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July 13, 2026

Board of Trustees
Community Infrastructure Financing District
c/o M. Thomas Jolley
York Howell LLC
10610 South Jordan Gateway, Suite 200
South Jordan, Utah 84095

RE: G-17 Disclosure from D.A. Davidson & Co. to Community Infrastructure Financing District in Regard to its Issuance of Special Assessment Bonds, Series 2026 (Community Assessment Area)

Dear Board of Trustees:

This document describes our investment banking services and provides certain disclosures as required by the Municipal Securities Rulemaking Board ("**MSRB**") Rule G-17 as set forth in Notice 2019-20 (Nov. 8, 2019)[1]. Under federal regulations, all underwriters and placement agents are required to send the following disclosures to municipal bond issuers in order to clarify the role of an underwriter and a placement agent and other matters relating to the underwriting and private placement of bonds, loans, and other obligations. We are writing to you as the Board of Trustees of the Community Infrastructure Financing District (the "**Issuer**"), with certain disclosures relating to the Issuer's proposed Special Assessment Bonds, Series 2026 (Community Assessment Area) (the "**Bonds**").

The Issuer has engaged D.A. Davidson & Co. (the "**Underwriter**") to serve as underwriter in connection with the issuance of the Bonds, and not as a financial advisor or municipal advisor. As part of our services as underwriter, we may provide advice concerning the structure, timing, terms and other similar matters concerning the issuance of the Bonds. If the Issuer would like a municipal advisor in this transaction that has a fiduciary duty to the Issuer, then the Issuer is free to engage a municipal advisor to serve in that capacity.

As the issuer of the Bonds, you will be a party to certain legal documents to be entered into in connection with the issuance of the Bonds and will bear any material financial risks described in this letter.

<u>Disclosures Concerning Our Role as Underwriter</u>:

In serving as underwriter for the Bonds, these are some important disclosures that clarify our role and responsibilities:

[1] Revised Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities (effective Mar. 31, 2021).

1. MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors;

2. The Underwriter's primary role is to purchase the Bonds with a view to distribution in an arm's length commercial transaction with the Issuer. The Underwriter has financial and other interests that differ from those of the Issuer;

3. Unlike a municipal advisor, the Underwriter does not have a fiduciary duty to the Issuer under the federal securities laws, and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests;

4. The Issuer may choose to engage the services of a municipal advisor with a fiduciary obligation to represent the Issuer's interest in this transaction;

5. The Underwriter has a duty to purchase the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with its duty to sell the Bonds to investors at prices that are fair and reasonable; and

6. The Underwriter will review the official statement for the Bonds in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.[2]

<u>Disclosure Regarding Our Compensation</u>:

The Underwriter will be compensated by a fee or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, the rules of the MSRB require the Underwriter to inform the Issuer that compensation that is contingent on the closing of a transaction or size of a transaction presents a conflict of interest since the Underwriter may have an incentive to recommend to the

[2] Under federal securities law, an issuer of securities has the primary responsibility for disclosure to investors. The review of the official statement by the Underwriter is solely for purposes of satisfying the Underwriter's obligations under the federal securities laws and such review should not be construed by the Issuer as a guarantee of the accuracy or completeness of the information in the official statement.

Issuer a transaction that is unnecessary or to recommend that the size of the transaction is larger than is necessary.

<u>Additional Conflicts Disclosures</u>:

Sam Elder, Senior Vice President of the Underwriter, is related by marriage to M. Thomas Jolley, who is acting as general counsel to the Issuer. We have not identified any other additional potential[3] or actual material conflicts that require disclosure.

<u>Risk Disclosures</u>:

MSRB Rule G-17 requires us to disclose additional information if we recommend a "complex municipal securities financing" to the Issuer. Rule G-17 does not define what constitutes a complex financing. In our view, the terms of the Bonds contain some features that are typical to municipal debt transactions and are not "complex," e.g., the fact that ad valorem property taxes imposed by the Issuer comprise the primary source of revenue pledged to the payment of the LT Bonds, the fact that the SA Bonds are secured by special assessments and the fact that both series of the Bonds will bear interest at a fixed rate. Other terms of the Bonds, however, contain some features that are complex, e.g., that the financing plan for the LT Bonds assumes a certain rate of growth in the assessed valuation of the Issuer and that the sources of revenue for payment of the SA Bonds are limited. Accordingly, attached to this letter as Appendix A is a description of the material aspects of typical fixed rate municipal bonds, as modified to reflect some of the unique characteristics of the Bonds. Attached as Appendix B is a description of the material aspects of the Bonds that are unique and that are complex. This letter may be later supplemented if the material terms of the Bonds change from what is described here.

If you or any other Issuer officials have any questions or concerns about these disclosures, please make those questions or concerns known immediately to me at the contact information above. In addition, you should consult with the Issuer's own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

Please note that nothing in this letter should be viewed as a commitment by the Underwriter to purchase or sell all of the Bonds and any such commitment will only exist upon the execution of any bond purchase agreement or similar agreement and then only in accordance with the terms and conditions thereof.

It is our understanding that the authorized signatory of the Issuer who signs the acknowledgement below has the authority to bind the Issuer by contract with us, and that you are not a party to any conflict of interest relating to the subject transaction. If our understanding is incorrect, please notify the undersigned immediately.

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[3] When we refer to potential material conflicts throughout this letter, we refer to ones that are reasonably likely to mature into actual material conflicts during the course of the transaction, which is the standard required by MSRB Rule G-17.

Under MSRB Rules, we are required to seek your acknowledgement that you have received this letter. Accordingly, please send me an email to that effect, or sign and return the enclosed copy of this letter to me at the address above. Otherwise, an email read receipt from you or automatic response confirming that our email was opened by you will serve as an acknowledgment that you received these disclosures.

Depending on the structure of the transaction that the Issuer decides to pursue, or if additional potential or actual material conflicts are identified, we may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction and/or describing those conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures.

We look forward to working with the Issuer in connection with the issuance of the Bonds.

Respectfully submitted,

D.A. DAVIDSON & CO.

Samuel Elder
Managing Director, Development Finance Group

ACCEPTED this ____ day of July, 2026.

COMMUNITY INFRASTRUCTURE
FINANCING DISTRICT

Authorized Signatory

Appendix A—Fixed Rate Bonds

The following is a general description of the financial characteristics and security structures of fixed rate municipal bonds ("**Fixed Rate Bonds**"), as well as a general description of certain financial risks that are known to us and reasonably foreseeable at this time and that you should consider before deciding whether to issue Fixed Rate Bonds. The Bonds will constitute Fixed Rate Bonds. However, see also Appendix B hereto. ***The descriptions below are only a brief summary of certain possible risks in connection with Fixed Rate Bonds and are not intended as legal advice. Certain features of Fixed Rate Bonds may not apply to the Bonds or may be modified, or have more complex consequences, as described in Appendix B hereto. If you have any questions or concerns about these disclosures, please make those questions or concerns known immediately to us. In addition, you should consult your financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.***

Financial Characteristics

Fixed Rate Bonds are interest-bearing debt securities issued by state and local governments, political subdivisions, agencies, and authorities, whether for their benefit or as a conduit issuer for a nongovernmental entity.

Maturity. Fixed Rate Bonds typically have a single final maturity which is fixed at the time of issuance. Maturity dates for Fixed Rate Bonds are fixed at the time of issuance and may include serial maturities (specified principal amounts that are payable on the same date in each year until final maturity) or one or more term maturities (specified principal amounts that are payable on each term maturity date) or a combination of serial and term maturities. The final maturity date typically will range between 10 and 30 years from the date of issuance. In the case of the Issuer's Bonds, we anticipate that the maturity date will occur in approximately 30 years.

Interest. Interest on the Fixed Rate Bonds may be paid on any agreed upon dates. The rate of interest may be fixed at the time of issuance of the Fixed Rate Bonds to maturity or may be fixed from time to time pursuant to a formula determined at the time of issuance and set forth in the governing instruments. Interest on Fixed Rate Bonds typically is paid semiannually or annually in arrears at a stated fixed rate or rates for each maturity of the Fixed Rate Bonds. Interest on the Issuer's Bonds is expected to be fixed at a specified rate from the date of issuance through maturity and payable semiannually.

Redemption. Fixed Rate Bonds may be subject to optional redemption, which allows the Issuer, at its option, to redeem some or all of its Fixed Rate Bonds on a date prior to scheduled maturity, such as in connection with the issuance of refunding bonds to take advantage of lower interest rates.

Fixed Rate Bonds will be subject to optional redemption only after the passage of a specified period of time, often approximately 10 years from the date of issuance, and upon payment of the redemption price set forth in the Fixed Rate Bonds, which may include a redemption premium. The Issuer will be required to notify the trustee to send out a notice of optional redemption to the holders of the Fixed Rate Bonds, usually not less than 30 days prior to the redemption date. The Issuer's Bonds are anticipated to be subject to optional redemption approximately five years from the date of issuance, at a price equal to the principal amount redeemed, plus accrued interest to the redemption date, and redemption premium, starting at 3% in the first year optional redemption is permitted, and declining thereafter 1% per year over three years. A redemption premium may impair the Issuer's ability to save costs by refinancing at a lower interest rate.

Fixed Rate Bonds with term maturity dates also may be subject to mandatory sinking fund redemption, which requires the redemption of specified principal amounts of the bonds annually in advance of the term maturity date. The mandatory sinking fund redemption price is typically 100% of the principal amount of the bonds to be redeemed. In the case of the Issuer's Bonds, a specified principal amount thereof is presently anticipated to be paid on mandatory sinking fund redemption dates commencing December 1, 2031.

Limits on Additional Indebtedness. In connection with the issuance of Fixed Rate Bonds, the issuer may covenant to not incur additional indebtedness, or to incur indebtedness only under certain circumstances or upon the satisfaction of certain tests. In the case of the Issuer's Bonds, it is expected that the Issuer will be limited with respect to the issuance of additional indebtedness secured by the special assessments that secure the Issuer's Bonds. Such limitations may impact the Issuer's ability to finance operations or other activities which involve a borrowing.

Security

Payment of principal of and interest on a municipal security, including Fixed Rate Bonds, may be backed by various types of pledges and forms of security. In the case of the Issuer's Bonds, the security for the Bonds is expected to be similar to revenue bonds (described below) in that revenues from a limited revenue source (i.e. special assessments) are expected to constitute the security for the Bonds.

Revenue Bonds. "Revenue bonds" are debt securities that are payable only from a specific source or sources of revenues. Revenue bonds are not a pledge of the issuer's full faith and credit, and the issuer is obligated to pay principal and interest on revenue bonds only from the revenue source(s) specifically pledged to the revenue bonds. Revenue bonds do not permit the bondholders to compel the issuer to impose a tax levy for payment of debt service. Pledged revenues may be derived from operation of the financed project or system, grants or excise or other specified taxes. Generally, subject to state law or local charter requirements, the issuer is not required to obtain voter approval prior to issuance of revenue bonds. If the specified sources of revenue become inadequate, a default in payment of principal or interest may occur. Various types of pledges of revenue may be used to secure interest and principal payments on revenue bonds. The nature of these pledges may differ widely based on state law, the type of issuer, the type of revenue stream and other factors.

In the case of the Issuer's Bonds, the pledged revenues will be derived from the imposition of special assessments and moneys collected by the Issuer from the foreclosure of assessed properties. Bondholders will be permitted to compel the Issuer to impose special assessments in the amounts provided in the governing instruments. The remaining source of pledged revenue is anticipated to come from sources other than special assessments (e.g. foreclosure proceeds), and the Issuer will be responsible for enforcing its right to receive that revenue but the Issuer does not pledge that such revenue will be sufficient to repay the Bonds.

If the revenue sources are insufficient to pay debt service on the revenue bonds (such as the Bonds), a draw on reserves, if any, could occur, as well as the accrual of additional compounding interest or potential enforcement actions initiated by bondholders. In this case, the amount of the special assessments is sufficient only to pay the Bonds when due and, with the exception of amounts realized from a successful foreclosure, there is no revenue which would be available to replenish draws on the reserve fund. Accordingly, it is possible that a draw on the reserve fund would permanently reduce the reserve fund securing the Bonds.

Parity Lien. Fixed Rate Bonds may be secured by the above-described limited revenue source(s) on parity with other Fixed Rate Bonds. In the case of the Issuer's Bonds, no bonds secured by the special assessments on a parity with the Bonds are presently outstanding. However, bonds on a parity with the Bonds are permitted to be issued in the future as provided in the indenture of trust securing the Bonds (the "**Indenture**").

The description above regarding "Security" is only a summary of certain possible security provisions for the Bonds and is not intended as legal advice. You should consult with your bond counsel for further information regarding the security for the Bonds.

Financial Risk Considerations

Certain risks may arise in connection with the issuance of Fixed Rate Bonds, including some or all of the following. In addition, see "Complex Risks" described in Appendix B.

Issuer Default Risk.

Payment Default. You may be in default if the funds pledged to secure your bonds are not enough to pay debt service on the bonds when due. The instruments governing an issue of Fixed Rate Bonds may differ, but in some cases where bonds or other obligations are payable from a limited tax rate or other limited revenue stream, a failure to pay such bonds when due does not, of itself, cause an event of default, so long as the issuer is levying at the required tax rate cap or required revenue fee or charge amount, as applicable, and remitting the revenue derived therefrom as required under the pertinent documents. However, such a failure to pay when due may increase the rate of interest borne by the obligations if so provided in the governing documents, or may result in the compounding of unpaid interest which could ultimately increase the total repayment costs of the Fixed Rate Bonds. In the case of the Issuer's Bonds, a failure to pay when due does constitute an event of default.

Other Defaults. The governing instruments may provide for various defaults if the issuer is unable to comply with covenants or other provisions agreed to in connection with the issuance of the Fixed Rate Bonds or defaults relating to financial matters of the issuer, such as the issuance of a qualified audit report or the insolvency of the issuer. The consequences of a default may be serious for the issuer and, depending on applicable state law and the terms of the authorizing documents, the holders of the Fixed Rate Bonds and the trustee, if any, may be able to exercise a range of available remedies against the issuer. For example, if the Issuer fails to impose the special assessments required by the Indenture, it may be ordered by a court to do so. A default may negatively impact the issuer's credit ratings (if any) and/or may effectively limit the issuer's ability to publicly offer bonds or other securities at market interest rate levels. Further, if the issuer is unable to provide sufficient funds to remedy the default, subject to applicable state law and the terms of the governing instruments, the issuer may find it necessary to consider available alternatives under state law, including (for some issuers) state-mandated receivership or bankruptcy.

The risk of non-payment of the Bonds is higher than it is with many other municipal bonds, because of the early-stage development within the Issuer. **There is no guarantee that special assessments (and other sources of pledged revenue) will be collected in an amount sufficient to pay debt service on the Bonds.**

This description is only a summary of issues relating to defaults and is not intended as legal advice. You should consult with your bond counsel for further information regarding defaults and remedies.

Redemption Risk. Your ability to redeem Fixed Rate Bonds prior to maturity may be limited, depending on the terms of any optional redemption provisions. If interest rates decline, you may be unable to take advantage of the lower interest rates to reduce debt service. For a more in-depth discussion of redemption, see information above under the caption "—Financial Characteristics—*Redemption*."

Refinancing Risk. If your financing plan contemplates refinancing some or all of the Fixed Rate Bonds at maturity (for example, if you have term maturities or if you choose a shorter final maturity than might otherwise be permitted under the applicable federal tax rules), market conditions or changes in law may limit or prevent you from refinancing those Fixed Rate Bonds when required. The Issuer's Bonds are structured to fully amortize within their term, and a refinancing thereof is not anticipated to be required to provide for the payment thereof.

Limits on Additional Debt Risk. Limitations placed on the incurrence of additional indebtedness may impact your future ability to fund operations or other costs that may require a borrowing.

Reinvestment Risk. You may have proceeds from the issuance of the Fixed Rate Bonds available to invest prior to the time that you are able to spend those proceeds for the authorized purpose. Depending on market conditions, you may not be able to invest those proceeds at or near the rate of interest that you are paying on the Fixed Rate Bonds, which is referred to as "negative arbitrage."

Tax Compliance Risk. The issuance of tax-exempt bonds is subject to several requirements under the United States Internal Revenue Code, as enforced by the Internal Revenue Service (the "**IRS**"). You must take certain steps and make certain representations prior to the issuance of tax-exempt bonds. You also must covenant to take certain additional actions after issuance of tax-exempt bonds. A breach of your representations or your failure to comply with certain tax-related covenants may cause the interest on tax-exempt bonds to become taxable retroactively to the date of issuance of such bonds, which may result in an increase in the interest rate that you pay on the bonds or the mandatory redemption of the bonds. The IRS also may audit you or your tax-exempt bonds, in some cases on a random basis and in other cases targeted to specific types of bond issues or tax concerns. If tax-exempt bonds are declared taxable, or if you are subject to audit, the market price of your bonds may be adversely affected. Further, your ability to issue other tax-exempt bonds also may be limited. ***This description of tax compliance risks is not intended as legal advice and you should consult with your bond counsel regarding tax implications of issuing tax-exempt bonds.***

Appendix B—Unique Characteristics and Complex Risks

The following is a general description of unique financial characteristics of the Bonds as well as a general description of certain risks that are known to us and reasonably foreseeable at this time and that you should consider before deciding whether to issue the Bonds. ***The descriptions below are only a brief summary of certain possible risks in connection with the Bonds and are not intended as legal advice. If you have any questions or concerns about these disclosures, please make those questions or concerns known immediately to us. In addition, you should consult your financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.***

Risk Related To Special Assessments

Limited Revenue Source. The Bonds are expected to be payable primarily from and to the extent of special assessments, which are a limited revenue source. The Bonds are not a general obligation of the Issuer. The ordinance imposing the special assessments (the **"Assessment Ordinance"**) will require special assessments allocable to residential units be paid in full before the City's final inspection required for a certificate of occupancy. As a result, there is no ability of the Issuer to impose additional special assessments on a parcel zoned for residential uses after such time even if the existing special assessments and foreclosure revenues are insufficient to meet debt service, which could potentially result in the risks described in Appendix A under the caption "Financial Risk Considerations – *Issuer Default Risk*."

Foreclosure Risks. In the event a property owner fails to pay the special assessments when due, the Issuer's only recourse is to pursue a judicial foreclosure upon the property. In the event there are no bidders for the property, the Issuer will not receive any amount of unpaid special assessments. The Issuer will then surrender the property "as is" to the owners of the Bonds in full satisfaction of all obligations to such Bondholders. Delays in the foreclosure process and risks of collecting less than the full amount due could potentially result in the risks described in Appendix A under the caption "Financial Risk Considerations – *Issuer Default Risk*."