

## FORM OF NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on September 26, 2017 a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 (the “Code”) will be held by the City of Garden Grove, California with respect to the proposed issuance by the California Municipal Finance Authority (the “Authority”) of its revenue bonds in one or more series in an aggregate principal amount not to exceed \$67,500,000 (the “Bonds”). The proceeds of the Bonds will be used, pursuant to a plan of finance, for: (a) the 2017 Project, as defined below; (b) refunding all or a portion of the Authority’s outstanding Mobile Home Park Senior Revenue Bonds (Caritas Projects) Series 2010A and Mobile Home Park Subordinate Revenue Bonds (Caritas Projects) Series 2010B (collectively, the “2010 Bonds”), issued to finance or refinance the 2010 Project, as defined below; (c) refunding all or a portion of the outstanding City of San Marcos Mobile Home Park Revenue Bonds (Valle Verde Mobile Home Park Project) Series 1999 (the “1999 Bonds”), issued to finance or refinance the 1999 Project, as defined below (together with the 2010 Project and the 2017 Project, the “Project”); (d) financing a debt service reserve fund for the Bonds; and (e) payment of costs of issuance and certain interest with respect to the Bonds.

The term “2017 Project” means financing and refinancing all or a portion of the acquisition and improvement of a 17 unit apartment complex known as the Silver Lantern Apartments located at 33951 Silver Lantern Street, Dana Point, California 92629.

The term “2010 Project” means financing and refinancing all or a portion of the acquisition and improvement of: (a) a 217 space mobile home park known as El Dorado Palms Mobile Home Park located at 35218 Fir Avenue, Yucaipa, County of San Bernardino, California 92399; (b) a 168 space mobile home park known as Bahia Village Mobile Home Park located at 13096 Blackbird Street, Garden Grove, California 92843; (c) an 86 space mobile home park known as Emerald Isle Mobile Home Park located at 13741 Clinton Street, Garden Grove, California 92843; and (d) a 298 space mobile home park known as Mountain View Estates Mobile Home Park located at 3255 E. Avenue R, Palmdale, California 93550.

The term “1999 Project” means financing and refinancing all or a portion of the acquisition and improvement of a 150 space mobile home park known as Valle Verde Estates Mobile Home Park located at 1286 Discovery Street, San Marcos, California 92078.

The 1999 Project and a portion of the 2010 Project are owned and operated by The Caritas Corporation, a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code (the “Corporation”). The balance of the 2010 Project is owned and operated by Caritas Acquisitions I, LLC, a California limited liability company (the “Company”), whose sole member is the Corporation. The 2017 Project is owned by Caritas Silver Lantern, LLC, a California limited liability company (“Silver Lantern” and together with the Corporation and the Company, the “Borrower”), whose sole member is the Corporation, and operated and managed by Friendship Shelter Inc., a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code.

Not less than twenty percent (20%) of the residential units in the mobile home parks and the apartment building to be financed shall be occupied by individuals whose income is fifty percent

(50%) or less of area median gross income. The manager of the mobile home parks will be the Corporation or the Company, as applicable, or another entity selected by the Corporation or the Company.

The Bonds and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto do not constitute indebtedness or an obligation of the City of Garden Grove, the Authority, the State of California or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them. The Bonds shall be a limited obligation of the Authority, payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower.

The hearing will commence at 6:30 p.m. or as soon thereafter as the matter can be heard, and will be held in the City Council Chambers, Community Meeting Center, 11300 Stanford Avenue, Garden Grove, CA 92842. Interested persons wishing to express their views on the issuance of the Bonds or on the nature and location of the facilities proposed to be financed and refinanced may attend the public hearing or, prior to the time of the hearing, submit written comments.

Additional information concerning the above matter may be obtained from, and written comments should be addressed to, the City Clerk, City Hall, P.O. Box 3070, Garden Grove, CA 92842.

Dated: [not less than 14 days prior to hearing date]