

RESOLUTION AUTHORIZING MOSAIC DISTRICT COMMUNITY DEVELOPMENT AUTHORITY REVENUE BONDS SERIES 2011A, TAXABLE SERIES 2011A-T AND TAXABLE SERIES 2011B (THE “BONDS”); APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SERIES 2011A TRUST INDENTURE AND A SERIES 2011B TRUST INDENTURE; APPROVING THE FORM AND DISTRIBUTION OF A PRELIMINARY LIMITED OFFERING MEMORANDUM FOR THE SERIES 2011A BONDS AND THE SERIES 2011 A-T BONDS; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2011A BONDS AND THE SERIES 2011 A-T BONDS; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF BOND PURCHASE AGREEMENTS FOR THE BONDS; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SPECIAL ASSESSMENT AGREEMENT AND DECLARATION OF NOTICE OF SPECIAL ASSESSMENTS, ONE OR MORE EASEMENT AGREEMENTS AND ONE OR MORE MAINTENANCE AGREEMENTS ALL NECESSARY AND RELATING TO THE ISSUANCE OF THE BONDS AND THE DEVELOPMENT, CONSTRUCTION AND OPERATION OF THE PUBLIC IMPROVEMENTS; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF CONTINUING DISCLOSURE AGREEMENT RELATING TO THE SERIES 2011A BONDS AND THE SERIES 2011 A-T BONDS; GRANTING THE AUTHORITY TO EXECUTE AND DELIVER SUCH OTHER DOCUMENTS AND AGREEMENTS RELATING TO THE BONDS AS MAY BE NECESSARY OR APPROPRIATE; DIRECTING THE AUTHENTICATION AND DELIVERY OF THE BONDS; AND DELEGATING TO THE CHAIRMAN, VICE CHAIRMAN AND THE TREASURER POWER TO DETERMINE CERTAIN DETAILS OF THE BONDS.

WHEREAS, pursuant to the ordinance adopted by the Board of Supervisors of Fairfax County, Virginia (the “County”) on April 27, 2009, as amended by the ordinance adopted by the County on April 27, 2010, the Mosaic District Community Development Authority (the “Authority”) was created to provide public improvements (the “Public Improvements”) for the peculiar benefit of the property owners within the geographic boundaries of the Authority’s district (the “Mosaic District”); and

WHEREAS, the Authority desires to issue Mosaic District Community Development Authority Revenue Bonds, Series 2011A (the “Tax-Exempt Series A Bonds”), Mosaic District Community Development Authority Revenue Bonds, Taxable Series A-T (the “Taxable Series A Bonds” and together with the Tax-Exempt Series A Bonds, the “Series 2011A Bonds”), and Mosaic District Community Development Authority Revenue Bonds, Taxable Series 2011B (the “Series 2011B Bonds” and together with the Series 2011A Bonds, the “Bonds”) to finance all or a portion of the costs of the Public Improvements; and

WHEREAS, pursuant to an Amended and Restated Memorandum of Understanding by and between the County, the Authority, Eskridge E&A, LLC (the “Initial Landowner”) and Eskridge Properties (E&A), LLC (the “Developer”) (the “Memorandum of Understanding”), the Series 2011A Bonds are to be secured by certain tax increment revenues derived from the peculiar benefit received from the Public Improvements on the property within the Mosaic District and certain special assessments on land within the Mosaic District that are levied with respect to the Series 2011A Bonds (the “2011A Special Assessments”) established, apportioned and imposed pursuant to an ordinance to be approved by the County and the Rate and Method of Apportionment of Special Assessments (the “Rate and Method of Apportionment of Special Assessments”) which is to be attached as an exhibit to the Memorandum of Understanding and as an exhibit to the Special Assessment Agreement and Declaration of Notice of Special Assessments (the “Special Assessment Agreement”) to be entered into by the Authority, the owners of assessable properties within the Mosaic District and the trustee under the Trust Indentures (defined herein) and the Series 2011B Bonds are to be secured by certain special assessments on each parcel of land within the Mosaic District that are levied with respect to the Series 2011B Bonds (the “2011B Special Assessments” and together with the 2011A Special Assessments, the “Special Assessments”); and

WHEREAS, pursuant to the Memorandum of Understanding, if the Special Assessments are determined to be legally unenforceable in a final decree by a court of competent jurisdiction the Authority will request that the County levy a special tax on the real property within the Mosaic District in an amount required to replace the revenue to have been generated from the Special Assessments; and

WHEREAS, the Authority has determined to authorize the execution and delivery of a trust indenture with The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, the “Series 2011A Trustee”), that will provide for the issuance of and security for the Series 2011A Bonds (the “Series 2011A Trust Indenture”); and

WHEREAS, the Authority has determined to authorize the execution and delivery of a trust indenture with The Bank of New York Mellon Trust Company, N.A., as trustee (in such capacity, the “Series 2011B Trustee” and, collectively with the Series 2011A Trustee, the “Trustees”), that will provide for the issuance of and security for the Series 2011B Bonds (the “Series 2011B Trust Indenture” and together with the Series 2011A Trust Indenture, the “Trust Indentures”); and

WHEREAS, there has been presented to the Authority a proposed form of the Preliminary Limited Offering Memorandum describing the Series 2011A Bonds and the security therefor, the Authority, the Mosaic District and the Public Improvements (the “Preliminary Limited Offering Memorandum”); and

WHEREAS, there has been presented to the Authority a bond purchase agreement between the Authority and Stone & Youngberg LLC and Citigroup Global Markets Inc. (the “Underwriters”) providing for the purchase by the Underwriters of the Series 2011A Bonds on the terms specified therein (the “Series 2011A Bond Purchase Agreement”); and

WHEREAS, there has been presented to the Authority a bond purchase agreement between the Authority and Eskridge Properties (E&A), LLC (the “Series 2011B Purchaser”) providing for the purchase by the Series 2011B Purchaser of the Series 2011B Bonds on the terms specified therein (the “Series 2011B Bond Purchase Agreement” and together with the Series 2011A Bond Purchase Agreement, the “Bond Purchase Agreements”); and

WHEREAS, there has been presented to the Authority the form of the Special Assessment Agreement which, among other items, sets forth certain agreements and requirements among the parties relating to the Special Assessments; and

WHEREAS, there has been presented to the Authority the form of the Memorandum of Understanding which, among other items, sets forth the agreements and requirements of the parties relating to the financing and construction of the public improvements, the issuance of bonds and the sources of revenue to pay debt service on the Bonds; and

WHEREAS, there has been presented to the Authority a form of an Easement Agreement and Improvements Deed between the Authority and the Developer relating to the property on which the Public Improvements will be constructed (the “Easement Agreement”); and

WHEREAS, there has been presented to the Authority a form of a Maintenance Agreement or Operations and Maintenance Agreement between the Authority and Mosaic District Master Property Owners Association Inc. relating to the maintenance of the Public Improvements (the “Maintenance Agreement”); and

WHEREAS, the Authority will undertake primary responsibility for any annual and other reports, notices or disclosures under Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, and make a continuing disclosure undertaking for the Series 2011A Bonds as set forth in the form of the continuing disclosure agreement presented to the Authority in Exhibit F to the Preliminary Limited Offering Memorandum (the “Continuing Disclosure Agreement”); and

WHEREAS, the Authority has duly reviewed and considered the forms of the Trust Indentures, the Preliminary Limited Offering Memorandum, the Bond Purchase Agreements, the Special Assessment Agreement, the Rate and Method of Apportionment of Special Assessments, the Memorandum of Understanding, the Easement Agreement, the Maintenance Agreement and the Continuing Disclosure Agreement and has determined that each is in acceptable form; and

WHEREAS, Authority has found and determined that the issuance and sale of the Bonds on the terms contemplated hereby and in the authorizing resolution are in conformity with the purposes of the Authority and are in the public interest and otherwise beneficial to the Mosaic District and the County; now therefore; and

WHEREAS, the Trust Indentures contemplate that Authority will fix the aggregate principal amount of the Bonds, the maturity dates, the interest rates, the redemption provisions and other details of each thereof and provide for the application of the proceeds thereof; and

WHEREAS, the Authority has determined that it is necessary to delegate to the Chairman, Vice Chairman, and Treasurer of the Authority (the “Authorized Officers”) the power to approve the sale of the Bonds and certain details of the Bonds that cannot be determined except under the actual market conditions that will obtain when the sale of the Bonds occurs as herein authorized but all subject to the guidelines and standards established hereby;

Now, therefore,

BE IT RESOLVED by the Mosaic District Community Development Authority, as follows:

SECTION 1. There are hereby authorized to be issued on a date no later than June 30, 2012, the Series 2011A Bonds in an aggregate principal amount not to exceed the sum of \$75,000,000 (including underwriting and net bond discounts, closing costs, and issuance expenses), for the purpose of providing funds, along with any other available money, to finance costs of Public Improvements, a debt service reserve fund, capitalized interest, if determined as set forth below, certain administrative expenses and costs of issuance of the Series 2011A Bonds.

The aggregate principal amount of the Series 2011A Bonds issued shall not exceed \$75,000,000, and the true interest cost of the Series 2011A Bonds shall not exceed eight percent (8.00%).

The aggregate principal amount of the Tax-Exempt Series A Bonds and the aggregate principal amount of the Taxable Series A Bonds shall be determined and allocated by an Authorized Representative pursuant to the authority set forth below in paragraph (b).

The Authority delegates to each of the Authorized Officers authorization to determine the following relating to the Series 2011A Bonds as long as such determinations conform with the provisions of this Resolution and the Series 2011A Bond Purchase Agreement:

(a) The aggregate principal amount of the Series 2011A Bonds not to exceed the sum of the amount required to provide, with other available funds, the amount necessary to provide the necessary funds required from the Series 2011A Bonds to finance the Public Improvements (including capitalized interest), a debt service reserve fund, certain administrative expenses plus all or any portion of costs of issuance of the Series 2011A Bonds;

(b) The aggregate principal amount of each of the Tax-Exempt Series A Bonds and the Taxable Series A Bonds based upon advice provided by bond counsel and the County's financial advisor relating to the final determination of the amount of Public Improvements eligible for tax-exempt financing (provided that sum of the aggregate principal amounts of the Tax-Exempt Series A Bonds and the Taxable Series A Bonds shall at no time exceed \$75,000,000);

(c) The respective maturity dates and any mandatory sinking fund redemption dates of the Series 2011A Bonds, and the respective principal amounts of the Series 2011A Bonds to mature or be redeemed on such dates, provided that the final maturity date shall not be later than twenty-six (26) years from the dated date of the Series 2011A Bonds;

(d) The dated date of the Series 2011A Bonds provided, however, the Series 2011A Bonds shall be dated their date of issue or as of a customary date preceding their date of issue;

(e) The semi-annual interest payment dates, or such other interest payment dates deemed applicable, for the Series 2011A Bonds and the record date for the Series 2011A Bonds provided that the first interest payment date shall be not more than eleven (11) months after the dated date of the Series 2011A Bonds;

(f) The status of the Series 2011A Bonds as serial bonds or Series 2011A term Bonds or a combination thereof;

(g) The redemption provisions (including redemption prices) including special mandatory redemption provisions and optional redemption provisions, if any, if deemed necessary

including for reasons to maintain flexibility for future refinancing of all or portion of the Series 2011A Bonds. The initial optional redemption date shall not be no later than ten and one-half (10.5) years after the dated date of the Series 2011A Bonds; and

- (h) The amount of capitalized interest, if any, appropriate for the financing.

Such details of the Series 2011A Bonds shall be set forth in the Series 2011A Trust Indenture, the Series 2011A Bond Purchase Agreement and the Series 2011A Bonds.

SECTION 2. There are hereby authorized to be issued (or if the Series 2011B Bonds are issued as draw down bonds, the initial advance shall be made) on a date no later than June 30, 2012, the Series 2011B Bonds in an aggregate principal amount not to exceed the sum of \$32,000,000 (including underwriting and net bond discounts, closing costs, and issuance expenses), for the purpose of providing funds, along with any other available money, to finance costs of the Public Improvements, certain administrative expenses and costs of issuance of the Series 2011B Bonds.

The aggregate principal amount of the Series 2011B Bonds issued shall not exceed \$32,000,000, and the true interest cost of the Series 2011B Bonds shall not exceed seven percent (7.00%).

The Authority delegates to each of the Authorized Officers authorization to determine the following relating to the Series 2011B Bonds as long as such determinations conform with the provisions of this Resolution and the Series 2011B Bond Purchase Agreement:

- (a) The aggregate principal amount of the Series 2011B Bonds, not to exceed the sum of the amount required to provide, with other available funds, the amount necessary to provide the necessary funds required from the Series 2011B Bonds to finance the Public Improvements, certain administrative expenses plus all or any portion of costs of issuance of the Series 2011B Bonds;

- (b) The respective maturity dates and any mandatory sinking fund redemption dates of the Series 2011B Bonds, and the respective principal amounts of the Series 2011B Bonds to mature or be redeemed on such dates, provided that the final maturity date shall not be later than thirty-one (31) years from the dated date of the Series 2011B Bonds;

- (c) The dated date of the Series 2011B Bonds provided, however, the Series 2011B Bonds shall be dated their date of issue or as of a customary date preceding their date of issue;

- (d) The annual interest payment dates, or such other interest payment dates deemed applicable, for the Series 2011B Bonds and the record date for the Series 2011B Bonds provided that the first interest payment date shall be not more than twelve (12) months after the dated date of the Series 2011B Bonds;

- (e) The status of the Series 2011B Bonds as serial bonds or Series 2011B term Bonds or a combination thereof; and

- (f) The redemption provisions (including redemption prices) including special mandatory redemption provisions and optional redemption provisions, if any, if deemed necessary

including for reasons to maintain flexibility for future refinancing of all or portion of the Series 2011B Bonds.

Such details of the Series 2011B Bonds shall be set forth in the Series 2011B Trust Indenture, the Series 2011B Bond Purchase Agreement and the Series 2011B Bonds.

SECTION 3. The form of the Series 2011A Trust Indenture providing for the custody, investment and disbursement of the proceeds of the Series 2011A Bonds, and for the receipt, custody, pledge and application of Pledged Revenues (as defined in the Series 2011A Trust Indenture) presented to this meeting be, and the same hereby is, approved, and each of the Authorized Officers be, and they hereby are authorized, directed and empowered to execute and deliver, in the name and on behalf of the Authority, the Series 2011A Trust Indenture in such form and containing substantially the same terms and provisions, with such additions, deletions and modifications as shall be approved by the officers executing the Series 2011A Trust Indenture, the execution thereof by such officers being conclusive evidence of such approval.

SECTION 4. The form of the Series 2011B Trust Indenture providing for the custody, investment and disbursement of the proceeds of the Series 2011B Bonds, and for the receipt, custody, pledge and application of Pledged Revenues (as defined in the Series 2011B Trust Indenture) presented to this meeting be, and the same hereby is, approved, and each of the Authorized Officers be, and they hereby are authorized, directed and empowered to execute and deliver, in the name and on behalf of the Authority, the Series 2011B Trust Indenture in such form and containing substantially the same terms and provisions, with such additions, deletions and modifications as shall be approved by the officers executing the Series 2011B Trust Indenture, the execution thereof by such officers being conclusive evidence of such approval.

SECTION 5. The form of the Preliminary Limited Offering Memorandum is hereby approved, and each of the Authorized Officers is hereby authorized to approve the terms of and publish a Preliminary Limited Offering Memorandum describing the Series 2011A Bonds in substantially the same form as the Preliminary Limited Offering Memorandum presented to this meeting, with such additions, deletions and modifications not inconsistent with the purposes of this resolution as may be approved by such Authorized Officers and to deem “final” such Preliminary Limited Offering Memorandum for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The distribution and use by the Underwriters of a final Limited Offering Memorandum relating to the Series 2011A Bonds (the “Limited Offering Memorandum”) is hereby authorized. The Limited Offering Memorandum shall be completed with the pricing and other information in substantially the form of the Preliminary Limited Offering Memorandum approved this day by the Authority with such minor changes, insertions and omissions as may be approved by any of the Authorized Officers. The Chairman or the Vice Chairman of the Authority is hereby authorized and directed to execute and deliver the Limited Offering Memorandum to the Underwriters for their use in making a limited offering of the Series 2011A Bonds upon the terms set forth in the Limited Offering Memorandum and the Series 2011A Bond Purchase Agreement.

SECTION 6. The form of the Series 2011A Bond Purchase Agreement presented to this meeting be, and the same hereby is, approved, and each of the Authorized Officers be, and they hereby are authorized, directed and empowered to execute and deliver, in the name and on behalf of the Authority, the Series 2011A Bond Purchase Agreement in such form and containing substantially the same terms and provisions, with such additions, deletions and modifications as shall be approved by the officers executing the Series 2011A Bond Purchase Agreement and

which are consistent with the provisions of Section 1 of this Resolution, the execution thereof by such officers being conclusive evidence of such approval.

SECTION 7. The form of the Series 2011B Bond Purchase Agreement presented to this meeting be, and the same hereby is, approved, and each of the Authorized Officers be, and they hereby are authorized, directed and empowered to execute and deliver, in the name and on behalf of the Authority, the Series 2011B Bond Purchase Agreement in such form and containing substantially the same terms and provisions, with such additions, deletions and modifications as shall be approved by the officers executing the Series 2011B Bond Purchase Agreement and which are consistent with the provisions of Section 2 of this Resolution, the execution thereof by such officers being conclusive evidence of such approval.

SECTION 8. The form of the Special Assessment Agreement presented to this meeting be, and the same hereby is, approved, and each of the Authorized Officers be, and they hereby are authorized, directed and empowered to execute and deliver, in the name and on behalf of the Authority, the Special Assessment Agreement in such form and containing substantially the same terms and provisions, with such additions, deletions and modifications as shall be approved by the officers executing the Special Assessment Agreement the execution thereof by such officers being conclusive evidence of such approval.

SECTION 9. The form of the Rate and Method of Apportionment of Special Assessments presented to this meeting providing the procedures to establish and apportion the Special Assessments is hereby approved in such form and containing substantially the terms and provisions therein set forth. Any additions, deletions and modifications to the Rate and Method of Apportionment of Special Assessments may be approved by any of the Authorized Officers so long as such additions, deletions and modifications are not contradictory to the terms of this Resolution or previously enacted resolutions and are in conformity with the purposes of the Authority.

SECTION 10. The form of the Memorandum of Understanding presented to this meeting be, and the same hereby is, approved, and each of the Authorized Officers be, and they hereby are authorized, directed and empowered to execute and deliver, in the name and on behalf of the Authority, the Memorandum of Understanding in such form and containing substantially the same terms and provisions, with such additions, deletions and modifications as shall be approved by the officers executing the Memorandum of Understanding the execution thereof by such officers being conclusive evidence of such approval.

SECTION 11. The form of the Easement Agreement presented to this meeting be, and the same hereby is, approved, and each of the Authorized Officers be, and they hereby are authorized, directed and empowered to execute and deliver, in the name and on behalf of the Authority, one or more Easement Agreement(s) as necessary in such form and containing substantially the same terms and provisions, with such additions, deletions and modifications as shall be approved by the officers executing the Easement Agreement(s) the execution thereof by such officers being conclusive evidence of such approval.

SECTION 12. The form of the Maintenance Agreement presented to this meeting be, and the same hereby is, approved, and each of the Authorized Officers be, and they hereby are authorized, directed and empowered to execute and deliver, in the name and on behalf of the Authority, one or more Maintenance Agreement(s) as necessary in such form and containing substantially the same terms and provisions, with such additions, deletions and modifications as

shall be approved by the officers executing the Maintenance Agreement(s) the execution thereof by such officers being conclusive evidence of such approval.

SECTION 13. The form of the Continuing Disclosure Agreement presented to this meeting be, and the same hereby is, approved, and each of the Authorized Officers be, and they hereby are authorized, directed and empowered to execute and deliver, in the name and on behalf of the Authority, the Continuing Disclosure Agreement in such form and containing substantially the same terms and provisions, with such additions and modifications as shall be approved by the officers executing the Continuing Disclosure Agreement the execution thereof by such officers being conclusive evidence of such approval.

SECTION 14. The Series 2011A Bonds shall be executed, under seal, in the manner set forth in the Series 2011A Trust Indenture, and the Series 2011A Bonds shall be delivered to the Series 2011A Trustee who shall also serve as paying agent (the “Series 2011A Paying Agent”), for authentication and shall be delivered thereafter to or for the Underwriters in accordance with The Depository Trust Company’s procedures upon receipt of the purchase price set forth in the Series 2011A Bond Purchase Agreement.

The Series 2011A Paying Agent is hereby authorized and directed to authenticate and the Series 2011A Trustee, upon such authentication, is hereby authorized and directed to deliver such Series 2011A Bonds as provided above upon satisfaction of all conditions precedent to such authentication and delivery contained in the Series 2011A Trust Indenture.

SECTION 15. The Series 2011B Bonds shall be executed, under seal, in the manner set forth in the Series 2011B Trust Indenture, and the Series 2011B Bonds shall be delivered to the Series 2011B Trustee who shall also serve as paying agent (the “Series 2011B Paying Agent”), for authentication and shall be delivered thereafter to the Series 2011B Purchaser upon receipt of the purchase price with respect to the initial advance on the Series 2011B Bonds as set forth in the Series 2011B Bond Purchase Agreement.

The Paying Agent is hereby authorized and directed to authenticate and the Trustee, upon such authentication, is hereby authorized and directed to deliver such Series 2011B Bonds as provided above upon satisfaction of all conditions precedent to such authentication and delivery contained in the Series 2011B Trust Indenture.

SECTION 16. The execution and delivery by the officers of the Authority of the Trust Indentures, the Limited Offering Memorandum, the Bond Purchase Agreements, the Special Assessment Agreement, the Memorandum of Understanding, the Easement Agreement(s), the Maintenance Agreement(s) and the Continuing Disclosure Agreement and any other agreements, documents, closing papers and certificates executed and delivered pursuant to this Resolution shall be conclusive evidence of their approval of the changes, if any, in the forms thereof.

SECTION 17. The members, officers and agents of the Authority and the officers and agents of the Trustees are hereby authorized and directed to do all acts and things, including without limitation the execution and delivery of such agreements, documents, certificates and closing papers on behalf of the Authority required of them by the provisions of the Bonds, the Trust Indentures, the Limited Offering Memorandum, the Bond Purchase Agreements, the Special Assessment Agreement, Rate and Method of Apportionment of Special Assessments, the Memorandum of Understanding, the Easement Agreement(s), the Maintenance Agreement(s) and the Continuing Disclosure Agreement for the full, punctual and complete performance of all the terms, covenants, provisions and agreements of the Trust Indentures, the Limited Offering

Memorandum, the Bond Purchase Agreements, the Special Assessment Agreement, the Rate and Method of Apportionment of Special Assessments, the Memorandum of Understanding, the Easement Agreement(s), the Maintenance Agreement(s), the Continuing Disclosure Agreement and, also, to do all acts and things required of them by the provisions of this Resolution.

SECTION 18. The Chairman or the Vice Chairman of Authority or the Treasurer of the Authority and the Secretary of the Authority are authorized to execute a Certificate evidencing the determinations made or other actions carried out pursuant to the authority granted in this Resolution, and any such Certificate shall be conclusive evidence of the actions or determinations as stated therein.

SECTION 19. All actions taken by the Authority and the members, officers and employees of the Authority in connection with the authorization, issuance, sale and delivery of the Bonds and the authorization, execution and delivery of the agreements, certificates and other documents to be executed by the Authority and delivered in connection with such authorization, issuance, sale and delivery are hereby ratified and confirmed.

SECTION 20. Any and all resolutions of the Authority or portions thereof in conflict with the provisions of this Resolution are hereby repealed to the extent of such conflict.

SECTION 21. This Resolution shall take effect immediately upon its adoption.

Adopted April 8, 2011.

A Copy Teste:

Secretary