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July 16, 2010

Mr. Kirk Bone
Parker Development Company
4525 Serrano Parkway
El Dorado Hills, California 95762

Re: Community Facilities District No. 1992-1 (El Dorado Hills Development)

Dear Kirk:

Recognizing that neither Stradling Yocca Carlson & Rauth nor John Murphy are likely to be household names in El Dorado County, I thought that it might be helpful to offer a little background information about the firm and me.

Stradling Yocca Carlson & Rauth. Stradling Yocca Carlson & Rauth (the "Firm") was formed 1975 and began its public finance practice in 1978. Today, it includes approximately 100 attorneys in six offices in California: Newport Beach, Santa Barbara, San Francisco, Sacramento, San Diego and Los Angeles. The Firm's primary areas of specialization are public finance, public law, tax, general corporate law, corporate securities, real estate, employment law and litigation.

Twenty-three members of the Firm practice in the areas of public finance and general public law. They devote their time primarily to the representation of the interests of public agencies, including the State of California and cities, counties, redevelopment agencies, school districts, special districts and joint powers authorities of various kinds, and to the supplying of legal services to the parties involved in bond issuances undertaken by such agencies.

The firm is a perennial leader in public finance transactions in California and, in recent years, in the entire country. According to Thompson Financial, in calendar year 2008 the Firm served as bond counsel, counsel to the underwriter or disclosure counsel in municipal bond transactions with an aggregate principal amount of \$17.878 billion. In that year, our California bond counsel work totaled \$4.730 billion, which was the second largest in the state; our California underwriter's counsel work totaled \$3.199 billion, which was the fifth largest in the state; and our disclosure counsel work totaled \$10.949 billion, which was the largest in the state and the second largest in the entire country. For calendar year 2009 Thompson Financial reported that the total amount of the municipal bond transactions for which we served as bond counsel, counsel to the underwriter or disclosure counsel increased to \$27.412 billion; and our bond counsel total again ranked second in California (15th in the country); our underwriter's counsel total ranked sixth in California and tenth in the country; and our disclosure counsel total was second in California and second in the country.

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While we are proud of our experience in providing bond counsel services across the entire spectrum of public finance, we are particularly proud of our accomplishments in the land-secured area in general and with community facilities districts in particular.

Even before the enactment of the Mello-Roos Act, the Firm was active in the area of land-secured financings and were generally recognized as a leader in the field of assessment district bonds. The Firm's experience with community facilities district financings began in 1983, shortly after the Mello-Roos Act became law, when we served as bond counsel for the Mountain View School District in one of the first Mello-Roos financings in the State. Since that time, we have provided legal services in connection with many types of community facilities districts, including large, master-planned communities with mixed residential and commercial uses, residential subdivisions and large and small commercial and industrial projects.

We have long been at the forefront of innovative structures in the Mello-Roos area. For example, we pioneered Mello-Roos financing structures utilizing senior and subordinate debt, various forms of credit enhancement, as well as pooled financings taking advantage of the Marks-Roos Local Bond Pooling Act to produce greater savings for taxpayers. We also acted as underwriter's counsel on the first long-term variable rate Mello-Roos financing.

In short, we believe that the Firm is very well suited to provide advice and counsel in connection with matters relating to the administration of El Dorado County's Community Facilities District No. 1992-1 (El Dorado Hills Development).

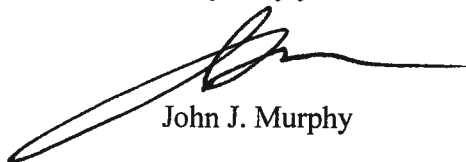
John Murphy. I am a founding member of the Firm and have been a municipal bond lawyer with it since January 1, 1978. Prior to becoming a member of Stradling Yocca Carlson & Rauth, I was a partner at Rutan & Tucker, where I practiced general public law and public finance for over seven years. As a bond lawyer at the Firm, I specialize in the representation of public agencies, underwriters, property owners and other parties interested in the issuance of tax-exempt debt, with a particular emphasis on financings for (i) backbone public infrastructure for new development (including such infrastructure for virtually every new project on the Irvine Ranch over the last 20 years, for most of such infrastructure for new development in southern Nevada since 1988 and for new development in cities and counties throughout the California and Nevada); (ii) utility based revenue systems (such as the Californian Independent System Operator (the operator of the State's electrical transmission grid), the Central Coast Water Authority (the agency that brings State water to Santa Barbara and San Luis Obispo Counties) and water and wastewater agencies throughout the State); and (iii) large scale transportation projects (such as the seismic retrofitting/replacement of the San Francisco-Oakland Bay Bridge and the other State-owned toll bridges in the Bay Area, the construction of the San Joaquin Hills and Foothill/Eastern Transportation Corridor Systems in Orange County and the construction of the Las Vegas Monorail).

While most of my work in connection with community facilities districts has been in Southern California (and has included transactions for the cities of Los Angeles and San Diego as well as for numerous smaller cities and counties and special districts), I have also served as bond counsel and/or disclosure counsel for community facilities districts formed by agencies located much

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closer to El Dorado County including the County of Sacramento, the cities of Stockton and Modesto,
the Truckee Donner Public Utilities District and the Northstar Community Services District.

Very truly yours,

A handwritten signature in black ink, appearing to read 'John J. Murphy', with a long horizontal flourish extending to the right.

John J. Murphy

cc: Michael J. Cook