

February __, 2016

U.S. Bank National Association,
as Trustee

Ladies and Gentlemen:

We have examined the proceedings relating to the execution and delivery by U.S. Bank National Association (the "Trustee") of \$7,900,000 aggregate principal amount of Town of Paradise Valley, Arizona, Excise Tax Revenue Obligations, Series 2016 (the "Obligations") dated February __, 2016, pursuant to a Trust Agreement dated as of February 1, 2016 (the "Trust Agreement"), between the Trustee and the Town of Paradise Valley, Arizona (the "Town"). Each of the Obligations evidence a proportionate, undivided interest in an Agreement dated as of February 1, 2016 (the "Agreement"), between the Trustee, as payee, and the Town, including certain payments (the "Payments") and all other amounts due and payable by the Town under the Agreement over the period from the date hereof to January 1, 2024. In accordance with the Trust Agreement and the Agreement the Trustee has contracted to facilitate the financing of certain capital facilities of the Town and to pay for the costs of the execution and delivery of the Obligations. The Payments under the Agreement are secured by certain excise tax revenues pledged by the Town pursuant to the Agreement and the Trust Agreement. All of the right, title and interest of the Trustee, as payee pursuant to the Agreement, in and to the Agreement and the Payments are pledged in trust to the Trustee to secure the payment of principal of and interest on the Obligations. We have also examined a form of the Obligations.

Based upon such examination, we are of the opinion that, under the law existing on the date of this opinion:

1. The Obligations, Trust Agreement and Agreement are legal, valid, binding and enforceable in accordance with their respective terms, except that the binding effect and enforceability thereof are subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting the rights of creditors generally, and except to the extent that the enforceability thereof may be limited by the application of general principles of equity.

2. The Payments and obligations of the Town under the Agreement are payable from and are secured by a pledge of and lien on the Excise Taxes (as defined in the Agreement), as provided in the Agreement. Pursuant to the Trust Agreement, the payment of principal of and interest on the Obligations and the payment of other amounts due and payable is secured by the Trustee's right, title and interest to the Agreement and the Payments. The Agreement and the Trust Agreement create the first lien on the Excise Taxes they purport to create. The rights of the owners of the Obligations to payment from the Payments secured by the Excise Taxes shall be on a parity with the rights to payment from such Excise Taxes of the holders of the Existing Parity Obligations and any Additional Parity Obligations (both as defined in the Trust Agreement). Additional obligations may be issued in the future on a parity with the Obligations with respect to the lien on Excise Taxes.

3. Under existing laws, regulations, rulings and judicial decisions, the portion of each Payment made by the Town under the Agreement and denominated as and comprising interest pursuant to the Agreement and received by the owners of the Obligations is excluded from gross income for the purpose of calculating federal income taxes and is exempt from State of Arizona income taxes. Interest income on the Agreement is not an item of tax preference to be included in computing alternative minimum tax of individuals or corporations; however, such interest income must be taken into account for federal income tax purposes as an adjustment to alternative minimum taxable income for certain corporations, which income is subject to federal alternative minimum tax. Neither the Agreement nor the Obligations are private activity bonds within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). We express no opinion regarding other federal tax consequences arising with respect to either the Agreement or the Obligations.

The Code imposes various restrictions, conditions and requirements relating to the continued exclusion of interest income on the Agreement from gross income for federal income tax purposes, including a requirement that the Town rebate to the federal government certain of the investment earnings with respect to the Agreement. Failure to comply with such restrictions, conditions and requirements could result in the interest income on the Agreement received by the owners of the Obligations being included as gross income for federal income tax purposes from the date of issuance of the Obligations. The Town has covenanted to comply with the restrictions, conditions and requirements of the Code necessary to preserve the tax-exempt status of the interest income on the Agreement received by the owners of the Obligations. For purposes of this opinion, we have assumed continuing compliance by the Town with such restrictions, conditions and requirements.

As to questions of fact material to our opinion, we have relied upon, and assumed due and continuing compliance with the provisions of, the proceedings and other documents, and have relied upon certificates, covenants and representations furnished to us without undertaking to verify the same by independent investigation, including, without limitation, those with respect to causing interest on the Obligations to be and remain excluded from gross income for federal income tax purposes.

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