the approval of the Official Statement, do not and will not in any material respect conflict with, or constitute a breach of or default under, any law, administrative regulation, judgment, court decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is subject or by which it or any of its property is bound; and

(vi) the City Documents have been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery thereof by the other parties thereto, the City Documents constitute legal, valid and binding obligations of the City enforceable in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought, and the limitations on legal remedies imposed on actions by or against public agencies in the State of California;

in each case subject to the exception and limitations described in the Legal Opinion Accord included in the Third-Party Legal Opinion Report of the ABA Section of Business Law (1991) and the “California Provisions” as defined in the Business Law Section of the State Bar of California Report on the Third-Party Legal Opinion Report of the ABA Section of Business Law (dated May 1992), and certain other standard exceptions and limitations specified in the opinions of the City Attorney;

(4) an opinion of counsel to the Trustee, dated the date of Closing, addressed to the Underwriter and the City to the effect that:

(i) the Trustee is a banking corporation duly organized and validly existing under the laws of the United States having full power and being qualified to enter, accept and administer the trusts created under the Indenture and to authenticate and deliver the Bonds;

(ii) the Bonds have been duly authenticated and delivered by the Trustee in accordance with the Indenture, and the Indenture has been duly authorized, executed and delivered by the Trustee and, assuming due authorization, execution and delivery thereof by the City, constitutes a legal, valid and binding obligation of the Trustee enforceable in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought; and

(iii) no authorization, approval, consent or order of any governmental agency or any other person is required for the valid authorization, execution and delivery of the Indenture by the Trustee or the authentication and delivery of the Bonds by the Trustee;

(5) a certificate, dated the date of Closing, signed by a duly authorized official of the City, in the form attached as Exhibit B hereto or such other form approved by the Underwriter.

(6) two executed and certified copies of each of the City Documents;

(7) two executed copies of the Official Statement;

(8) two certified copies of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the authentication and delivery of the Bonds and the execution and delivery of the Indenture;

(9) copies of the resolution or resolutions adopted by the City Council of the City and certified by the City Clerk authorizing the execution and delivery of the City Documents to which it is a party;

(10) copies of the resolution adopted by the City Council of the City and certified by the City Clerk of the City with respect to the establishment of the District, the levy of Special Taxes and the incurrence of bonded indebtedness;

(11) incumbency certificates with respect to the officers of the City and the Trustee;

(12) a certificate of the Trustee, dated the date of Closing, in the form attached as Exhibit C hereto or such other form approved by the Underwriter.

(13) A letter of Nossaman, Guthner, Knox & Elliott, LLP, as Underwriter's Counsel, addressed to the Underwriter, stating that, without passing upon or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement and making no representation that they have independently verified the accuracy, completeness or fairness of any such statements, based upon the information made available to them in the course of their participation in the preparation of the Official Statement, nothing has come to such counsel's attention which would lead them to believe that the Official Statement, including the cover page and all appendices thereto (but excluding therefrom financial statements and statistical data, and information regarding The Depository Trust Company, and its book entry system, as to which no opinion need be expressed) contains an untrue statement of a material fact or omits 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;

(14) A certificate of the Developer, dated the date of the Closing, in form attached as Exhibit D hereto, relating to statements contained in the Official Statement about the property owner and its affiliates, the property it owns in the District and its development plans on the property it owns in the District.

(15) A certificate of the Special Tax Consultant, dated the date of the Closing, in form attached as Exhibit E hereto or such other form approved by the Underwriter, relating to the Official Statement.

(16) A certificate of the Appraiser, dated the date of the Closing, in form attached as Exhibit F hereto or such other form approved by the Underwriter, relating to statements contained in the Official Statement about the Appraisal.

(17) Executed copies of the City Continuing Disclosure Certificate;

(18) Executed copies of the Developer's Continuing Disclosure Certificates;

(19) An arbitrage certificate of the City;

(20) A completed IRS Information Return, Form 8038G;

(21) Report of Proposed Debt Issuance and Report of Final Sale, filed with California Debt and Investment Advisory Commission;

(22) Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel may reasonably request to evidence compliance by the Trustee and the City with legal requirements, the truth and accuracy, as of the time of Closing, of the representations contained herein and of the information contained in the Official Statement, and the due performance or satisfaction by the Trustee, and the City, at or prior to such time, of all agreements then to be performed and all conditions then to be satisfied; and

(c) All matters relating to the City Documents, the Bonds and the sale thereof, and the consummation of the transactions contemplated by the City Documents shall have been approved by the Underwriter, such approval not to be unreasonably withheld.

If the conditions to the Underwriter's obligations contained in this Bond Purchase Contract are

not satisfied or if the Underwriter's obligations shall be terminated for any reason permitted by this Bond Purchase Contract, this Bond Purchase Contract shall terminate and the Underwriter and the City shall have no further obligations hereunder.

7. **Termination.** The Underwriter shall have the right to cancel its obligations to purchase the Bonds if, between the date hereof and the date of the Closing:

(a) legislation shall have been enacted (or resolution passed) by the United States or the State of California or shall have been reported out of committee or be pending in committee, or a decision shall have been rendered by a court of the United States or the Tax Court of the United States, or a ruling shall have been made or a regulation or a temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or State of California authority, with respect to federal or California taxation upon interest received on obligations of the general character of the Bonds, that, in the reasonable opinion of the Underwriter, materially adversely affects the market for the Bonds; or

(b) there shall exist any event that, in the reasonable opinion of the Underwriter, either (i) makes untrue or incorrect in any material respect any statement or information contained in the Official Statement or (ii) is not reflected in the Official Statement but should be reflected therein to make the statements and information contained therein not misleading; or

(c) there shall have occurred any new outbreak of hostilities or other local, national or international calamity or crisis, the effect of such outbreak, calamity or crisis on the financial markets of the United States being such as would make it impracticable, in the reasonable opinion of the Underwriter, for the Underwriter to sell the Bonds; or

(d) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange or any other national exchange, whether by virtue of a determination by the New York Stock Exchange or such other national exchange or by order of the Securities and Exchange Commission or any other governmental authority; or

(e) a general banking moratorium shall have been declared by either federal, California or New York authorities having jurisdiction and be in force; or

(f) there shall be established any new restrictions in securities materially affecting the free market for securities (including the imposition of any limitations on interest rates) or the extension of credit by, or the charge to the net capital requirements of, the Underwriter, established by the New York Stock Exchange, the Securities and Exchange Commission, any other federal or state agency or the Congress of the United States, or by Executive Order of the President of the United States; or

(g) legislation shall be enacted or be proposed or actively considered for enactment, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission of the United States or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that the Bonds or any obligations of the general character of the Bonds are not exempt from registration, qualification or other requirements of the Securities Act of 1933, as amended, or otherwise are or would be in violation of any provision of any federal securities laws; or

(h) there shall have been any materially adverse change in the affairs of the District or the City, including, without limitation, any material difference, prior to the Closing, in pending

lawsuits described in the Preliminary Official Statement (if any), subsequent to the date of the Preliminary Official Statement, that, in the Underwriter's reasonable judgment, materially adversely affects the sale of or market for the Bonds.

8. **Expenses.** The City shall pay or cause to be paid the expenses incident to the performance of its obligations hereunder from the proceeds of the Bonds which include and are limited to (i) the fees and disbursements of Bond Counsel; (ii) the fees and disbursements of the Trustee, including the fees and disbursements of their counsel; (iii) the costs of the preparation, printing and delivery of the Bonds; (iv) the costs of the preparation printing and delivery of the Preliminary Official Statement and Official Statement in the quantity requested by the Underwriter; and (v) any other out-of-pocket disbursements of the City incident to the preparation of the Bonds for sale and delivery to the Underwriter as are ordinarily and customarily paid by the issuer.

The costs, expenses, fees and or disbursements incurred by the Underwriter as a result of or in connection with the purchase of the Bonds shall be borne by the Underwriter, including, but not limited to (i) The Depository Trust Company fees regarding underwriting eligibility for and utilization of the DTC book-entry-only system; (ii) CUSIP Service Bureau charges for the assignment of CUSIP numbers for the Bonds; (iii) California Debt and Investment Advisory Commission fees; (iv) fees of the Bond Market Association; (v) Municipal Securities Rulemaking Board fees and (vi) costs or fees of qualifying the Bonds for offer and sale in various states chosen by the Underwriter and the costs or fees of preparing Blue Sky or legal investment memoranda to be used in connection therewith.

9. **Notice.** Any notice or other communication to be given to the City under this Bond Purchase Contract may be given by delivering the same in writing to the Treasurer of the City at 915 I Street, Historic City Hall, Third Floor, #0900, Sacramento, California 95814-2704.

Any notice or other communication to be given to the Underwriter under this Bond Purchase Contract may be given by delivering the same in writing to Stone & Youngberg LLC, One Ferry Building, San Francisco, California 94111, Attention: Jim Cervantes.

10. **Duration.** This Bond Purchase Contract is made solely for the benefit of the City and the Underwriter (including the successors or assigns thereof) and no other person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties and agreements in this Bond Purchase Contract shall remain operative and in full force and effect, regardless of (a) delivery of and payment for any of the Bonds and (b) any termination of this Bond Purchase Contract.

11. **Severability.** If any provision of this Bond Purchase Contract is held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

12. **Counterparts.** This Bond Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be all original, but all such counterparts shall together constitute but one and the same instrument.

13. **Parties in Interest.** This Bond Purchase Contract is made solely for the benefit of the City and Underwriter (including the successors or assigns of the Underwriter) and no other person, including any purchaser of the Bonds, shall acquire or have any right hereunder or by virtue hereof.

14. **Governing Law.** This Bond Purchase Contract shall be governed by and construed in accordance with the laws of the State of California.

15. **Headings.** The headings of the paragraphs of this Bond Purchase Contract are inserted for convenience of reference only and shall not be deemed to be a part hereof.

16. **Effectiveness.** This Bond Purchase Contract shall become effective upon your acceptance hereof.

Very truly yours,

STONE & YOUNGBERG LLC

By: \_\_\_\_\_

Accepted:

CITY OF SACRAMENTO

By \_\_\_\_\_  
City Treasurer

**EXHIBIT A**

Serial Bonds

<u>Maturity</u> <u>(Sept. 1)</u>	<u>Principal</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>
2008				
2009				
2010				
2011				
2012				
2013				
2014				
2015				
2016				
2017				
2018				
2019				
2020				
2021				

Term Bond due in 20\_\_

<u>Maturity</u> <u>(Sept. 1)</u>	<u>Principal</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>
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Term Bond due in 20\_\_

<u>Maturity</u> <u>(Sept. 1)</u>	<u>Principal</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>
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**EXHIBIT B**

**CITY OF SACRAMENTO  
COLLEGE SQUARE  
COMMUNITY FACILITIES DISTRICT NO. 2005-01,  
2007 SPECIAL TAX BONDS**

**CLOSING CERTIFICATE OF THE CITY**

The undersigned hereby certifies and represents that he is the duly appointed and acting Treasurer of the City of Sacramento (the "City"), and as such is duly authorized to execute and deliver this Certificate, and further hereby certifies and reconfirms on behalf of the City as follows:

(1) the representations and warranties of the City contained in that certain Bond Purchase Contract by and between the City and Stone & Youngberg LLC, dated September \_\_, 2007 (the "Purchase Contract") and the Indenture (as defined in the Purchase Contract) are true and correct in all material respects as of the date hereof as if made on the date hereof;

(2) the City has complied with all agreements, covenants and conditions to be complied with by the City under the Purchase Contract and the Indenture as of the date hereof;

(3) except as described in the Official Statement, to the current actual knowledge of the City, the City has not been served with process in, or overtly threatened with, any litigation (a) to restrain or enjoin the execution, sale or delivery of any of the Bonds, or (b) in any way contesting or affecting the validity of the Bonds or the City Documents, or (c) in any way contesting the formation, existence or powers of the District or the levy of the Special Tax; and

(4) to the best actual knowledge of the City, no event affecting the City or the District has occurred since the date of the Final Official Statement which either makes untrue or incorrect in any material respect as of the date hereof the statements or information relating to the City or the District contained in the Final Official Statement or is not reflected in the Final Official Statement but should be reflected therein in order to make such statements and information therein not misleading in any material respect.

Capitalized terms not defined herein shall have the same meaning as is set forth in the Purchase Contract.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of September \_\_, 2007.

CITY OF SACRAMENTO

By: \_\_\_\_\_  
City Treasurer

**EXHIBIT C**

**CITY OF SACRAMENTO  
COLLEGE SQUARE  
COMMUNITY FACILITIES DISTRICT NO. 2005-01,  
2007 SPECIAL TAX BONDS**

**CLOSING CERTIFICATE OF THE TRUSTEE**

The undersigned hereby states and certifies that the undersigned is a duly appointed and acting representative of The Bank of New York Trust Company, N.A. (the "Trustee"), and as such is duly authorized to execute and deliver this Certificate, and further hereby certifies and reconfirms on behalf of the Trustee as follows:

(i) the Trustee is duly organized and existing as a banking corporation under the laws of the United States having the full power and authority to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds;

(ii) the Trustee is duly authorized to enter into and deliver the Indenture and, when the Indenture have been duly authorized, executed and delivered by the City, to authenticate and deliver the Bonds;

(iii) the authentication and delivery by the Trustee of the Bonds and the execution and delivery by the Trustee of the Indenture, and compliance with the respective terms thereof, will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or, to the best knowledge of the Trustee, any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties (except that no representation, warranty or agreement is made by the Trustee with respect to any federal or state securities or blue sky laws or regulations) wherein such conflict, violation, breach or default would adversely affect the ability of the Trustee to perform its obligations under the Indenture or the Bonds;

(iv) to the best knowledge of the Trustee, after due inquiry, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, that has been served on the Trustee or, to the best of the knowledge of the Trustee, threatened against or affecting the existence of the Trustee or in any way contesting or affecting the validity or enforceability of the Bonds, or the Indenture or contesting the powers of the Trustee or its authority to enter into and perform its obligations under any of the foregoing, or wherein an unfavorable decision, ruling or finding would adversely affect the Trustee or the transactions contemplated in connection with the authentication and delivery of the Bonds, or which, in any way, would adversely affect the validity of the Bonds or the Indenture, or any agreement or instrument to which the Trustee is a party and which is used or contemplated for use in the Indenture or the consummation of the transactions contemplated in connection with the authentication and delivery of the Bonds; and

(v) subject to the respective provisions of the Indenture, the Trustee will apply the proceeds of the Bonds to the purposes specified in the Indenture.

Capitalized terms not defined herein shall have the same meaning as is set forth in the Bond Purchase Contract by and between the City and Stone & Youngberg LLC, dated September \_\_, 2007.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of September \_\_,  
2007.

THE BANK OF NEW YORK TRUST COMPANY,  
N.A., as Trustee

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT D**

**CITY OF SACRAMENTO  
COLLEGE SQUARE  
COMMUNITY FACILITIES DISTRICT NO. 2005-01,  
2007 SPECIAL TAX BONDS**

**CLOSING CERTIFICATE OF THE DEVELOPER**

The undersigned hereby states and certifies that:

(i) the undersigned is a duly appointed and acting representative of \_\_\_\_\_ LLC, a \_\_\_\_\_ limited liability company (the "Property Owner"), which owns property within City of Sacramento College Square Community Facilities District No. 2005-01 (the "District"), and as such, is familiar with the facts herein certified and authorized and qualified to certify the same; and

(ii) the statements under the caption entitled "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN THE DISTRICT" in the Preliminary Official Statement dated August \_\_, 2007, which statements are included in the Official Statement dated September \_\_, 2007 with respect to the above-captioned bonds (the "Official Statement") relating to the Property Owner and its affiliates, the property it owns in the District and its development plans on the property it owns in the District, are accurate in all material respects, and

(iii) nothing has come to the attention of the undersigned between the date of the Official Statement and the date hereof that would materially alter any of the statements relating to the Property Owner and its affiliates, the property it owns in the District and its development plans on the property it owns in the District under the above referenced captions included in the Official Statement.

(iv) no proceedings are pending or threatened in which the Property Owner may be adjudicated as bankrupt, or discharged from any or all of its debts or obligations, or granted an extension of time to pay its debt or obligations, or be allowed to reorganize or readjust its debts or obligations. There are no claims, disputes, suits, actions or contingent liabilities amongst or by and between the Property Owner (or any related party) which may materially affect the Property Owner's property within the District or the development of the land within the District as described in the Official Statement.

(v) no action, suit, proceedings, inquiry or investigation at law or in equity, before or by any court, regulatory agency, public board or body, is pending or, to the Property Owner's knowledge, threatened in any way seeking to restrain or to enjoin the commencement, continuation and/or completion of development of the Property Owner's property within the District except as disclosed in the Official Statement.

(vi) none of the parcels of land within the District owned by the Property Owner is delinquent in the payment of any taxes or assessments.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of September \_\_, 2007.

\_\_\_\_\_ LLC  
a \_\_\_\_\_ limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT E**

**CITY OF SACRAMENTO  
COLLEGE SQUARE  
COMMUNITY FACILITIES DISTRICT NO. 2005-01,  
2007 SPECIAL TAX BONDS**

**CLOSING CERTIFICATE OF THE SPECIAL TAX CONSULTANT**

Harris & Associates, Irvine, California ("Special Tax Consultant") was retained as Special Tax Consultant and has reviewed the Rate and Method of Apportionment of Special Tax (the "Rate and Method") set forth in Appendix B to the Official Statement (the "Official Statement") relating to the City of Sacramento College Square Community Facilities District No. 2005-01, 2007 Special Tax Bonds (the "Bonds"), dated September \_\_, 2007. Based upon such review, the Special Tax Consultant hereby certifies that the Special Tax, if levied in the maximum amounts permitted pursuant to the Special Tax formula set forth in the Rate and Method on the date hereof, would be levied in an amount estimated to be 115% of the gross annual debt service on the Bonds, provided that the annual debt service figures on the attached debt service schedule, which were relied upon by Special Tax Consultant, are substantially true and correct.

Although the Special Tax, if levied in the maximum amounts pursuant to the Special Tax formula set forth in the Rate and Method, would be levied in an amount estimated to be 115% of the gross annual debt service payable with respect to the Bonds each year, no representation is made herein as to actual amounts that will be collected in future years.

All information with respect to the Rate and Method in the Official Statement is true and correct as of the date of the Official Statement and as of the date hereof.

Dated: September \_\_, 2007

HARRIS & ASSOCIATES

By: \_\_\_\_\_

**EXHIBIT E-1**

**CITY OF SACRAMENTO**  
**COLLEGE SQUARE**  
**COMMUNITY FACILITIES DISTRICT NO. 2005-01,**  
**2007 SPECIAL TAX BONDS**

**Debt Service Schedule**

<u>Period Ending (September 1)</u>	<u>Annual Principal Maturing</u>	<u>Annual Interest Payments</u> <sup>[1]</sup>	<u>Annual Debt Service</u>
2008			
2009			
2010			
2011			
2012			
2013			
2014			
2015			
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
TOTAL			

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[1] Represents total annual interest payments. Interest is payable on March 1 and September 1 of each year.

**EXHIBIT F**

**CITY OF SACRAMENTO  
COLLEGE SQUARE  
COMMUNITY FACILITIES DISTRICT NO. 2005-01.  
2007 SPECIAL TAX BONDS**

**CLOSING CERTIFICATE OF THE APPRAISER**

Morgan, Beebe & Leck, Inc., Sacramento, California (the "Appraiser") prepared an appraisal of the properties within the City of Sacramento College Square Community Facilities District No. 2005-01 (the "District") transmitted to the City May 11, 2007 with an effective date of July 1, 2007 (the "Appraisal"). The Appraisal is described and summarized in the Preliminary Official Statement dated August \_\_, 2007 (the "Preliminary Official Statement") and the Official Statement dated September \_\_, 2007 (the "Official Statement"), including Appendix A thereto, relating to the City of Sacramento College Square Community Facilities District No. 2005-01, 2007 Special Tax Bonds.

The Appraiser hereby certifies that all information with respect to the Appraisal in the Official Statement is true and correct as of the date of the Official Statement and as of the date hereof.

The Appraiser hereby consents to the use of the Appraisal in connection with the distribution and use of the Preliminary Official Statement and Official Statement.

Dated: September \_\_, 2007

MORGAN, BEEBE & LECK, INC.

By: \_\_\_\_\_