



***REPORT OF SPECIAL TAX LEVY FOR  
THE CITY OF LAKE ELSINORE***

***CITY OF LAKE ELSINORE CFD 2004-3  
(Rosetta Canyon Public Improvements)***

***Fiscal Year 2006-07***

***Submitted to:  
City of Lake Elsinore  
Riverside County, California***

***Submitted by:***



**Harris & Associates**

***December 2006***

***CITY OF LAKE ELSINORE  
COMMUNITY FACILITIES DISTRICT NO. 2004-3  
(Rosetta Canyon Public Improvements)***

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## **INTRODUCTION**

The City Council of the City of Lake Elsinore established Community Facilities District No. 2004-3 (Rosetta Canyon Public Improvements) for the purpose of acquiring or constructing certain public improvements needed to meet increased demand upon the City of Lake Elsinore as a result of development within the boundaries of Community Facilities District No. 2004-3. In addition, the District was established in order to pay debt service on bonded indebtedness.

A map showing the boundaries of CFD No. 2004-3 is included in the Appendix of this report as Exhibit A. In compliance with the proceedings governing the formation of CFD No. 2004-3, the special tax has been levied on each assessable parcel within the District according to the provisions of the Rate and Method of Apportionment of Special Taxes as shown in the Appendix of this report in Exhibit B.

Bonds were sold in August 2005 for Improvement Area 1 and in September 2006 for Improvement Area 2.

### **I. FACILITIES FINANCED BY THE DISTRICT**

The public facilities financed by CFD No. 2004-3 are described in detail in the Community Facilities District Report (CFD Report) for CFD No. 2004-3. These facilities include all or a portion of design, construction, indirect costs and administration relating to the following improvements:

1. Street Improvements
2. Streetscape Improvements
3. Storm Drain Improvements
4. Sewer Improvements
5. Domestic Water Improvements
6. Reclaimed Water Improvements
7. Fire Facilities and Equipment

CFD No. 2004-3 is also authorized to finance City capital improvement fees imposed pursuant to City fee programs, the Development Agreement, and fees of the Elsinore Valley Municipal Water District.

### **Construction Status**

The following tables show the construction status as of October 23, 2006 for Improvement Areas 1 and 2, as provided by Centex Homes.

**Improvement Area 1**

**ZONE 1: TRACT 25479 - 254 SFD LOTS**

<b>DEVELOPMENT ITEM</b>	<b>PERCENT COMPLETE</b>
ROUGH GRADING:	100%
SEWER MAINS:	100%
WATER MAINS:	100%
STORM DRAIN:	100%
ELECTRICAL UTILITITES:	100%
GAS UTILITIES:	100%
TELEPHONE UTILITIES:	100%
CABLE T.V. UTILITIES:	100%
CURB AND GUTTER:	100%
ASPHALT PAVING BASE COURSE (INTRACT)	100%
ASPHALT PAVING CAP:	95%
SIDEWALK:	95%
LANDSCAPE:	90%
PERIMETER WALLS:	100%
STREET IMPROVEMENTS - S.R. 74	100%
TRAFFIC SIGNAL AT ROSETTA/ARDENWOOD	95%
TRAFFIC SIGNAL AT S.R. 74/ROSETTA	100%
TRAFFIC SIGNAL AT S.R. 74/ TRELIS LANE	100%
TRAFFIC SIGNAL AT S.R. 74/ARDENWOOD	0%
<b>HOME CONSTRUCTION ACTIVITY</b>	<b>NO. UNITS</b>
NO. OF BUILDING PERMITS FOR HOUSES OBTAINED:	254
NO. OF ESCROWS CLOSED:	235
NO. OF HOMES COMPLETE:	243
NO. OF HOMES UNDER CONSTRUCTION:	-

**ZONE 2: TRACT 25478 - 255 SFD LOTS**

<b>DEVELOPMENT ITEM</b>	<b>PERCENT COMPLETE</b>
ROUGH GRADING:	100%
SEWER MAINS:	100%
WATER MAINS:	100%
STORM DRAIN:	100%
ELECTRICAL UTILITITES:	100%
GAS UTILITIES:	100%
TELEPHONE UTILITIES:	100%
CABLE T.V. UTILITIES:	100%
CURB AND GUTTER:	100%
ASPHALT PAVING BASE COURSE:	100%
ASPHALT PAVING CAP:	85%
SIDEWALK:	95%
LANDSCAPE:	95%
PERIMETER WALLS:	100%
1801 ZONE RESERVOIR	100%
1701/1801 ZONE PUMP STATION	100%
TRAFFIC SIGNAL AT ROSETTA AND ELSINORE HILLS	95%
<b>HOME CONSTRUCTION ACTIVITY</b>	<b>NO. UNITS</b>
NO. OF BUILDING PERMITS FOR HOUSES OBTAINED:	255
NO. OF ESCROWS CLOSED:	218
NO. OF HOMES COMPLETE:	236
NO. OF HOMES UNDER CONSTRUCTION:	16

**OFFSITE IMPROVEMENTS**

<b>DEVELOPMENT ITEM</b>	<b>PERCENT COMPLETE</b>
3RD STREET SEWER LINE	100%
3RD STREET WATER LINE	100%
1601 PUMP STATION	100%

**Improvement Area 2**

**TRACT 25477 - 213 SFD LOTS**

<b>DEVELOPMENT ITEM</b>	<b>PERCENT COMPLETE</b>
ROUGH GRADING:	100%
SEWER MAINS:	95%
WATER MAINS:	95%
STORM DRAIN:	100%
ELECTRICAL UTILITITES:	50%
GAS UTILITIES:	50%
TELEPHONE UTILITIES:	50%
CABLE T.V. UTILITIES:	50%
CURB AND GUTTER:	100%
ASPHALT PAVING BASE COURSE (INTRACT)	95%
ASPHALT PAVING CAP:	0%
SIDEWALK:	40%
LANDSCAPE:	5%
PERIMETER WALLS:	30%
TRAFFIC SIGNAL AT S.R. 74/WASSON CANYON	0%
1801 RESERVOIR	100%
1701/1801 ZONE PUMP STATION	100%
<b>HOME CONSTRUCTION ACTIVITY</b>	<b>NO. UNITS</b>
NO. OF BUILDING PERMITS FOR HOUSES OBTAINED:	213
NO. OF ESCROWS CLOSED:	-
NO. OF HOMES COMPLETE:	-
NO. OF HOMES UNDER CONSTRUCTION:	150

**TRACT 25476 - 290 SFD LOTS**

<b>DEVELOPMENT ITEM</b>	<b>PERCENT COMPLETE</b>
ROUGH GRADING:	100%
SEWER MAINS:	90%
WATER MAINS:	90%
STORM DRAIN:	100%
ELECTRICAL UTILITITES:	50%
GAS UTILITIES:	75%
TELEPHONE UTILITIES:	50%
CABLE T.V. UTILITIES:	50%
CURB AND GUTTER:	100%
ASPHALT PAVING BASE COURSE:	95%
ASPHALT PAVING CAP:	0%
SIDEWALK:	0%
LANDSCAPE:	0%
PERIMETER WALLS:	15%
RIVERSIDE STREET IMPROVEMENTS	90%
1801 ZONE RESERVOIR	100%
1701/1801 ZONE PUMP STATION	100%
TRAFFIC SIGNAL AT S.R. 74/RIVERSIDE ST	0%
<b>HOME CONSTRUCTION ACTIVITY</b>	<b>NO. UNITS</b>
NO. OF BUILDING PERMITS FOR HOUSES OBTAINED:	243
NO. OF ESCROWS CLOSED:	-
NO. OF HOMES COMPLETE:	-
NO. OF HOMES UNDER CONSTRUCTION:	143

**II. IMPROVEMENT AREA 1**

**Rate and Method of Apportionment of the Special Tax**

The Rate and Method of Apportionment of the Special Tax for Improvement Area 1 establishes specific categories for the apportionment of Special Taxes, which are collected annually, in the same manner and at the same time as ordinary ad valorem property taxes.

Each Fiscal Year, each parcel of land within Improvement Area 1 shall be assigned to a Zone and further classified as Developed Property, Undeveloped Property, Taxable Public Property, Taxable Property Owner Association Property, or Exempt Property, and shall be subject to Special Taxes in accordance with Sections C and D of the Rate and Method of Apportionment for this district. The parcels subject to levy were determined based upon the records of the County Assessor as of the previous March 1, and the Tax Classification for each parcel was determined based upon the status of the parcel as of the previous May 1. The parcel classifications for Fiscal Year 2006-07 are summarized in Table 1 below.

**TABLE 1  
 PARCEL DISTRIBUTION BY CATEGORY  
 IMPROVEMENT AREA 1**

<b><u>Special Tax Classification</u></b>	<b><u>Total Parcels FY 2005-06</u></b>	<b><u>Total Parcels FY 2006-07</u></b>	<b><u>Percent Change FY 2005-06</u></b>
Developed Property	123	509	313.8%
Undeveloped Property	138	0	-100.0%
Taxable Property Owner Association Property	0	0	0.0%
Taxable Public Property	0	0	0.0%
Exempt Property	15	41	173.3%
<b>Total</b>	<b><u>276</u></b>	<b><u>550</u></b>	<b><u>99.3%</u></b>

**Special Tax Levy for Fiscal Year 2006-07**

The annual special taxes for Fiscal Year 2006-07 have been levied as provided in the Rate and Method of Apportionment for each Special Tax Classification described below:

**Developed Property:**

Developed Property includes all Taxable Property, exclusive of Taxable Public Property and Taxable Property Owner Association Property, for which the Final Subdivision was recorded on or before January 1 of the prior Fiscal Year and a building permit for new construction was issued after January 1, 2004 and on or before May 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied.

Land Use Classes have been established for Developed Property in Improvement Area 1. The Special Tax for a residential property will vary directly with the amount of residential floor area on each parcel. The Special Tax for non-residential property will be determined based on the acreage of the parcel(s). The Assigned Special Tax Rate and special tax levy for parcels classified as Developed Property for FY 2006-07 are shown in Table 2 below.



TABLE 2  
 SPECIAL TAX LEVY - DEVELOPED PROPERTY  
 IMPROVEMENT AREA 1 - ZONE 1 & 2

**Zone 1**

Land Use Class	Description	Residential Floor Area	Assigned	Actual	No. of Parcels	Funds
			Special Tax Rate FY 2006-07	Special Tax Rate FY 2006-07		Generated
1	Residential Property	> 3,950	\$3,023.10	\$0.00	0	\$0.00
2	Residential Property	3,701 - 3,950	\$2,931.60	\$0.00	0	\$0.00
3	Residential Property	3,451 - 3,700	\$2,840.10	\$0.00	0	\$0.00
4	Residential Property	3,201 - 3,450	\$2,748.60	\$0.00	0	\$0.00
5	Residential Property	2,951 - 3,200	\$2,657.11	\$2,419.18	65	\$157,246.70
6	Residential Property	2,701 - 2,950	\$2,513.88	\$2,288.78	110	\$251,765.80
7	Residential Property	2,451 - 2,700	\$2,449.79	\$2,230.42	1	\$2,230.42
8	Residential Property	2,201 - 2,450	\$2,385.19	\$2,171.62	41	\$89,036.42
9	Residential Property	1,951 - 2,200	\$2,218.04	\$2,019.44	19	\$38,369.36
10	Residential Property	1,700 - 1,950	\$2,163.34	\$0.00	0	\$0.00
11	Residential Property	< 1,700	\$2,108.13	\$1,919.36	18	\$34,548.48
12	Non-Residential Property	NA	\$14,623.74	\$0.00	0	\$0.00
					<b><u>254</u></b>	<b><u>\$573,197.18</u></b>

**Zone 2**

Land Use Class	Description	Residential Floor Area	Assigned	Actual	No. of Parcels	Funds
			Special Tax Rate FY 2006-07	Special Tax Rate FY 2006-07		Generated
1	Residential Property	> 3,950	\$3,312.16	\$3,015.58	35	\$105,545.30
2	Residential Property	3,701 - 3,950	\$3,255.26	\$0.00	0	\$0.00
3	Residential Property	3,451 - 3,700	\$3,198.36	\$2,911.98	31	\$90,271.38
4	Residential Property	3,201 - 3,450	\$3,055.47	\$2,781.88	40	\$111,275.20
5	Residential Property	2,951 - 3,200	\$2,936.82	\$0.00	0	\$0.00
6	Residential Property	2,701 - 2,950	\$2,818.19	\$2,565.84	45	\$115,462.80
7	Residential Property	2,451 - 2,700	\$2,744.72	\$2,498.96	56	\$139,941.76
8	Residential Property	2,201 - 2,450	\$2,621.23	\$2,386.52	23	\$54,889.96
9	Residential Property	1,951 - 2,200	\$2,552.10	\$2,323.58	25	\$58,089.50
10	Residential Property	1,700 - 1,950	\$2,469.24	\$0.00	0	\$0.00
11	Residential Property	< 1,700	\$2,375.58	\$0.00	0	\$0.00
12	Non-Residential Property	NA	\$14,323.86	\$0.00	0	\$0.00
					<b><u>255</u></b>	<b><u>\$675,475.90</u></b>

**Total, Developed Property** **509** **\$1,248,673.08**

**Undeveloped Property:**

Undeveloped Property includes all Taxable Property that is not classified as Developed Property, Taxable Property Owner Association Property, or Taxable Public Property within Improvement Area 1. There were no Undeveloped Property parcels in FY 2006-07. The Fiscal Year 2006-07 maximum special tax for Undeveloped Property is shown in Table 3 below.

**TABLE 3**  
**SPECIAL TAX LEVY - UNDEVELOPED PROPERTY**  
**IMPROVEMENT AREA 1**

<u>Zone</u>	<u>Maximum Assigned Special Tax per Acre FY 2006-07</u>
1	\$16,610.70
2	\$16,610.70

**Taxable Property Owner Association Property:**

Taxable Property Owner Association Property includes all parcels within the boundaries of Improvement Area 1 that were owned by a property owner association, including any master or sub-association, that are not exempt pursuant to Section E of the Rate and Method of Apportionment for the District, which is included in the appendix of this report as Exhibit B. There were no Taxable Property Owner Association Property parcels in FY 2006-07. The Fiscal Year 2006-07 maximum special tax for Taxable Property Owner Association Property is shown in Table 4 below.

**TABLE 4**  
**SPECIAL TAX LEVY**  
**TAXABLE PROPERTY OWNER ASSOCIATION PROPERTY**  
**IMPROVEMENT AREA 1**

<u>Zone</u>	<u>Maximum Assigned Special Tax per Acre FY 2006-07</u>
1	\$16,610.70
2	\$16,610.70

**Taxable Public Property:**

Taxable Public Property includes all parcels within the boundaries of Improvement Area 1 owned by, irrevocably offered or dedicated to, or over, through or under which an easement for purposes of public right-of-way has been granted, to the federal government, the State, the County, the City, or any local government or other public agency, that are not exempt from the Special Tax pursuant to law or Section E of the Rate and Method of Apportionment for the district, which is included in the appendix of this report as Exhibit B. There were no Taxable Public Property parcels in FY 2006-07. The Fiscal Year 2006-07 maximum special tax for Taxable Public Property is shown in Table 5 below.

**TABLE 5**  
**SPECIAL TAX LEVY - TAXABLE PUBLIC PROPERTY**  
**IMPROVEMENT AREA 1**

<u>Zone</u>	<u>Maximum Assigned Special Tax per Acre FY 2006-07</u>
1	\$16,610.70
2	\$16,610.70

**III. IMPROVEMENT AREA 2**

**Rate and Method of Apportionment of the Special Tax**

The Rate and Method of Apportionment of the Special Tax for Improvement Area 2 establishes specific categories for the apportionment of Special Taxes, which are collected annually, in the same manner and at the same time as ordinary ad valorem property taxes.

Each Fiscal Year, each parcel of land within Improvement Area 2 shall be assigned to a Zone and further classified as Developed Property, Undeveloped Property, Taxable Public Property, Taxable Property Owner Association Property, or Exempt Property, and shall be subject to Special Taxes in accordance with Sections C and D of the Rate and Method of Apportionment for this district. The parcels subject to levy were determined based upon the records of the County Assessor as of the previous March 1, and the Tax Classification for each parcel was determined based upon the status of the parcel as of the previous May 1. The parcel classifications for Fiscal Year 2006-07 are summarized in Table 6 below.

**TABLE 6**  
**PARCEL DISTRIBUTION BY CATEGORY**  
**IMPROVEMENT AREA 2**

<u>Special Tax Classification</u>	<u>Total Parcels FY 2005-06</u>	<u>Total Parcels FY 2006-07</u>	<u>Percent Change FY 2005-06</u>
Developed Property	0	0	0.0%
Undeveloped Property	12	12	0.0%
Taxable Property Owner Association Property	0	0	0.0%
Taxable Public Property	0	0	0.0%
Exempt Property	2	2	0.0%
<b>Total</b>	<b><u>14</u></b>	<b><u>14</u></b>	<b><u>0.0%</u></b>

**Special Tax Levy for Fiscal Year 2006-07**

The annual special taxes for Fiscal Year 2006-07 have been levied as provided in the Rate and Method of Apportionment for each Special Tax Classification described below:

**Developed Property:**

Developed Property includes all Taxable Property, exclusive of Taxable Public Property and Taxable Property Owner Association Property, for which the Final Subdivision was recorded on or before January 1 of the prior Fiscal Year and a building permit for new construction was issued after January 1, 2004 and on or before May 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied.

Land Use Classes have been established for Developed Property in Improvement Area 2. The Special Tax for a residential property will vary directly with the amount of residential floor area on each parcel. The Special Tax for non-residential property will be determined based on the acreage of the parcel(s). There were no Developed Property parcels in FY 2006-07. The Fiscal Year 2006-07 assigned special tax for Developed Property is shown in Table 7 below.

**TABLE 7**  
**SPECIAL TAX LEVY - DEVELOPED PROPERTY**  
**IMPROVEMENT AREA 2 - ZONE 1 & 2**

**Zone 1**

<b>Land Use Class</b>	<b>Description</b>	<b>Residential Floor Area</b>	<b>Assigned Special Tax Rate FY 2006-07</b>
1	Residential Property	> 3,950	\$3,337.23
2	Residential Property	3,701 - 3,950	\$3,237.50
3	Residential Property	3,451 - 3,700	\$3,137.78
4	Residential Property	3,201 - 3,450	\$3,038.05
5	Residential Property	2,951 - 3,200	\$2,938.32
6	Residential Property	2,701 - 2,950	\$2,782.41
7	Residential Property	2,451 - 2,700	\$2,712.45
8	Residential Property	2,201 - 2,450	\$2,642.48
9	Residential Property	1,951 - 2,200	\$2,460.18
10	Residential Property	1,700 - 1,950	\$2,400.09
11	Residential Property	< 1,700	\$2,339.99
12	Non-Residential Property	NA	\$18,173.34

**Zone 2**

<b>Land Use Class</b>	<b>Description</b>	<b>Residential Floor Area</b>	<b>Assigned Special Tax Rate FY 2006-07</b>
1	Residential Property	> 3,950	\$3,636.78
2	Residential Property	3,701 - 3,950	\$3,574.97
3	Residential Property	3,451 - 3,700	\$3,512.65
4	Residential Property	3,201 - 3,450	\$3,356.45
5	Residential Property	2,951 - 3,200	\$3,236.05
6	Residential Property	2,701 - 2,950	\$3,116.16
7	Residential Property	2,451 - 2,700	\$3,035.30
8	Residential Property	2,201 - 2,450	\$2,900.98
9	Residential Property	1,951 - 2,200	\$2,825.96
10	Residential Property	1,700 - 1,950	\$2,741.87
11	Residential Property	< 1,700	\$2,642.43
12	Non-Residential Property	NA	\$17,089.08

**Undeveloped Property:**

Undeveloped Property includes all Taxable Property that is not classified as Developed Property, Taxable Property Owner Association Property, or Taxable Public Property within Improvement Area 2. The Assigned Special Tax Rate and special tax levy for parcels classified as Undeveloped Property for Fiscal Year 2006-07 are shown in Table 8 below.

**TABLE 8  
 SPECIAL TAX LEVY - UNDEVELOPED PROPERTY  
 IMPROVEMENT AREA 2**

<b>Zone</b>	<b>Maximum Assigned Special Tax per Acre FY 2006-07</b>	<b>Actual Special Tax per Acre FY 2006-07</b>	<b>Number of Parcels</b>	<b>Total Acreage</b>	<b>Funds Generated</b>
1	\$20,265.36	\$169.31	7	48.52	\$8,214.78
2	\$20,265.36	\$169.31	5	99.14	\$16,785.14
	<b>Total, Undeveloped Property</b>		<b>12</b>	<b>147.66</b>	<b>\$24,999.92</b>

**Taxable Property Owner Association Property:**

Taxable Property Owner Association Property includes all parcels within the boundaries of Improvement Area 2 that were owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year, that are not exempt pursuant to Section E of the Rate and Method of Apportionment for the District, which is included in the appendix of this report as Exhibit B. There were no Taxable Property Owner Association Property parcels in FY 2006-07. The Fiscal Year 2006-07 maximum special tax for Taxable Property Owner Association Property is shown in Table 9 below.

**TABLE 9  
SPECIAL TAX LEVY  
TAXABLE PROPERTY OWNER ASSOCIATION PROPERTY  
IMPROVEMENT AREA 2**

<u>Zone</u>	<u>Maximum Assigned Special Tax per Acre FY 2006-07</u>
1	\$20,265.36
2	\$20,265.36

**Taxable Public Property:**

Taxable Public Property includes all parcels within the boundaries of Improvement Area 2 owned by, irrevocably offered or dedicated to, or over, through or under which an easement for purposes of public right-of-way has been granted, to the federal government, the State, the County, the City, or any local government or other public agency, that are not exempt from the Special Tax pursuant to law or Section E of the Rate and Method of Apportionment for the district, which is included in the appendix of this report as Exhibit B. There were no Taxable Public Property parcels in FY 2006-07. The Fiscal Year 2006-07 maximum special tax for Taxable Public Property is shown in Table 10 below.

**TABLE 10  
SPECIAL TAX LEVY - TAXABLE PUBLIC PROPERTY  
IMPROVEMENT AREA 2**

<u>Zone</u>	<u>Maximum Assigned Special Tax per Acre FY 2006-07</u>
1	\$20,265.36
2	\$20,265.36

**IV. SOURCES AND OBLIGATIONS**

A statement showing the Sources and Obligations of special tax funds for CFD No. 2004-3 for Fiscal Year 2006-07 is presented in Table 11. The Special Tax Requirement for Fiscal Year 2006-07 was determined as specified in the adopted Rate and Method of Apportionment of the Special Tax.

The debt service requirements for Fiscal Year 2006-07 have been taken from the Debt Service Schedule for the District which is included in the Appendix of this report as Exhibit C.

**TABLE 11**  
**SOURCES AND OBLIGATIONS**

<b><u>SOURCES</u></b>	<b>Fiscal Year 2005-06 <u>Amount</u></b>	<b>Fiscal Year 2006-07 <u>Amount</u></b>
Annual Special Tax Roll		
<u>Improvement Area 1</u>		
Developed Property	\$302,406.00	\$1,248,673.08
Undeveloped Property	\$0.00	\$0.00
Subtotal	<u>\$302,406.00</u>	<u>\$1,248,673.08</u>
<u>Improvement Area 2</u>		
Developed Property	\$0.00	\$0.00
Undeveloped Property	\$0.00	\$24,999.92
Subtotal	<u>\$302,406.00</u>	<u>\$24,999.92</u>
Rounding of Uneven Assessments	(\$1.00)	\$0.00
<b>TOTAL SPECIAL TAXES FROM ALL SOURCES</b>	<b><u><u>\$302,405.00</u></u></b>	<b><u><u>\$1,273,673.00</u></u></b>
 <b><u>OBLIGATIONS</u></b>		
Bond Debt Service (Improvement Area 1)	\$0.00	\$1,223,225.00
Construction Fund	\$277,405.00	\$0.00
Allocation for Delinquencies, Administration and Incidentals	<u>\$25,000.00</u>	<u>\$50,450.00</u>
Subtotal	<u>\$302,405.00</u>	<u>\$1,273,675.00</u>
Surplus/Shortage to District	\$0.00	(\$2.00)
<b>TOTAL OBLIGATIONS FOR SPECIAL TAXES</b>	<b><u><u>\$302,405.00</u></u></b>	<b><u><u>\$1,273,673.00</u></u></b>

**V. SPECIAL TAX ROLL**

The Special Tax Roll lists the special tax levy on each parcel within the boundaries of CFD No. 2004-3 for Fiscal Year 2006-07. A copy of the Special Tax Rolls for Improvement Areas 1 and 2 is included in the Appendix of this report as Exhibit D.

***EXHIBIT A***

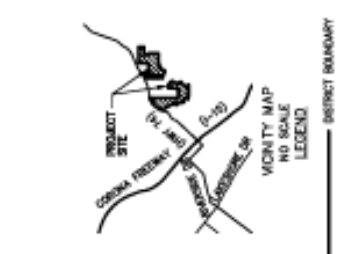
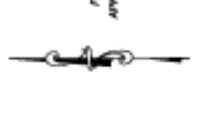
***Boundary Maps***



# PROPOSED BOUNDARY OF COMMUNITY FACILITIES DISTRICT No. 2004-3 OF THE CITY OF LAKE ELSINORE (ROSETTA CANYON) COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

CURVE	LENGTH (FEET)	ANGLE
C1	471.67	144.00
C2	629.82	154.00
C3	1356.32	113.24
C4	261.32	149.82
C5	158.20	187.80
C6	124.42	120.00

LINE	LENGTH	BEARING
L1	1724.17	N87°45'10"W
L2	84.80	N89°13'17"W
L3	80.00	N20°02'53"E
L4	181.80	S81°38'22"E
L5	118.00	S75°20'24"E
L6	41.82	S65°56'23"W
L7	177.07	N02°04'21"E
L8	210.62	N82°18'25"W
L9	63.01	N88°45'33"W
L10	87.19	S29°17'53"W
L11	595.74	N17°35'35"W
L12	108.87	S62°22'33"E
L13	123.00	S33°24'33"E
L14	85.80	N82°27'18"W
L15	358.42	N20°04'28"W
L16	114.21	N08°18'17"W
L17	29.80	N83°04'33"E
L18	20.80	N83°04'33"E
L19	337.64	N84°21'26"E
L20	2708.56	N02°33'21"E
L21	1313.60	N89°41'45"W
L22	1319.30	S62°42'47"E
L23	952.40	N89°42'38"W
L24	27.18	S20°53'28"E
L25	188.81	S00°00'00"E
L26	103.12	S77°45'28"E
L27	113.78	S27°18'31"W
L28	225.10	S00°44'28"W
L29	183.31	S07°45'32"W
L30	124.54	S24°30'25"E
L31	167.80	S81°27'58"E
L32	122.12	S00°00'00"E
L33	185.37	S83°15'31"W
L34	107.52	S01°11'30"E
L35	153.80	N59°09'27"W
L36	689.40	N88°44'28"E
L37	1726.20	N87°44'44"E
L38	256.87	N45°15'30"W
L39	1422.84	S62°40'28"E
L40	1522.80	N88°18'20"E
L41	144.84	N88°18'20"E
L42	2144.84	N02°04'28"E
L43	1694.20	N89°40'23"E
L44	828.91	N07°32'52"E
L45	197.82	N88°40'20"E
L46	1327.02	N07°33'29"E



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LAKE ELSINORE THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2004.  
CITY CLERK OF THE CITY OF LAKE ELSINORE

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF THE CITY OF LAKE ELSINORE COMMUNITY FACILITIES DISTRICT NO. 2004-3 (CITY CENTER TOWNSHIP) CITY OF LAKE ELSINORE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE AT A REGULARLY SCHEDULED MEETING HELD ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 2004, BY ITS RESOLUTION NO. \_\_\_\_\_.

CITY CLERK OF THE CITY OF LAKE ELSINORE

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2004, AT THE HOUR OF \_\_\_\_\_ O'CLOCK, P.M. IN BOOK \_\_\_\_\_ OF MAPS OF RECORD AND COMMUNITY FACILITIES DISTRICTS PAGE NOS. \_\_\_\_\_ THROUGH \_\_\_\_\_ AS INSTRUMENT NO. \_\_\_\_\_ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

COUNTY RECORDER OF THE COUNTY OF RIVERSIDE

**PROPOSED BOUNDARY MAP**

Community Facilities District No. 2004-3  
of the City of Lake Elsinore  
(Rosetta Canyon)  
COUNTY OF RIVERSIDE, CALIFORNIA

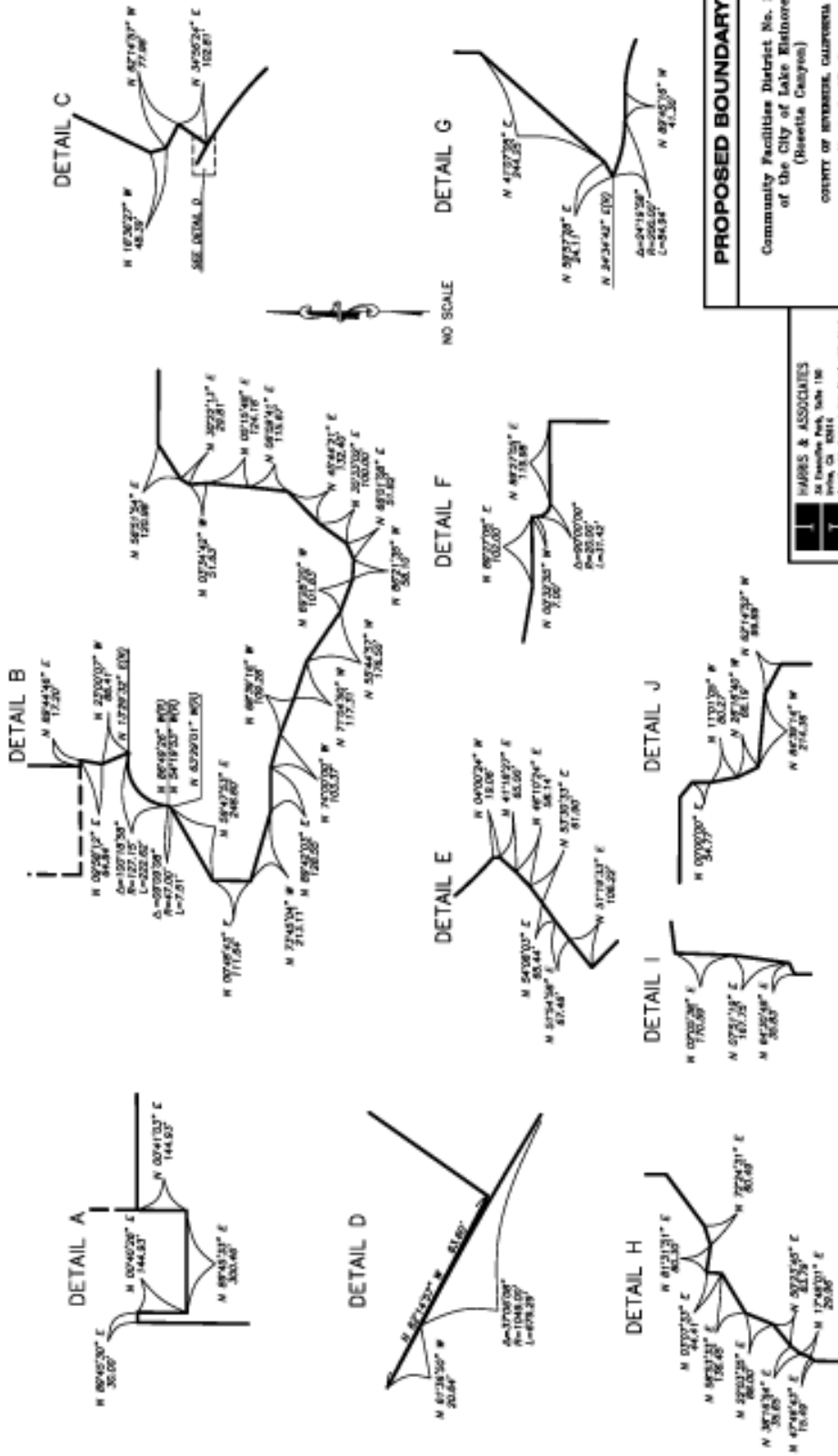
Sheet 1 of 2

REFER TO THE RIVERSIDE COUNTY ASSOCIATE'S MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS

HARRIS & ASSOCIATES  
34 Douglas Park, Suite 100  
Lake, CA 92546  
(949) 859-3900 • FAX (949) 859-3995

# PROPOSED BOUNDARY OF COMMUNITY FACILITIES DISTRICT No. 2004-3 OF THE CITY OF LAKE ELSINORE

(ROSETTA CANYON)  
COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA



## PROPOSED BOUNDARY MAP

Community Facilities District No. 2004-3  
of the City of Lake Elsinore  
(Rosetta Canyon)

COUNTY OF RIVERSIDE, CALIFORNIA

**HARRIS & ASSOCIATES**  
24 Executive Park, Suite 100  
Irvine, CA 92614  
(949) 451-3000 • Fax (949) 451-1868

***EXHIBIT B***

***Rate and Method of Apportionment  
of the Special Tax***

Rate and Method of Apportionment of Special Taxes

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**RATE AND METHOD OF APPORTIONMENT FOR  
CITY OF LAKE ELSINORE COMMUNITY FACILITIES DISTRICT No. 2004-3  
IMPROVEMENT AREA No. 1 (ROSETTA CANYON)**

A Special Tax shall be levied on all Assessor's Parcels in City of Lake Elsinore Community Facilities District No. 2004-3 (Improvement Area No. 1) (Rosetta Canyon) ("CFD No. 2004-3 (IA No. 1)") and collected each Fiscal Year commencing in Fiscal Year 2005-2006, in an amount determined through the application of the Rate and Method of Apportionment as described below. All of the real property in CFD No. 2004-3 (IA No. 1), unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Acre or Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map.

**"Act"** means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5, Division 2 of Title 5 of the California Government Code.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2004-3 (IA No. 1): the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2004-3 (IA No. 1) or any designee thereof of complying with arbitrage rebate requirements; the costs to the City, CFD No. 2004-3 (IA No. 1) or any designee thereof of complying with disclosure requirements of the City, CFD No. 2004-3 (IA No. 1) or obligated persons associated with applicable federal and state securities laws and the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 2004-3 (IA No. 1) or any designee thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated by the CFD Administrator or advanced by the City or CFD No. 2004-3 (IA No. 1) for any other administrative purposes of CFD No. 2004-3 (IA No. 1), including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

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**Rate and Method of Apportionment of Special Taxes**

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**"Assessor's Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

**"Assessor's Parcel Map"** means an official map of the County Assessor of the County designating parcels by Assessor's Parcel number.

**"Assigned Special Tax"** means the Special Tax for each Land Use Class of Developed Property in each Zone, as determined in accordance with Section C.1.b. below.

**"Authorized Facilities"** means those authorized improvements, as listed on Exhibit "A" to the Resolution of Formation.

**"Backup Special Tax"** means the Special Tax applicable to each Assessor's Parcel of Developed Property, as determined in accordance with Section C.1.d. below.

**"CFD Administrator"** means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**"CFD No. 2004-3"** means City of Lake Elsinore Community Facilities District No. 2004-3 (Rosetta Canyon).

**"CFD No. 2004-3 (IA No. 1)"** means Improvement Area No. 1 of CFD No. 2004-3, as identified on the boundary map for CFD No. 2004-3.

**"CFD No. 2004-3 (IA No. 1) Bonds"** means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by CFD No. 2004-3 and secured solely by Special Taxes levied on property within the boundaries of CFD No. 2004-3 (IA No. 1) under the Act.

**"City"** means the City of Lake Elsinore.

**"City Council"** means the City Council of the City of Lake Elsinore, acting as the legislative body of CFD No. 2004-3 (IA No. 1).

**"County"** means the County of Riverside.

**"Developed Property"** means, for each Fiscal Year, all Taxable Property, exclusive of Taxable Public Property and Taxable Property Owner Association Property, for which the Final Subdivision was recorded on or before January 1 of the prior Fiscal Year and a building permit for new construction was issued after January 1, 2004 and on or before May 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied.

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Rate and Method of Apportionment of Special Taxes

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**"Final Subdivision"** means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual lots for which building permits may be issued without further subdivision.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Indenture"** means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which CFD No. 2004-3 (IA No. 1) Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

**"Land Use Class"** means any of the classes listed in Table 1.

**"Maximum Special Tax"** means the maximum Special Tax, determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel.

**"Non-Residential Property"** means all Assessor's Parcels of Developed Property for which a building permit permitting the construction of one or more non-residential units or facilities has been issued by the City.

**"Outstanding Bonds"** means all CFD No. 2004-3 (IA No. 1) Bonds which are deemed to be outstanding under the Indenture.

**"Property Owner Association Property"** means, for each Fiscal Year, any property within the boundaries of CFD No. 2004-3 (IA No. 1) that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

**"Proportionately"** means for Developed Property that the ratio of the actual Special Tax levy to the Assigned Special Tax is equal for all Assessor's Parcels of Developed Property, or where the Backup Special Tax is being levied, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels upon which a Backup Special Tax is being levied. For Undeveloped Property, "Proportionately" means that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre is equal for all Assessor's Parcels of Undeveloped Property. The term "Proportionately" may similarly be applied to other categories of Taxable Property as listed in Section D below.

**"Public Property"** means property within the boundaries of CFD No. 2004-3 (IA No. 1) owned by, irrevocably offered or dedicated to, or over, through or under which an easement for purposes of public right-of-way has been granted, to the federal government, the State, the County, the City, or any local government or other public agency, provided that any property leased by a public agency to a private entity and

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Rate and Method of Apportionment of Special Taxes

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subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

**"Residential Floor Area"** means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area for an Assessor's Parcel shall be made by reference to the building permit(s) issued for such Assessor's Parcel.

**"Residential Property"** means all Assessor's Parcels of Developed Property for which a building permit permitting the construction thereon of one or more residential dwelling units has been issued by the City.

**"Resolution of Formation"** means the Resolution of Formation for CFD No. 2004-3 (IA No. 1).

**"Special Tax"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property, Taxable Property Owner Association Property, Taxable Public Property, and Undeveloped Property to fund the Special Tax Requirement.

**"Special Tax Requirement"** means that amount required in any Fiscal Year for CFD No. 2004-3 (IA No. 1) to: (i) pay debt service on all Outstanding Bonds due in the calendar year commencing in such Fiscal Year; (ii) pay periodic costs on the CFD No. 2004-3 (IA No. 1) Bonds, including but not limited to, credit enhancement and rebate payments on the CFD No. 2004-3 (IA No. 1) Bonds due in the calendar year commencing in such Fiscal Year; (iii) pay Administrative Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) pay for reasonably anticipated Special Tax delinquencies based on the delinquency rate for the Special Tax levy in the previous Fiscal Year; (vi) pay directly for acquisition or construction of Authorized Facilities to the extent that the inclusion of such amount does not increase the Special Tax levy on Undeveloped Property; less (vii) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator pursuant to the Indenture.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of CFD No. 2004-3 (IA No. 1) which are not exempt from the Special Tax pursuant to law or Section E below.

**"Taxable Property Owner Association Property"** means all Assessor's Parcels of Property Owner Association Property that are not exempt pursuant to Section E below.

**"Taxable Public Property"** means all Assessor's Parcels of Public Property that are not exempt pursuant to Section E below.

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**Rate and Method of Apportionment of Special Taxes**

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"**Trustee**" means the trustee, fiscal agent, or paying agent under the Indenture.

"**Undeveloped Property**" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Taxable Property Owner Association Property, or Taxable Public Property.

"**Zone**" means Zone 1 or Zone 2, as applicable.

"**Zone 1**" means the land geographically identified within the boundaries of zone 1 as delineated in Exhibit A to this Rate and Method of Apportionment.

"**Zone 2**" means the land geographically identified within the boundaries of zone 2 as delineated in Exhibit A to this Rate and Method of Apportionment.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within CFD No. 2004-3 (IA No. 1) shall be assigned to a Zone and further classified as Developed Property, Taxable Public Property, Taxable Property Owner Association Property, or Undeveloped Property, and shall be subject to Special Taxes in accordance with this Rate and Method of Apportionment determined pursuant to Sections C and D below. Residential Property shall be assigned to Land Use Classes 1 through 11 as listed in Table 1 below based on the Residential Floor Area for each unit. Non-Residential Property shall be assigned to Land Use Class 12.

**C. MAXIMUM SPECIAL TAX RATE**

**1. Developed Property**

a. Maximum Special Tax

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax.

b. Assigned Special Tax

The Assigned Special Tax for each Land Use Class is shown below in Table 1.



Rate and Method of Apportionment of Special Taxes

**TABLE 1**

**Assigned Special Taxes for Developed Property  
Community Facilities District No. 2004-3  
Improvement Area No. 1  
Fiscal Year 2005-2006**

Land Use Class	Description	Residential Floor Area	Zone 1 Assigned Special Tax	Zone 2 Assigned Special Tax
1	Residential Property	> 3,950 s.f.	\$2,963.82 per unit	\$3,247.22 per unit
2	Residential Property	3,701 – 3,950 s.f.	\$2,874.12 per unit	\$3,191.43 per unit
3	Residential Property	3,451 – 3,700 s.f.	\$2,784.41 per unit	\$3,135.65 per unit
4	Residential Property	3,201 – 3,450 s.f.	\$2,694.71 per unit	\$2,995.56 per unit
5	Residential Property	2,951 – 3,200 s.f.	\$2,605.01 per unit	\$2,879.24 per unit
6	Residential Property	2,701 – 2,950 s.f.	\$2,464.59 per unit	\$2,762.93 per unit
7	Residential Property	2,451 – 2,700 s.f.	\$2,401.75 per unit	\$2,690.90 per unit
8	Residential Property	2,201 – 2,450 s.f.	\$2,338.42 per unit	\$2,569.83 per unit
9	Residential Property	1,951 – 2,200 s.f.	\$2,174.55 per unit	\$2,502.06 per unit
10	Residential Property	1,700 – 1,950 s.f.	\$2,120.92 per unit	\$2,420.82 per unit
11	Residential Property	< 1,700 s.f.	\$2,066.79 per unit	\$2,329.00 per unit
12	Non-Residential Property	NA	\$14,337 per Acre	\$14,043 per Acre

c. Increase in the Assigned Special Tax

The Assigned Special Taxes identified in Table 1 above shall be applicable for Fiscal Year 2005-2006, and shall increase thereafter, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Assigned Special Tax for the previous Fiscal Year.

d. Backup Special Tax

The Fiscal Year 2005-2006 Backup Special Tax attributable to a Final Subdivision in Zone 1 or Zone 2 will equal \$16,285 multiplied by the Acreage of all Taxable Property, exclusive of any Taxable Property Owner Association Property and Taxable Public Property, therein. The Backup Special Tax for each Assessor's Parcel of Residential Property shall be computed by dividing the Backup Special Tax attributable to the applicable Final Subdivision by the number of Assessor's Parcels for

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**Rate and Method of Apportionment of Special Taxes**

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which building permits for residential construction have or may be issued (i.e., the number or residential lots). The Backup Special Tax for each Assessor's Parcel of Non-Residential Property therein shall equal \$16,285 multiplied by the Acreage of such Assessor's Parcel.

If a Final Subdivision includes Assessor's Parcels of Taxable Property for which building permits for both residential and non-residential construction may be issued, exclusive of Taxable Property Owner Association Property and Taxable Public Property, then the Backup Special Tax for each Assessor's Parcel of Residential Property shall be computed exclusive of the Acreage and Assessor's Parcels of property for which building permits for non-residential construction may be issued.

Notwithstanding the foregoing, if all or any portion of the Final Subdivision(s) described in the preceding paragraphs is subsequently changed or modified, then the Backup Special Tax for each Assessor's Parcel of Developed Property in such Final Subdivision area that is changed or modified shall be a rate per square foot of Acreage calculated as follows:

1. Determine the total Backup Special Taxes anticipated to apply to the changed or modified Final Subdivision area prior to the change or modification.
2. The result of paragraph 1 above shall be divided by the Acreage of Taxable Property which is ultimately expected to exist in such changed or modified Final Subdivision area, as reasonably determined by the CFD Administrator.
3. The result of paragraph 2 above shall be divided by 43,560. The result is the Backup Special Tax per square foot of Acreage which shall be applicable to Assessor's Parcels of Developed Property in such changed or modified Final Subdivision area for all remaining Fiscal Years in which the Special Tax may be levied.

- i. Release of Obligation to Pay and Disclose Backup Special Tax

All Assessors' Parcels within CFD No. 2004-3 (IA No. 1) will be relieved simultaneously and permanently from the obligation to pay and disclose the Backup Special Tax if the CFD Administrator determines that the annual debt service required for the Outstanding Bonds, when compared to the Assigned Special Taxes that may be levied against all Assessors' Parcels of Developed Property result in 110% debt service coverage (i.e., the Assigned

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**Rate and Method of Apportionment of Special Taxes**

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Special Taxes that may be levied against all Developed Property in each remaining Fiscal Year based on then existing development in CFD No. 2004-3 (IA No. 1) is at least equal to the sum of (i) the Administrative Expenses and (ii) 1.10 times maximum annual debt service, in each remaining Fiscal Year on the Outstanding Bonds).

e. Increase in the Backup Special Tax

On each July 1, commencing on July 1, 2006, the Backup Special Tax shall be increased by an amount equal to two percent (2%) of the Backup Special Tax for the previous Fiscal Year.

f. Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax for all Land Use Classes located on that Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

**2. Taxable Property Owner Association Property, Taxable Public Property, and Undeveloped Property**

The Fiscal Year 2005-2006 Maximum Special Tax for Taxable Property Owner Association Property, Taxable Public Property, and Undeveloped Property in Zone 1 or Zone 2 shall be \$16,285 per Acre, and shall increase thereafter, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Maximum Special Tax for the previous Fiscal Year.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2005-2006 and for each following Fiscal Year, the City Council shall levy the Special Tax until the amount of Special Taxes levied equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied on each Assessor's Parcel of Developed Property in Zone 1 and Zone 2 in an amount equal to 100% of the applicable Assigned Special Tax;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property in Zone 1 and Zone 2 at up to 100% of the applicable Maximum Special Tax for Undeveloped Property;

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**Rate and Method of Apportionment of Special Taxes**

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Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the levy of the Special Tax on each Assessor's Parcel of Developed Property in Zone 1 and Zone 2 whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such Assessor's Parcel;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Property Owner Association Property and Taxable Public Property in Zone 1 and Zone 2 at up to the applicable Maximum Special Tax for Taxable Property Owner Association Property or Taxable Public Property.

Notwithstanding the above the City Council may, in any Fiscal Year, levy Proportionately less than 100% of the Assigned Special Tax in step one (above), when (i) the City Council is no longer required to levy the Special Tax pursuant to steps two through four above in order to meet the Special Tax Requirement; and (ii) all authorized CFD No. 2004-3 (IA No. 1) Bonds have already been issued or the City Council has covenanted that it will not issue any additional CFD No. 2004-3 (IA No. 1) Bonds (except refunding bonds) to be supported by the Special Tax.

Further notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 2004-3 (IA No. 1).

**E. EXEMPTIONS**

No Special Tax shall be levied on up to 127.43 Acres of Property Owner Association Property and/or Public Property in CFD No. 2004-3 (IA No. 1). Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Property Owner Association Property or Public Property. However, should an Assessor's Parcel no longer be classified as Property Owner Association Property or Public Property, its tax-exempt status will be revoked.

Property Owner Association Property or Public Property that is not exempt from Special Taxes under this section shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the fourth step in Section D above, at up to 100% of the applicable Maximum Special Tax for Taxable Property Owner Association Property or Taxable Public Property.

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Rate and Method of Apportionment of Special Taxes

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**F. MANNER OF COLLECTION**

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 2004-3 (IA No. 1) may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

**G. APPEALS**

Any landowner or resident who feels that the amount of the Special Tax levied on their Assessor's Parcel is in error may submit a written appeal to CFD No. 2004-3 (IA No. 1). The CFD Administrator shall review the appeal and if the CFD Administrator concurs, the amount of the Special Tax levied shall be appropriately modified.

The City Council may interpret this Rate and Method of Apportionment for purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any landowner or resident appeals. Any decision of the City Council shall be final and binding as to all persons.

**H. PREPAYMENT OF SPECIAL TAX**

The following definitions apply to this Section H:

**"Buildout"** means, for CFD No. 2004-3 (IA No. 1), that all expected building permits have been issued.

**"CFD Public Facilities"** means either \$16,190,781 in 2004 dollars, which shall increase by the Construction Inflation Index on July 1, 2005, and on each July 1 thereafter, or such lower number as (i) shall be determined by the CFD Administrator as sufficient to provide the public facilities to be provided by CFD No. 2004-3 (IA No. 1) under the authorized bonding program for CFD No. 2004-3 (IA No. 1), or (ii) shall be determined by the City Council concurrently with a covenant that it will not issue any more CFD No. 2004-3 (IA No. 1) Bonds (except refunding bonds) to be supported by the Special Taxes levied under this Rate and Method of Apportionment as described in Section D.

**"Construction Inflation Index"** means the annual percentage change in the Engineering News Record Building Cost Index for the City of Los Angeles, measured as of the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Engineering News Record Building Cost Index for the City of Los Angeles.

**"Future Facilities Costs"** means the CFD Public Facilities minus (i) public facility costs previously paid from the Improvement Fund, (ii) moneys currently on deposit in the

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Rate and Method of Apportionment of Special Taxes

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Improvement Fund, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance the cost of CFD Public Facilities.

**"Improvement Fund"** means an account specifically identified in the Indenture to hold funds which are currently available for expenditure to acquire or construct CFD Public Facilities eligible under the Act.

**"Previously Issued Bonds"** means, for any Fiscal Year, all Outstanding Bonds that are deemed to be outstanding under the Indenture after the first interest and/or principal payment date following the current Fiscal Year.

**1. Prepayment in Full**

Only an Assessor's Parcel of Developed Property, or Undeveloped Property for which a building permit has been issued, may be prepaid. The obligation of the Assessor's Parcel to pay any Special Tax may be permanently satisfied as described herein, provided that a prepayment may be made with respect to a particular Assessor's Parcel only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. The CFD Administrator may charge a reasonable fee for providing this service. Prepayment must be made not less than 45 days prior to the next occurring date that notice of redemption of CFD No. 2004-3 (IA No. 1) Bonds from the proceeds of such prepayment may be given by the Trustee pursuant to the Indenture.

The Special Tax Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
less	Reserve Fund Credit
<u>less</u>	<u>Capitalized Interest Credit</u>
Total: equals	Prepayment Amount

As of the proposed date of prepayment, the Special Tax Prepayment Amount shall be calculated as follows:

**Rate and Method of Apportionment of Special Taxes**

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**Paragraph No.:**

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.
2. For Assessor's Parcels of Developed Property, compute the Assigned Special Tax and Backup Special Tax. For Assessor's Parcels of Undeveloped Property for which a building permit has been issued, compute the Assigned Special Tax and Backup Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel.
3. (a) Divide the Assigned Special Tax computed pursuant to paragraph 2 by the total estimated Assigned Special Taxes for the entire CFD No. 2004-3 (IA No. 1) based on the Developed Property Special Taxes which could be levied in the current Fiscal Year on all expected development through Buildout of CFD No. 2004-3 (IA No. 1), excluding any Assessor's Parcels which have been prepaid, and  
  
(b) Divide the Backup Special Tax computed pursuant to paragraph 2 by the total estimated Backup Special Taxes at Buildout for the entire CFD No. 2004-3 (IA No. 1), excluding any Assessor's Parcels which have been prepaid.
4. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the Previously Issued Bonds to compute the amount of Previously Issued Bonds to be retired and prepaid (the "*Bond Redemption Amount*").
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (e.g., the redemption price-100%), if any, on the Previously Issued Bonds to be redeemed (the "*Redemption Premium*").
6. Compute the current Future Facilities Costs.
7. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "*Future Facilities Amount*").
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Previously Issued Bonds.
9. Determine the Special Tax levied on the Assessor's Parcel in the current Fiscal Year which has not yet been paid.
10. Compute the minimum amount the CFD Administrator reasonably expects to derive from the reinvestment of the Special Tax Prepayment Amount less the

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Rate and Method of Apportionment of Special Taxes

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Future Facilities Amount and the Administrative Fees and Expenses (defined below) from the date of prepayment until the redemption date for the Previously Issued Bonds to be redeemed with the prepayment.

11. Add the amounts computed pursuant to paragraphs 8 and 9 and subtract the amount computed pursuant to paragraph 10 (the "*Defeasance Amount*").
12. The administrative fees and expenses of CFD No. 2004-3 (IA No. 1) are as calculated by the CFD Administrator and include the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No. 2004-3 (IA No. 1) Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "*Administrative Fees and Expenses*").
13. The reserve fund credit (the "*Reserve Fund Credit*") shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture), if any, associated with the redemption of Previously Issued Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture) in effect after the redemption of Previously Issued Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. No Reserve Fund Credit shall be granted if the amount then on deposit in the reserve fund for the Previously Issued Bonds is below 100% of the reserve requirement (as defined in the Indenture).
14. If any capitalized interest for the Previously Issued Bonds will not have been expended as of the date immediately following the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the expected balance in the capitalized interest fund or account under the Indenture after such first interest and/or principal payment (the "*Capitalized Interest Credit*").
15. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 7, 11 and 12, less the amounts computed pursuant to paragraphs 13 and 14 (the "*Prepayment Amount*").

From the Prepayment Amount, the amounts computed pursuant to paragraphs 4, 5, 11, 13 and 14 shall be deposited into the appropriate fund as established under the Indenture and be used to retire CFD No. 2004-3 (IA No. 1) Bonds or make debt service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Improvement Fund. The amount computed pursuant to paragraph 12 shall be retained by CFD No. 2004-3 (IA No. 1).



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**Rate and Method of Apportionment of Special Taxes**

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The Special Tax Prepayment Amount may be insufficient to redeem a full \$5,000 increment of CFD No. 2004-3 (IA No. 1) Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of CFD No. 2004-3 (IA No. 1) Bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax levy as determined under paragraph 9 (above), the CFD Administrator shall remove the current Fiscal Year's Special Tax levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid, the City Council shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of the Special Tax and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless, at the time of such proposed prepayment, the amount of Maximum Special Taxes that may be levied on Taxable Property within CFD No. 2004-3 (IA No. 1) (after excluding 127.43 Acres of Property Owner Association Property and/or Public Property in CFD No. 2004-3 (IA No. 1) as set forth in Section E) both prior to and after the proposed prepayment is at least equal to the sum of (i) the Administrative Expenses and (ii) 1.10 times maximum annual debt service, in each remaining Fiscal Year on the Outstanding Bonds.

**2. Prepayment in Part**

The Special Tax on an Assessor's Parcel of Developed Property or an Assessor's Parcel of Undeveloped Property for which a building permit has been issued may be partially prepaid. The amount of the prepayment shall be calculated as in Section H.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = [(P_E - A) \times F] + A$$

These terms have the following meaning:

PP = the partial prepayment.

P<sub>E</sub> = the Special Tax Prepayment Amount calculated according to Section H.1.

F = the percentage, expressed as a decimal, by which the owner of the Assessor's Parcel is partially prepaying the Special Tax.

A = the Administrative Fees and Expenses calculated according to Section H.1.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax for an Assessor's Parcel within 30 days of the request and may charge a reasonable fee for providing this service. With respect to any Assessor's Parcel that is

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**Rate and Method of Apportionment of Special Taxes**

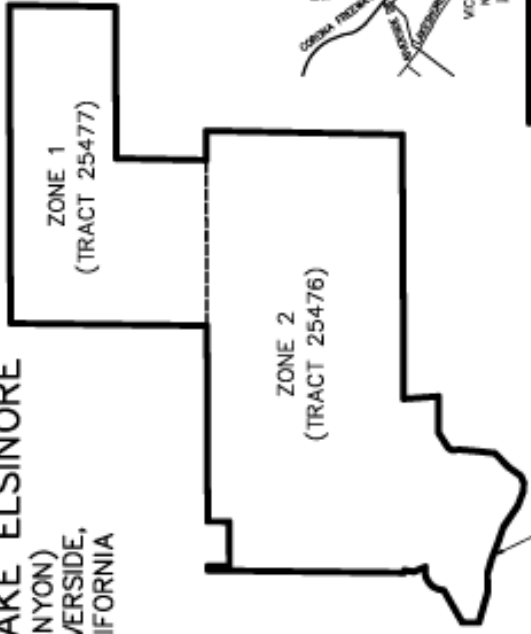
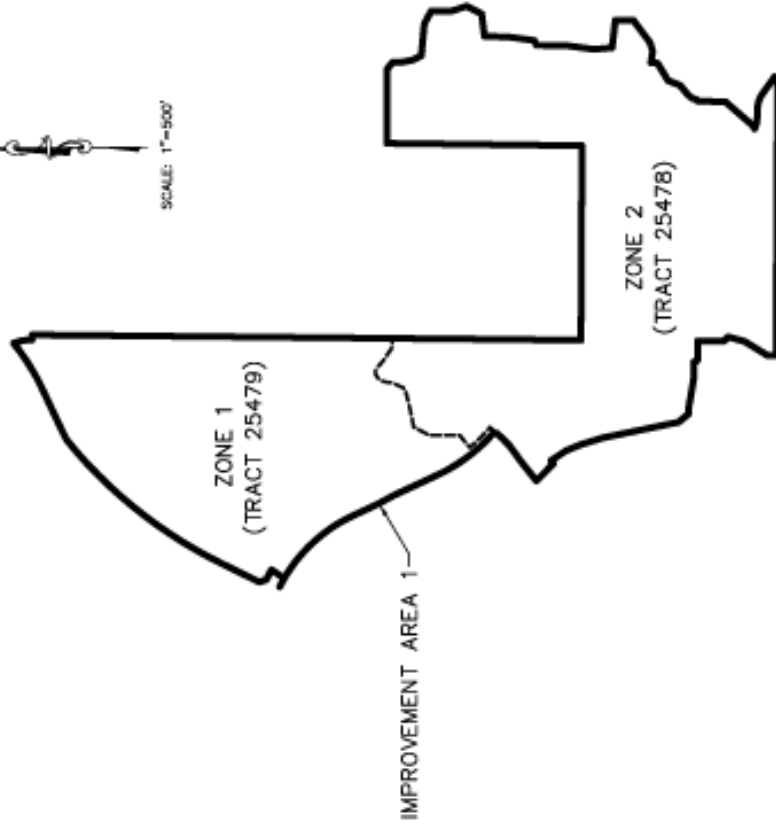
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partially prepaid, the City Council shall (i) distribute the funds remitted to it according to Section H.1, and (ii) indicate in the records of CFD No. 2004-3 (IA No. 1) that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the remaining Maximum Special Tax, shall continue to be levied on such Assessor's Parcel pursuant to Section D.

**I. TERM OF SPECIAL TAX**

The Special Tax shall be levied for a period not to exceed forty years commencing with Fiscal Year 2005-2006, provided however that Special Taxes will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined (i) that all required interest and principal payments on the CFD No. 2004-3 (IA No. 1) Bonds have been paid; and (ii) all Authorized Facilities have been constructed.

**ZONE MAP**  
**COMMUNITY FACILITIES DISTRICT No. 2004-3**  
**OF THE CITY OF LAKE ELSINORE**  
 (ROSETTA CANYON)  
 COUNTY OF RIVERSIDE,  
 STATE OF CALIFORNIA



**ZONE MAP**

Community Facilities District No. 2004-3  
 of the CITY of Lake Elsinore  
 (Rosetta Canyon)  
 COUNTY OF RIVERSIDE, CALIFORNIA

Sheet 1 OF 1

**HARRIS & ASSOCIATES**  
 24 Deschamps Park, Suite 100  
 (949) 451-1880 • FAX (949) 451-1885

Rate and Method of Apportionment of Special Taxes

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**RATE AND METHOD OF APPORTIONMENT FOR  
CITY OF LAKE ELSINORE COMMUNITY FACILITIES DISTRICT No. 2004-3  
IMPROVEMENT AREA No. 2 (ROSETTA CANYON)**

A Special Tax shall be levied on all Assessor's Parcels in City of Lake Elsinore Community Facilities District No. 2004-3 (Improvement Area No. 2) (Rosetta Canyon) ("CFD No. 2004-3 (IA No. 2)") and collected each Fiscal Year commencing in Fiscal Year 2005-2006, in an amount determined through the application of the Rate and Method of Apportionment as described below. All of the real property in CFD No. 2004-3 (IA No. 2), unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Acre or Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map.

**"Act"** means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5, Division 2 of Title 5 of the California Government Code.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2004-3 (IA No. 2): the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2004-3 (IA No. 2) or any designee thereof of complying with arbitrage rebate requirements; the costs to the City, CFD No. 2004-3 (IA No. 2) or any designee thereof of complying with disclosure requirements of the City, CFD No. 2004-3 (IA No. 2) or obligated persons associated with applicable federal and state securities laws and the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 2004-3 (IA No. 2) or any designee thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated by the CFD Administrator or advanced by the City or CFD No. 2004-3 (IA No. 2) for any other administrative purposes of CFD No. 2004-3 (IA No. 2), including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

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**Rate and Method of Apportionment of Special Taxes**

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**"Assessor's Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

**"Assessor's Parcel Map"** means an official map of the County Assessor of the County designating parcels by Assessor's Parcel number.

**"Assigned Special Tax"** means the Special Tax for each Land Use Class of Developed Property in each Zone, as determined in accordance with Section C.1.b. below.

**"Authorized Facilities"** means those authorized improvements, as listed on Exhibit "A" to the Resolution of Formation.

**"Backup Special Tax"** means the Special Tax applicable to each Assessor's Parcel of Developed Property, as determined in accordance with Section C.1.d. below.

**"CFD Administrator"** means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**"CFD No. 2004-3"** means City of Lake Elsinore Community Facilities District No. 2004-3 (Rosetta Canyon).

**"CFD No. 2004-3 (IA No. 2)"** means Improvement Area No. 2 of CFD No. 2004-3, as identified on the boundary map for CFD No. 2004-3.

**"CFD No. 2004-3 (IA No. 2) Bonds"** means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by CFD No. 2004-3 and secured solely by Special Taxes levied on property within the boundaries of CFD No. 2004-3 (IA No. 2) under the Act.

**"City"** means the City of Lake Elsinore.

**"City Council"** means the City Council of the City of Lake Elsinore, acting as the legislative body of CFD No. 2004-3 (IA No. 2).

**"County"** means the County of Riverside.

**"Developed Property"** means, for each Fiscal Year, all Taxable Property, exclusive of Taxable Public Property and Taxable Property Owner Association Property, for which the Final Subdivision was recorded on or before January 1 of the prior Fiscal Year and a building permit for new construction was issued after January 1, 2004 and on or before May 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied.

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Rate and Method of Apportionment of Special Taxes

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**"Final Subdivision"** means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual lots for which building permits may be issued without further subdivision.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Indenture"** means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which CFD No. 2004-3 (IA No. 2) Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

**"Land Use Class"** means any of the classes listed in Table 1.

**"Maximum Special Tax"** means the maximum Special Tax, determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel.

**"Non-Residential Property"** means all Assessor's Parcels of Developed Property for which a building permit permitting the construction of one or more non-residential units or facilities has been issued by the City.

**"Outstanding Bonds"** means all CFD No. 2004-3 (IA No. 2) Bonds which are deemed to be outstanding under the Indenture.

**"Property Owner Association Property"** means, for each Fiscal Year, any property within the boundaries of CFD No. 2004-3 (IA No. 2) that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

**"Proportionately"** means for Developed Property that the ratio of the actual Special Tax levy to the Assigned Special Tax is equal for all Assessor's Parcels of Developed Property, or where the Backup Special Tax is being levied, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels upon which a Backup Special Tax is being levied. For Undeveloped Property, "Proportionately" means that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre is equal for all Assessor's Parcels of Undeveloped Property. The term "Proportionately" may similarly be applied to other categories of Taxable Property as listed in Section D below.

**"Public Property"** means property within the boundaries of CFD No. 2004-3 (IA No. 2) owned by, irrevocably offered or dedicated to, or over, through or under which an easement for purposes of public right-of-way has been granted, to the federal government, the State, the County, the City, or any local government or other public agency, provided that any property leased by a public agency to a private entity and

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Rate and Method of Apportionment of Special Taxes

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subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

**"Residential Floor Area"** means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area for an Assessor's Parcel shall be made by reference to the building permit(s) issued for such Assessor's Parcel.

**"Residential Property"** means all Assessor's Parcels of Developed Property for which a building permit permitting the construction thereon of one or more residential dwelling units has been issued by the City.

**"Resolution of Formation"** means the Resolution of Formation for CFD No. 2004-3 (IA No. 2).

**"Special Tax"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property, Taxable Property Owner Association Property, Taxable Public Property, and Undeveloped Property to fund the Special Tax Requirement.

**"Special Tax Requirement"** means that amount required in any Fiscal Year for CFD No. 2004-3 (IA No. 2) to: (i) pay debt service on all Outstanding Bonds due in the calendar year commencing in such Fiscal Year; (ii) pay periodic costs on the CFD No. 2004-3 (IA No. 2) Bonds, including but not limited to, credit enhancement and rebate payments on the CFD No. 2004-3 (IA No. 2) Bonds due in the calendar year commencing in such Fiscal Year; (iii) pay Administrative Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) pay for reasonably anticipated Special Tax delinquencies based on the delinquency rate for the Special Tax levy in the previous Fiscal Year; (vi) pay directly for acquisition or construction of Authorized Facilities to the extent that the inclusion of such amount does not increase the Special Tax levy on Undeveloped Property; less (vii) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator pursuant to the Indenture.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of CFD No. 2004-3 (IA No. 2) which are not exempt from the Special Tax pursuant to law or Section E below.

**"Taxable Property Owner Association Property"** means all Assessor's Parcels of Property Owner Association Property that are not exempt pursuant to Section E below.

**"Taxable Public Property"** means all Assessor's Parcels of Public Property that are not exempt pursuant to Section E below.

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**Rate and Method of Apportionment of Special Taxes**

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"**Trustee**" means the trustee, fiscal agent, or paying agent under the Indenture.

"**Undeveloped Property**" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Taxable Property Owner Association Property, or Taxable Public Property.

"**Zone**" means Zone 1 or Zone 2, as applicable.

"**Zone 1**" means the land geographically identified within the boundaries of zone 1 as delineated in Exhibit A to this Rate and Method of Apportionment.

"**Zone 2**" means the land geographically identified within the boundaries of zone 2 as delineated in Exhibit A to this Rate and Method of Apportionment.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within CFD No. 2004-3 (IA No. 2) shall be assigned to a Zone and further classified as Developed Property, Taxable Public Property, Taxable Property Owner Association Property, or Undeveloped Property, and shall be subject to Special Taxes in accordance with this Rate and Method of Apportionment determined pursuant to Sections C and D below. Residential Property shall be assigned to Land Use Classes 1 through 11 as listed in Table 1 below based on the Residential Floor Area for each unit. Non-Residential Property shall be assigned to Land Use Class 12.

**C. MAXIMUM SPECIAL TAX RATE**

**1. Developed Property**

a. Maximum Special Tax

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax.

b. Assigned Special Tax

The Assigned Special Tax for each Land Use Class is shown below in Table 1.



Rate and Method of Apportionment of Special Taxes

**TABLE 1**

**Assigned Special Taxes for Developed Property  
Community Facilities District No. 2004-3  
Improvement Area No. 2  
Fiscal Year 2005-2006**

Land Use Class	Description	Residential Floor Area	Zone 1 Assigned Special Tax	Zone 2 Assigned Special Tax
1	Residential Property	> 3,950 s.f.	\$3,271.79 per unit	\$3,565.47 per unit
2	Residential Property	3,701 – 3,950 s.f.	\$3,174.02 per unit	\$3,504.87 per unit
3	Residential Property	3,451 – 3,700 s.f.	\$3,076.25 per unit	\$3,443.77 per unit
4	Residential Property	3,201 – 3,450 s.f.	\$2,978.48 per unit	\$3,290.64 per unit
5	Residential Property	2,951 – 3,200 s.f.	\$2,880.71 per unit	\$3,172.60 per unit
6	Residential Property	2,701 – 2,950 s.f.	\$2,727.85 per unit	\$3,055.06 per unit
7	Residential Property	2,451 – 2,700 s.f.	\$2,659.26 per unit	\$2,975.78 per unit
8	Residential Property	2,201 – 2,450 s.f.	\$2,590.67 per unit	\$2,844.10 per unit
9	Residential Property	1,951 – 2,200 s.f.	\$2,411.94 per unit	\$2,770.55 per unit
10	Residential Property	1,700 – 1,950 s.f.	\$2,353.03 per unit	\$2,688.11 per unit
11	Residential Property	< 1,700 s.f.	\$2,294.11 per unit	\$2,590.62 per unit
12	Non-Residential Property	NA	\$17,817 per Acre	\$16,754 per Acre

c. Increase in the Assigned Special Tax

The Assigned Special Taxes identified in Table 1 above shall be applicable for Fiscal Year 2005-2006, and shall increase thereafter, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Assigned Special Tax for the previous Fiscal Year.

d. Backup Special Tax

The Fiscal Year 2005-2006 Backup Special Tax attributable to a Final Subdivision in Zone 1 or Zone 2 will equal \$19,868 multiplied by the Acreage of all Taxable Property, exclusive of any Taxable Property Owner Association Property and Taxable Public Property, therein. The Backup Special Tax for each Assessor's Parcel of Residential Property shall be computed by dividing the Backup Special Tax attributable to the applicable Final Subdivision by the number of Assessor's Parcels for

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**Rate and Method of Apportionment of Special Taxes**

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which building permits for residential construction have or may be issued (i.e., the number or residential lots). The Backup Special Tax for each Assessor's Parcel of Non-Residential Property therein shall equal \$19,868 multiplied by the Acreage of such Assessor's Parcel.

If a Final Subdivision includes Assessor's Parcels of Taxable Property for which building permits for both residential and non-residential construction may be issued, exclusive of Taxable Property Owner Association Property and Taxable Public Property, then the Backup Special Tax for each Assessor's Parcel of Residential Property shall be computed exclusive of the Acreage and Assessor's Parcels of property for which building permits for non-residential construction may be issued.

Notwithstanding the foregoing, if all or any portion of the Final Subdivision(s) described in the preceding paragraphs is subsequently changed or modified, then the Backup Special Tax for each Assessor's Parcel of Developed Property in such Final Subdivision area that is changed or modified shall be a rate per square foot of Acreage calculated as follows:

1. Determine the total Backup Special Taxes anticipated to apply to the changed or modified Final Subdivision area prior to the change or modification.
2. The result of paragraph 1 above shall be divided by the Acreage of Taxable Property which is ultimately expected to exist in such changed or modified Final Subdivision area, as reasonably determined by the CFD Administrator.
3. The result of paragraph 2 above shall be divided by 43,560. The result is the Backup Special Tax per square foot of Acreage which shall be applicable to Assessor's Parcels of Developed Property in such changed or modified Final Subdivision area for all remaining Fiscal Years in which the Special Tax may be levied.

- i. Release of Obligation to Pay and Disclose Backup Special Tax

All Assessors' Parcels within CFD No. 2004-3 (IA No. 2) will be relieved simultaneously and permanently from the obligation to pay and disclose the Backup Special Tax if the CFD Administrator determines that the annual debt service required for the Outstanding Bonds, when compared to the Assigned Special Taxes that may be levied against all Assessors' Parcels of Developed Property result in 110% debt service coverage (i.e., the Assigned

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**Rate and Method of Apportionment of Special Taxes**

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Special Taxes that may be levied against all Developed Property in each remaining Fiscal Year based on then existing development in CFD No. 2004-3 (IA No. 2) is at least equal to the sum of (i) the Administrative Expenses and (ii) 1.10 times maximum annual debt service, in each remaining Fiscal Year on the Outstanding Bonds).

e. Increase in the Backup Special Tax

On each July 1, commencing on July 1, 2006, the Backup Special Tax shall be increased by an amount equal to two percent (2%) of the Backup Special Tax for the previous Fiscal Year.

f. Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax for all Land Use Classes located on that Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

**2. Taxable Property Owner Association Property, Taxable Public Property, and Undeveloped Property**

The Fiscal Year 2005-2006 Maximum Special Tax for Taxable Property Owner Association Property, Taxable Public Property, and Undeveloped Property in Zone 1 or Zone 2 shall be \$19,868 per Acre, and shall increase thereafter, commencing on July 1, 2006 and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the Maximum Special Tax for the previous Fiscal Year.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2005-2006 and for each following Fiscal Year, the City Council shall levy the Special Tax until the amount of Special Taxes levied equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied on each Assessor's Parcel of Developed Property in Zone 1 and Zone 2 in an amount equal to 100% of the applicable Assigned Special Tax;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property in Zone 1 and Zone 2 at up to 100% of the applicable Maximum Special Tax for Undeveloped Property;

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**Rate and Method of Apportionment of Special Taxes**

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Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the levy of the Special Tax on each Assessor's Parcel of Developed Property in Zone 1 and Zone 2 whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such Assessor's Parcel;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Property Owner Association Property and Taxable Public Property in Zone 1 and Zone 2 at up to the applicable Maximum Special Tax for Taxable Property Owner Association Property or Taxable Public Property.

Notwithstanding the above the City Council may, in any Fiscal Year, levy Proportionately less than 100% of the Assigned Special Tax in step one (above), when (i) the City Council is no longer required to levy the Special Tax pursuant to steps two through four above in order to meet the Special Tax Requirement; and (ii) all authorized CFD No. 2004-3 (IA No. 2) Bonds have already been issued or the City Council has covenanted that it will not issue any additional CFD No. 2004-3 (IA No. 2) Bonds (except refunding bonds) to be supported by the Special Tax.

Further notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 2004-3 (IA No. 2).

**E. EXEMPTIONS**

No Special Tax shall be levied on up to 74.81 Acres of Property Owner Association Property and/or Public Property in CFD No. 2004-3 (IA No. 2). Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Property Owner Association Property or Public Property. However, should an Assessor's Parcel no longer be classified as Property Owner Association Property or Public Property, its tax-exempt status will be revoked.

Property Owner Association Property or Public Property that is not exempt from Special Taxes under this section shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the fourth step in Section D above, at up to 100% of the applicable Maximum Special Tax for Taxable Property Owner Association Property or Taxable Public Property.

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Rate and Method of Apportionment of Special Taxes

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**F. MANNER OF COLLECTION**

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 2004-3 (IA No. 2) may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

**G. APPEALS**

Any landowner or resident who feels that the amount of the Special Tax levied on their Assessor's Parcel is in error may submit a written appeal to CFD No. 2004-3 (IA No. 2). The CFD Administrator shall review the appeal and if the CFD Administrator concurs, the amount of the Special Tax levied shall be appropriately modified.

The City Council may interpret this Rate and Method of Apportionment for purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any landowner or resident appeals. Any decision of the City Council shall be final and binding as to all persons.

**H. PREPAYMENT OF SPECIAL TAX**

The following definitions apply to this Section H:

**"Buildout"** means, for CFD No. 2004-3 (IA No. 2), that all expected building permits have been issued.

**"CFD Public Facilities"** means either \$17,514,938 in 2004 dollars, which shall increase by the Construction Inflation Index on July 1, 2005, and on each July 1 thereafter, or such lower number as (i) shall be determined by the CFD Administrator as sufficient to provide the public facilities to be provided by CFD No. 2004-3 (IA No. 2) under the authorized bonding program for CFD No. 2004-3 (IA No. 2), or (ii) shall be determined by the City Council concurrently with a covenant that it will not issue any more CFD No. 2004-3 (IA No. 2) Bonds (except refunding bonds) to be supported by the Special Taxes levied under this Rate and Method of Apportionment as described in Section D.

**"Construction Inflation Index"** means the annual percentage change in the Engineering News Record Building Cost Index for the City of Los Angeles, measured as of the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Engineering News Record Building Cost Index for the City of Los Angeles.

**"Future Facilities Costs"** means the CFD Public Facilities minus (i) public facility costs previously paid from the Improvement Fund, (ii) moneys currently on deposit in the

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**Rate and Method of Apportionment of Special Taxes**

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Improvement Fund, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance the cost of CFD Public Facilities.

**"Improvement Fund"** means an account specifically identified in the Indenture to hold funds which are currently available for expenditure to acquire or construct CFD Public Facilities eligible under the Act.

**"Previously Issued Bonds"** means, for any Fiscal Year, all Outstanding Bonds that are deemed to be outstanding under the Indenture after the first interest and/or principal payment date following the current Fiscal Year.

**1. Prepayment in Full**

Only an Assessor's Parcel of Developed Property, or Undeveloped Property for which a building permit has been issued, may be prepaid. The obligation of the Assessor's Parcel to pay any Special Tax may be permanently satisfied as described herein, provided that a prepayment may be made with respect to a particular Assessor's Parcel only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. The CFD Administrator may charge a reasonable fee for providing this service. Prepayment must be made not less than 45 days prior to the next occurring date that notice of redemption of CFD No. 2004-3 (IA No. 2) Bonds from the proceeds of such prepayment may be given by the Trustee pursuant to the Indenture.

The Special Tax Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
less	Reserve Fund Credit
<u>less</u>	<u>Capitalized Interest Credit</u>
Total: equals	Prepayment Amount

As of the proposed date of prepayment, the Special Tax Prepayment Amount shall be calculated as follows:

**Rate and Method of Apportionment of Special Taxes**

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**Paragraph No.:**

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.
2. For Assessor's Parcels of Developed Property, compute the Assigned Special Tax and Backup Special Tax. For Assessor's Parcels of Undeveloped Property for which a building permit has been issued, compute the Assigned Special Tax and Backup Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel.
3. (a) Divide the Assigned Special Tax computed pursuant to paragraph 2 by the total estimated Assigned Special Taxes for the entire CFD No. 2004-3 (IA No. 2) based on the Developed Property Special Taxes which could be levied in the current Fiscal Year on all expected development through Buildout of CFD No. 2004-3 (IA No. 2), excluding any Assessor's Parcels which have been prepaid, and  
  
(b) Divide the Backup Special Tax computed pursuant to paragraph 2 by the total estimated Backup Special Taxes at Buildout for the entire CFD No. 2004-3 (IA No. 2), excluding any Assessor's Parcels which have been prepaid.
4. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the Previously Issued Bonds to compute the amount of Previously Issued Bonds to be retired and prepaid (the "*Bond Redemption Amount*").
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (e.g., the redemption price-100%), if any, on the Previously Issued Bonds to be redeemed (the "*Redemption Premium*").
6. Compute the current Future Facilities Costs.
7. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "*Future Facilities Amount*").
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Previously Issued Bonds.
9. Determine the Special Tax levied on the Assessor's Parcel in the current Fiscal Year which has not yet been paid.
10. Compute the minimum amount the CFD Administrator reasonably expects to derive from the reinvestment of the Special Tax Prepayment Amount less the

**Rate and Method of Apportionment of Special Taxes**

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Future Facilities Amount and the Administrative Fees and Expenses (defined below) from the date of prepayment until the redemption date for the Previously Issued Bonds to be redeemed with the prepayment.

11. Add the amounts computed pursuant to paragraphs 8 and 9 and subtract the amount computed pursuant to paragraph 10 (the "*Defeasance Amount*").
12. The administrative fees and expenses of CFD No. 2004-3 (IA No. 2) are as calculated by the CFD Administrator and include the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No. 2004-3 (IA No. 2) Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "*Administrative Fees and Expenses*").
13. The reserve fund credit (the "*Reserve Fund Credit*") shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture), if any, associated with the redemption of Previously Issued Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture) in effect after the redemption of Previously Issued Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. No Reserve Fund Credit shall be granted if the amount then on deposit in the reserve fund for the Previously Issued Bonds is below 100% of the reserve requirement (as defined in the Indenture).
14. If any capitalized interest for the Previously Issued Bonds will not have been expended as of the date immediately following the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the expected balance in the capitalized interest fund or account under the Indenture after such first interest and/or principal payment (the "*Capitalized Interest Credit*").
15. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 7, 11 and 12, less the amounts computed pursuant to paragraphs 13 and 14 (the "*Prepayment Amount*").

From the Prepayment Amount, the amounts computed pursuant to paragraphs 4, 5, 11, 13 and 14 shall be deposited into the appropriate fund as established under the Indenture and be used to retire CFD No. 2004-3 (IA No. 2) Bonds or make debt service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Improvement Fund. The amount computed pursuant to paragraph 12 shall be retained by CFD No. 2004-3 (IA No. 2).



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**Rate and Method of Apportionment of Special Taxes**

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The Special Tax Prepayment Amount may be insufficient to redeem a full \$5,000 increment of CFD No. 2004-3 (IA No. 2) Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of CFD No. 2004-3 (IA No. 2) Bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax levy as determined under paragraph 9 (above), the CFD Administrator shall remove the current Fiscal Year's Special Tax levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid, the City Council shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of the Special Tax and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless, at the time of such proposed prepayment, the amount of Maximum Special Taxes that may be levied on Taxable Property within CFD No. 2004-3 (IA No. 2) (after excluding 74.81 Acres of Property Owner Association Property and/or Public Property in CFD No. 2004-3 (IA No. 2) as set forth in Section E) both prior to and after the proposed prepayment is at least equal to the sum of (i) the Administrative Expenses and (ii) 1.10 times maximum annual debt service, in each remaining Fiscal Year on the Outstanding Bonds.

**2. Prepayment in Part**

The Special Tax on an Assessor's Parcel of Developed Property or an Assessor's Parcel of Undeveloped Property for which a building permit has been issued may be partially prepaid. The amount of the prepayment shall be calculated as in Section H.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = [(P_E - A) \times F] + A$$

These terms have the following meaning:

- PP = the partial prepayment.
- $P_E$  = the Special Tax Prepayment Amount calculated according to Section H.1.
- F = the percentage, expressed as a decimal, by which the owner of the Assessor's Parcel is partially prepaying the Special Tax.
- A = the Administrative Fees and Expenses calculated according to Section H.1.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax for an Assessor's Parcel within 30 days of the request and may charge a reasonable fee for providing this service. With respect to any Assessor's Parcel that is

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**Rate and Method of Apportionment of Special Taxes**

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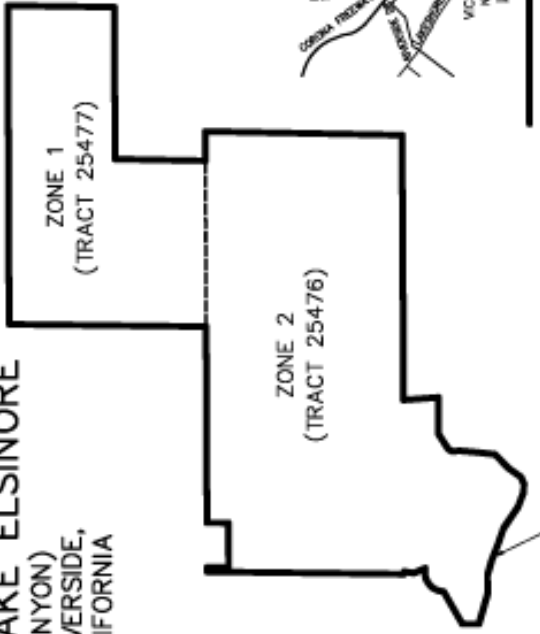
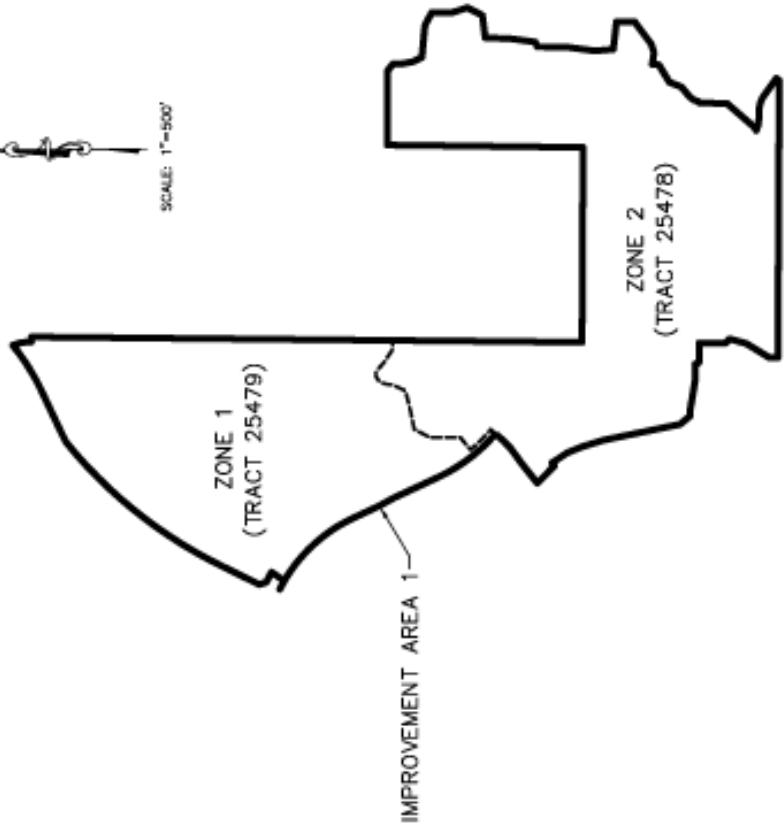
partially prepaid, the City Council shall (i) distribute the funds remitted to it according to Section H.1, and (ii) indicate in the records of CFD No. 2004-3 (IA No. 2) that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the remaining Maximum Special Tax, shall continue to be levied on such Assessor's Parcel pursuant to Section D.

**I. TERM OF SPECIAL TAX**

The Special Tax shall be levied for a period not to exceed forty years commencing with Fiscal Year 2005-2006, provided however that Special Taxes will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined (i) that all required interest and principal payments on the CFD No. 2004-3 (IA No. 2) Bonds have been paid; and (ii) all Authorized Facilities have been constructed.

**ZONE MAP**  
**COMMUNITY FACILITIES DISTRICT No. 2004-3**  
**OF THE CITY OF LAKE ELSINORE**  
 (ROSETTA CANYON)  
 COUNTY OF RIVERSIDE,  
 STATE OF CALIFORNIA

  
 SCALE: 1"=500'



**ZONE MAP**

Community Facilities District No. 2004-3  
 of the City of Lake Elsinore  
 (Rosetta Canyon)  
 COUNTY OF RIVERSIDE, CALIFORNIA

  
**HARRIS & ASSOCIATES**  
 34 Duneside Park, Suite 100  
 Lake, CA 92546  
 (951) 805-2000 • Fax (951) 805-1005

***EXHIBIT C***

***Debt Service Schedule***

**CITY OF LAKE ELSINORE**  
**ROSETTA CANYON PUBLIC IMPROVEMENTS (IMPROVEMENT AREA 1)**  
**SPECIAL TAX BONDS - 2005 SERIES A**

**DEBT SERVICE SCHEDULE**

<b>PAYMENT</b>					<b>ANNUAL</b>
<b>DATE</b>	<b>PRINCIPAL</b>	<b>COUPON</b>	<b>INTEREST</b>	<b>PERIOD TOTAL</b>	<b>DEBT SERVICE</b>
Mar 1, 2006	-	-	623,617.85	623,617.85	-
Sep 1, 2006	-	-	581,612.50	581,612.50	1,205,230.35
Mar 1, 2007	-	-	581,612.50	581,612.50	-
Sep 1, 2007	60,000.00	3.450%	581,612.50	641,612.50	1,223,225.00
Mar 1, 2008	-	-	580,577.50	580,577.50	-
Sep 1, 2008	85,000.00	3.750%	580,577.50	665,577.50	1,246,155.00
Mar 1, 2009	-	-	578,983.75	578,983.75	-
Sep 1, 2009	115,000.00	4.150%	578,983.75	693,983.75	1,272,967.50
Mar 1, 2010	-	-	576,597.50	576,597.50	-
Sep 1, 2010	145,000.00	4.250%	576,597.50	721,597.50	1,298,195.00
Mar 1, 2011	-	-	573,516.25	573,516.25	-
Sep 1, 2011	175,000.00	4.450%	573,516.25	748,516.25	1,322,032.50
Mar 1, 2012	-	-	569,622.50	569,622.50	-
Sep 1, 2012	210,000.00	4.500%	569,622.50	779,622.50	1,349,245.00
Mar 1, 2013	-	-	564,897.50	564,897.50	-
Sep 1, 2013	245,000.00	4.500%	564,897.50	809,897.50	1,374,795.00
Mar 1, 2014	-	-	559,385.00	559,385.00	-
Sep 1, 2014	285,000.00	4.625%	559,385.00	844,385.00	1,403,770.00
Mar 1, 2015	-	-	552,794.38	552,794.38	-
Sep 1, 2015	325,000.00	4.700%	552,794.38	877,794.38	1,430,588.76
Mar 1, 2016	-	-	545,156.88	545,156.88	-
Sep 1, 2016	370,000.00	4.750%	545,156.88	915,156.88	1,460,313.76
Mar 1, 2017	-	-	536,369.38	536,369.38	-
Sep 1, 2017	415,000.00	4.800%	536,369.38	951,369.38	1,487,738.76
Mar 1, 2018	-	-	526,409.38	526,409.38	-
Sep 1, 2018	465,000.00	4.875%	526,409.38	991,409.38	1,517,818.76
Mar 1, 2019	-	-	515,075.00	515,075.00	-
Sep 1, 2019	520,000.00	5.100%	515,075.00	1,035,075.00	1,550,150.00
Mar 1, 2020	-	-	501,815.00	501,815.00	-
Sep 1, 2020	575,000.00	5.100%	501,815.00	1,076,815.00	1,578,630.00
Mar 1, 2021	-	-	487,152.50	487,152.50	-
Sep 1, 2021	640,000.00	5.100%	487,152.50	1,127,152.50	1,614,305.00
Mar 1, 2022	-	-	470,832.50	470,832.50	-
Sep 1, 2022	705,000.00	5.100%	470,832.50	1,175,832.50	1,646,665.00
Mar 1, 2023	-	-	452,855.00	452,855.00	-
Sep 1, 2023	770,000.00	5.150%	452,855.00	1,222,855.00	1,675,710.00
Mar 1, 2024	-	-	433,027.50	433,027.50	-
Sep 1, 2024	845,000.00	5.150%	433,027.50	1,278,027.50	1,711,055.00
Mar 1, 2025	-	-	411,268.75	411,268.75	-
Sep 1, 2025	925,000.00	5.150%	411,268.75	1,336,268.75	1,747,537.50
Mar 1, 2026	-	-	387,450.00	387,450.00	-
Sep 1, 2026	1,005,000.00	5.250%	387,450.00	1,392,450.00	1,779,900.00
Mar 1, 2027	-	-	361,068.75	361,068.75	-
Sep 1, 2027	1,095,000.00	5.250%	361,068.75	1,456,068.75	1,817,137.50

**CITY OF LAKE ELSINORE**  
**ROSETTA CANYON PUBLIC IMPROVEMENTS (IMPROVEMENT AREA 1)**  
**SPECIAL TAX BONDS - 2005 SERIES A**

**DEBT SERVICE SCHEDULE**

<b>PAYMENT</b>					<b>ANNUAL</b>
<b>DATE</b>	<b>PRINCIPAL</b>	<b>COUPON</b>	<b>INTEREST</b>	<b>PERIOD TOTAL</b>	<b>DEBT SERVICE</b>
Mar 1, 2028	-	-	332,325.00	332,325.00	-
Sep 1, 2028	1,190,000.00	5.250%	332,325.00	1,522,325.00	1,854,650.00
Mar 1, 2029	-	-	301,087.50	301,087.50	-
Sep 1, 2029	1,290,000.00	5.250%	301,087.50	1,591,087.50	1,892,175.00
Mar 1, 2030	-	-	267,225.00	267,225.00	-
Sep 1, 2030	1,395,000.00	5.250%	267,225.00	1,662,225.00	1,929,450.00
Mar 1, 2031	-	-	230,606.25	230,606.25	-
Sep 1, 2031	1,505,000.00	5.250%	230,606.25	1,735,606.25	1,966,212.50
Mar 1, 2032	-	-	191,100.00	191,100.00	-
Sep 1, 2032	1,625,000.00	5.250%	191,100.00	1,816,100.00	2,007,200.00
Mar 1, 2033	-	-	148,443.75	148,443.75	-
Sep 1, 2033	1,750,000.00	5.250%	148,443.75	1,898,443.75	2,046,887.50
Mar 1, 2034	-	-	102,506.25	102,506.25	-
Sep 1, 2034	1,880,000.00	5.250%	102,506.25	1,982,506.25	2,085,012.50
Mar 1, 2035	-	-	53,156.25	53,156.25	-
Sep 1, 2035	2,025,000.00	5.250%	53,156.25	2,078,156.25	2,131,312.50

***EXHIBIT D***

***Special Tax Roll***

**EXHIBIT D  
SPECIAL TAX ROLL  
(Fiscal Year 2006-07)**

**CITY OF LAKE ELSINORE  
CFD No. 2004-3  
(IMPROVEMENT AREA 1)**

<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>	<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>
347-110-082	Exempt Property	\$0.00	347-440-039	Developed Property	\$2,230.42
347-110-083	Exempt Property	\$0.00	347-440-040	Developed Property	\$2,019.44
347-110-084	Exempt Property	\$0.00	347-440-041	Developed Property	\$1,919.36
347-120-055	Exempt Property	\$0.00	347-440-042	Developed Property	\$2,288.78
347-340-031	Exempt Property	\$0.00	347-440-043	Developed Property	\$2,419.18
347-340-032	Exempt Property	\$0.00	347-440-044	Developed Property	\$2,288.78
347-340-033	Exempt Property	\$0.00	347-440-045	Developed Property	\$2,419.18
347-440-001	Developed Property	\$2,419.18	347-440-046	Developed Property	\$2,171.62
347-440-002	Developed Property	\$2,019.44	347-440-047	Developed Property	\$2,288.78
347-440-003	Developed Property	\$2,288.78	347-440-048	Developed Property	\$2,288.78
347-440-004	Developed Property	\$2,288.78	347-440-049	Developed Property	\$2,288.78
347-440-005	Developed Property	\$2,171.62	347-440-050	Developed Property	\$2,419.18
347-440-006	Developed Property	\$2,419.18	347-440-051	Developed Property	\$2,019.44
347-440-007	Developed Property	\$1,919.36	347-440-052	Exempt Property	\$0.00
347-440-008	Developed Property	\$2,288.78	347-440-053	Exempt Property	\$0.00
347-440-009	Developed Property	\$2,171.62	347-440-054	Exempt Property	\$0.00
347-440-010	Developed Property	\$2,288.78	347-440-055	Exempt Property	\$0.00
347-440-011	Developed Property	\$2,419.18	347-440-056	Exempt Property	\$0.00
347-440-012	Developed Property	\$2,019.44	347-450-001	Developed Property	\$2,288.78
347-440-013	Developed Property	\$2,288.78	347-450-002	Developed Property	\$2,419.18
347-440-014	Developed Property	\$2,288.78	347-450-003	Developed Property	\$2,288.78
347-440-015	Developed Property	\$2,019.44	347-450-004	Developed Property	\$2,171.62
347-440-016	Developed Property	\$2,171.62	347-450-005	Developed Property	\$2,419.18
347-440-017	Developed Property	\$2,171.62	347-450-006	Developed Property	\$2,019.44
347-440-018	Developed Property	\$2,288.78	347-450-007	Developed Property	\$2,288.78
347-440-019	Developed Property	\$2,288.78	347-450-008	Developed Property	\$2,288.78
347-440-020	Developed Property	\$2,419.18	347-450-009	Developed Property	\$2,171.62
347-440-021	Developed Property	\$1,919.36	347-450-010	Developed Property	\$2,288.78
347-440-022	Developed Property	\$2,288.78	347-450-011	Developed Property	\$2,419.18
347-440-023	Developed Property	\$2,171.62	347-450-012	Developed Property	\$2,019.44
347-440-024	Developed Property	\$2,288.78	347-450-013	Developed Property	\$2,288.78
347-440-025	Developed Property	\$2,288.78	347-450-014	Developed Property	\$2,419.18
347-440-026	Developed Property	\$2,288.78	347-450-015	Developed Property	\$2,288.78
347-440-027	Developed Property	\$2,419.18	347-450-016	Developed Property	\$2,419.18
347-440-028	Developed Property	\$2,171.62	347-450-017	Developed Property	\$2,019.44
347-440-029	Developed Property	\$1,919.36	347-450-018	Developed Property	\$2,171.62
347-440-030	Developed Property	\$2,019.44	347-450-019	Developed Property	\$2,288.78
347-440-031	Developed Property	\$2,419.18	347-450-020	Developed Property	\$1,919.36
347-440-032	Developed Property	\$2,288.78	347-450-021	Developed Property	\$2,171.62
347-440-033	Developed Property	\$2,419.18	347-450-022	Developed Property	\$2,419.18
347-440-034	Developed Property	\$2,019.44	347-450-023	Developed Property	\$2,288.78
347-440-035	Developed Property	\$2,171.62	347-450-024	Developed Property	\$2,288.78
347-440-036	Developed Property	\$2,288.78	347-450-025	Developed Property	\$1,919.36
347-440-037	Developed Property	\$2,288.78	347-450-026	Developed Property	\$2,419.18
347-440-038	Developed Property	\$2,419.18	347-450-027	Developed Property	\$2,288.78



**EXHIBIT D  
SPECIAL TAX ROLL  
(Fiscal Year 2006-07)**

**CITY OF LAKE ELSINORE  
CFD No. 2004-3  
(IMPROVEMENT AREA 1)**

<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>	<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>
347-450-028	Developed Property	\$2,171.62	347-453-023	Developed Property	\$2,288.78
347-450-029	Developed Property	\$2,288.78	347-453-024	Developed Property	\$2,419.18
347-450-030	Developed Property	\$2,288.78	347-453-025	Developed Property	\$2,171.62
347-450-031	Developed Property	\$1,919.36	347-453-026	Developed Property	\$2,288.78
347-450-032	Developed Property	\$2,288.78	347-453-027	Developed Property	\$2,419.18
347-450-033	Exempt Property	\$0.00	347-453-028	Developed Property	\$2,288.78
347-451-001	Developed Property	\$2,419.18	347-460-001	Developed Property	\$2,419.18
347-451-002	Developed Property	\$2,171.62	347-460-002	Developed Property	\$2,288.78
347-451-003	Developed Property	\$2,171.62	347-460-003	Developed Property	\$2,419.18
347-451-004	Developed Property	\$2,288.78	347-460-004	Developed Property	\$2,288.78
347-451-005	Developed Property	\$2,288.78	347-460-005	Developed Property	\$2,288.78
347-452-001	Developed Property	\$2,419.18	347-460-006	Developed Property	\$2,171.62
347-452-002	Developed Property	\$2,019.44	347-460-007	Developed Property	\$2,419.18
347-452-003	Developed Property	\$2,288.78	347-460-008	Developed Property	\$2,288.78
347-452-004	Developed Property	\$2,419.18	347-460-009	Developed Property	\$2,171.62
347-452-005	Developed Property	\$2,419.18	347-460-010	Developed Property	\$2,288.78
347-452-006	Developed Property	\$2,019.44	347-460-011	Developed Property	\$2,171.62
347-452-007	Developed Property	\$2,288.78	347-460-012	Developed Property	\$2,288.78
347-452-008	Developed Property	\$2,171.62	347-460-013	Developed Property	\$2,288.78
347-452-009	Developed Property	\$2,288.78	347-460-014	Developed Property	\$2,419.18
347-452-010	Developed Property	\$2,419.18	347-460-015	Developed Property	\$2,288.78
347-452-011	Developed Property	\$2,288.78	347-460-016	Developed Property	\$2,288.78
347-452-012	Developed Property	\$2,288.78	347-460-017	Developed Property	\$2,419.18
347-453-001	Developed Property	\$2,288.78	347-460-018	Developed Property	\$2,171.62
347-453-002	Developed Property	\$2,171.62	347-460-019	Developed Property	\$2,288.78
347-453-003	Developed Property	\$2,419.18	347-460-020	Developed Property	\$2,419.18
347-453-004	Developed Property	\$1,919.36	347-460-021	Developed Property	\$2,419.18
347-453-005	Developed Property	\$2,288.78	347-460-022	Developed Property	\$2,288.78
347-453-006	Developed Property	\$2,419.18	347-460-023	Developed Property	\$2,288.78
347-453-007	Developed Property	\$2,171.62	347-460-024	Developed Property	\$2,419.18
347-453-008	Developed Property	\$2,288.78	347-460-025	Developed Property	\$2,171.62
347-453-009	Developed Property	\$1,919.36	347-460-026	Developed Property	\$2,288.78
347-453-010	Developed Property	\$2,019.44	347-460-027	Developed Property	\$2,288.78
347-453-011	Developed Property	\$2,288.78	347-460-028	Developed Property	\$2,419.18
347-453-012	Developed Property	\$2,419.18	347-460-029	Developed Property	\$2,288.78
347-453-013	Developed Property	\$1,919.36	347-460-030	Developed Property	\$2,171.62
347-453-014	Developed Property	\$2,419.18	347-460-031	Developed Property	\$2,419.18
347-453-015	Developed Property	\$2,288.78	347-460-032	Developed Property	\$2,288.78
347-453-016	Developed Property	\$2,171.62	347-460-033	Developed Property	\$2,288.78
347-453-017	Developed Property	\$2,288.78	347-460-034	Developed Property	\$2,419.18
347-453-018	Developed Property	\$2,419.18	347-460-035	Developed Property	\$2,171.62
347-453-019	Developed Property	\$2,288.78	347-460-036	Exempt Property	\$0.00
347-453-020	Developed Property	\$2,171.62	347-461-001	Developed Property	\$2,288.78
347-453-021	Developed Property	\$2,288.78	347-461-002	Developed Property	\$2,171.62
347-453-022	Developed Property	\$2,419.18	347-461-003	Developed Property	\$2,419.18

**EXHIBIT D  
SPECIAL TAX ROLL  
(Fiscal Year 2006-07)**

**CITY OF LAKE ELSINORE  
CFD No. 2004-3  
(IMPROVEMENT AREA 1)**

<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>	<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>
347-461-004	Developed Property	\$2,288.78	347-470-025	Developed Property	\$2,419.18
347-461-005	Developed Property	\$2,288.78	347-470-026	Developed Property	\$2,419.18
347-461-006	Developed Property	\$2,419.18	347-470-027	Developed Property	\$2,171.62
347-462-001	Developed Property	\$2,288.78	347-470-028	Developed Property	\$2,419.18
347-462-002	Developed Property	\$2,419.18	347-470-029	Developed Property	\$1,919.36
347-462-003	Developed Property	\$2,288.78	347-470-030	Developed Property	\$2,288.78
347-462-004	Developed Property	\$2,171.62	347-470-031	Developed Property	\$2,288.78
347-462-005	Developed Property	\$2,419.18	347-470-032	Developed Property	\$2,171.62
347-462-006	Developed Property	\$2,288.78	347-470-033	Developed Property	\$2,419.18
347-462-007	Developed Property	\$2,288.78	347-470-034	Developed Property	\$2,171.62
347-462-008	Developed Property	\$2,419.18	347-470-035	Developed Property	\$2,019.44
347-462-009	Developed Property	\$2,171.62	347-470-036	Developed Property	\$2,288.78
347-462-010	Developed Property	\$2,288.78	347-470-037	Developed Property	\$2,288.78
347-462-011	Developed Property	\$2,288.78	347-470-038	Developed Property	\$2,288.78
347-462-012	Developed Property	\$2,019.44	347-470-039	Developed Property	\$2,419.18
347-462-013	Developed Property	\$2,419.18	347-470-040	Developed Property	\$2,288.78
347-462-014	Developed Property	\$2,171.62	347-470-041	Exempt Property	\$0.00
347-462-015	Developed Property	\$2,288.78	347-470-042	Exempt Property	\$0.00
347-462-016	Developed Property	\$2,419.18	347-470-043	Exempt Property	\$0.00
347-462-017	Developed Property	\$2,288.78	347-471-001	Developed Property	\$1,919.36
347-462-018	Exempt Property	\$0.00	347-471-002	Developed Property	\$2,288.78
347-470-001	Developed Property	\$2,419.18	347-471-003	Developed Property	\$2,288.78
347-470-002	Developed Property	\$2,288.78	347-471-004	Developed Property	\$2,419.18
347-470-003	Developed Property	\$2,171.62	347-471-005	Developed Property	\$2,288.78
347-470-004	Developed Property	\$2,288.78	347-471-006	Developed Property	\$2,419.18
347-470-005	Developed Property	\$2,288.78	347-471-007	Developed Property	\$2,171.62
347-470-006	Developed Property	\$2,419.18	347-471-008	Developed Property	\$2,019.44
347-470-007	Developed Property	\$2,288.78	347-471-009	Developed Property	\$1,919.36
347-470-008	Developed Property	\$2,288.78	347-471-010	Developed Property	\$2,288.78
347-470-009	Developed Property	\$2,419.18	347-471-011	Developed Property	\$2,288.78
347-470-010	Developed Property	\$2,288.78	347-471-012	Developed Property	\$2,419.18
347-470-011	Developed Property	\$2,171.62	347-471-013	Developed Property	\$2,419.18
347-470-012	Developed Property	\$1,919.36	347-471-014	Developed Property	\$2,019.44
347-470-013	Developed Property	\$2,288.78	347-471-015	Developed Property	\$2,288.78
347-470-014	Developed Property	\$2,419.18	347-471-016	Developed Property	\$2,288.78
347-470-015	Developed Property	\$2,288.78	347-471-017	Developed Property	\$2,171.62
347-470-016	Developed Property	\$2,288.78	347-471-018	Developed Property	\$1,919.36
347-470-017	Developed Property	\$2,171.62	347-471-019	Developed Property	\$2,419.18
347-470-018	Developed Property	\$2,288.78	347-471-020	Developed Property	\$2,019.44
347-470-019	Developed Property	\$2,419.18	347-471-021	Developed Property	\$2,288.78
347-470-020	Developed Property	\$2,288.78	347-471-022	Developed Property	\$2,288.78
347-470-021	Developed Property	\$2,288.78	347-471-023	Developed Property	\$1,919.36
347-470-022	Developed Property	\$2,288.78	347-471-024	Developed Property	\$2,171.62
347-470-023	Developed Property	\$2,288.78	347-471-025	Exempt Property	\$0.00
347-470-024	Developed Property	\$1,919.36	347-471-026	Exempt Property	\$0.00

**EXHIBIT D  
SPECIAL TAX ROLL  
(Fiscal Year 2006-07)**

**CITY OF LAKE ELSINORE  
CFD No. 2004-3  
(IMPROVEMENT AREA 1)**

<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>	<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>
347-472-001	Developed Property	\$2,419.18	347-482-022	Developed Property	\$2,781.88
347-472-002	Developed Property	\$2,288.78	347-482-023	Developed Property	\$3,015.58
347-472-003	Developed Property	\$1,919.36	347-482-024	Developed Property	\$2,781.88
347-472-004	Developed Property	\$2,019.44	347-482-025	Developed Property	\$3,015.58
347-472-005	Exempt Property	\$0.00	347-482-026	Exempt Property	\$0.00
347-480-001	Developed Property	\$2,498.96	347-483-001	Developed Property	\$3,015.58
347-480-002	Developed Property	\$2,565.84	347-483-002	Developed Property	\$2,911.98
347-480-003	Developed Property	\$2,498.96	347-483-003	Developed Property	\$2,781.88
347-480-004	Developed Property	\$2,565.84	347-483-004	Developed Property	\$3,015.58
347-480-005	Developed Property	\$2,498.96	347-483-005	Developed Property	\$2,911.98
347-480-006	Developed Property	\$2,565.84	347-483-006	Developed Property	\$3,015.58
347-481-001	Developed Property	\$2,498.96	347-483-007	Developed Property	\$2,498.96
347-481-002	Developed Property	\$2,565.84	347-483-008	Developed Property	\$2,565.84
347-481-003	Developed Property	\$2,498.96	347-483-009	Developed Property	\$2,498.96
347-481-004	Developed Property	\$2,565.84	347-483-010	Developed Property	\$2,498.96
347-481-005	Developed Property	\$2,498.96	347-483-011	Developed Property	\$2,565.84
347-481-006	Developed Property	\$2,498.96	347-483-012	Developed Property	\$2,498.96
347-481-007	Developed Property	\$2,565.84	347-490-001	Developed Property	\$2,781.88
347-481-008	Developed Property	\$2,498.96	347-490-002	Developed Property	\$2,565.84
347-481-009	Developed Property	\$2,498.96	347-490-003	Exempt Property	\$0.00
347-481-010	Developed Property	\$2,565.84	347-491-001	Developed Property	\$2,911.98
347-481-011	Developed Property	\$2,498.96	347-491-002	Developed Property	\$2,781.88
347-481-012	Developed Property	\$2,781.88	347-491-003	Developed Property	\$3,015.58
347-481-013	Exempt Property	\$0.00	347-491-004	Developed Property	\$2,911.98
347-482-001	Developed Property	\$2,781.88	347-491-005	Developed Property	\$3,015.58
347-482-002	Developed Property	\$2,565.84	347-491-006	Developed Property	\$2,911.98
347-482-003	Developed Property	\$2,498.96	347-491-007	Developed Property	\$2,781.88
347-482-004	Developed Property	\$2,565.84	347-491-008	Developed Property	\$3,015.58
347-482-005	Developed Property	\$2,498.96	347-491-009	Exempt Property	\$0.00
347-482-006	Developed Property	\$2,565.84	347-492-001	Developed Property	\$2,781.88
347-482-007	Developed Property	\$2,498.96	347-492-002	Developed Property	\$2,911.98
347-482-008	Developed Property	\$2,781.88	347-492-003	Developed Property	\$3,015.58
347-482-009	Developed Property	\$2,565.84	347-492-004	Developed Property	\$2,911.98
347-482-010	Developed Property	\$2,781.88	347-492-005	Developed Property	\$3,015.58
347-482-011	Developed Property	\$2,498.96	347-492-006	Developed Property	\$2,781.88
347-482-012	Developed Property	\$2,781.88	347-492-007	Developed Property	\$2,911.98
347-482-013	Developed Property	\$2,565.84	347-492-008	Developed Property	\$2,565.84
347-482-014	Developed Property	\$3,015.58	347-492-009	Developed Property	\$2,498.96
347-482-015	Developed Property	\$2,911.98	347-492-010	Developed Property	\$2,781.88
347-482-016	Developed Property	\$2,781.88	347-492-011	Developed Property	\$2,498.96
347-482-017	Developed Property	\$2,911.98	347-492-012	Developed Property	\$2,781.88
347-482-018	Developed Property	\$3,015.58	347-492-013	Developed Property	\$2,498.96
347-482-019	Developed Property	\$2,781.88	347-492-014	Developed Property	\$2,565.84
347-482-020	Developed Property	\$2,911.98	347-492-015	Developed Property	\$2,498.96
347-482-021	Developed Property	\$3,015.58	347-492-016	Exempt Property	\$0.00

**EXHIBIT D  
SPECIAL TAX ROLL  
(Fiscal Year 2006-07)**

**CITY OF LAKE ELSINORE  
CFD No. 2004-3  
(IMPROVEMENT AREA 1)**

<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>	<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>
347-493-001	Developed Property	\$2,911.98	347-494-027	Developed Property	\$2,911.98
347-493-002	Developed Property	\$3,015.58	347-494-028	Developed Property	\$2,781.88
347-493-003	Developed Property	\$2,781.88	347-494-029	Exempt Property	\$0.00
347-493-004	Developed Property	\$3,015.58	347-500-001	Developed Property	\$2,565.84
347-493-005	Developed Property	\$2,911.98	347-500-002	Developed Property	\$2,781.88
347-493-006	Developed Property	\$3,015.58	347-500-003	Developed Property	\$2,498.96
347-493-007	Developed Property	\$2,911.98	347-500-004	Developed Property	\$2,565.84
347-493-008	Developed Property	\$3,015.58	347-500-005	Developed Property	\$2,781.88
347-493-009	Developed Property	\$2,911.98	347-500-006	Developed Property	\$2,498.96
347-493-010	Developed Property	\$2,781.88	347-500-007	Developed Property	\$2,781.88
347-493-011	Developed Property	\$2,911.98	347-500-008	Developed Property	\$2,498.96
347-493-012	Developed Property	\$3,015.58	347-500-009	Developed Property	\$2,781.88
347-493-013	Developed Property	\$2,781.88	347-500-010	Developed Property	\$2,565.84
347-493-014	Developed Property	\$3,015.58	347-500-011	Developed Property	\$2,498.96
347-493-015	Developed Property	\$2,911.98	347-500-012	Developed Property	\$2,498.96
347-493-016	Developed Property	\$3,015.58	347-500-013	Developed Property	\$2,498.96
347-493-017	Developed Property	\$2,781.88	347-500-014	Developed Property	\$2,565.84
347-493-018	Developed Property	\$2,911.98	347-500-015	Developed Property	\$2,781.88
347-493-019	Exempt Property	\$0.00	347-500-016	Developed Property	\$2,565.84
347-494-001	Developed Property	\$3,015.58	347-500-017	Developed Property	\$2,498.96
347-494-002	Developed Property	\$2,911.98	347-500-018	Developed Property	\$2,565.84
347-494-003	Developed Property	\$2,781.88	347-500-019	Developed Property	\$2,498.96
347-494-004	Developed Property	\$3,015.58	347-500-020	Exempt Property	\$0.00
347-494-005	Developed Property	\$2,781.88	347-501-001	Developed Property	\$2,781.88
347-494-006	Developed Property	\$3,015.58	347-501-002	Developed Property	\$2,565.84
347-494-007	Developed Property	\$2,911.98	347-501-003	Developed Property	\$2,498.96
347-494-008	Developed Property	\$3,015.58	347-501-004	Developed Property	\$2,565.84
347-494-009	Developed Property	\$2,911.98	347-501-005	Developed Property	\$2,498.96
347-494-010	Developed Property	\$3,015.58	347-501-006	Developed Property	\$2,781.88
347-494-011	Developed Property	\$2,781.88	347-502-001	Developed Property	\$2,781.88
347-494-012	Developed Property	\$2,911.98	347-502-002	Developed Property	\$2,498.96
347-494-013	Developed Property	\$3,015.58	347-502-003	Developed Property	\$2,565.84
347-494-014	Developed Property	\$3,015.58	347-502-004	Developed Property	\$2,781.88
347-494-015	Developed Property	\$2,781.88	347-502-005	Developed Property	\$2,565.84
347-494-016	Developed Property	\$2,911.98	347-502-006	Exempt Property	\$0.00
347-494-017	Developed Property	\$3,015.58	347-510-001	Developed Property	\$2,781.88
347-494-018	Developed Property	\$2,911.98	347-510-002	Developed Property	\$2,911.98
347-494-019	Developed Property	\$3,015.58	347-510-003	Developed Property	\$2,781.88
347-494-020	Developed Property	\$2,911.98	347-510-004	Developed Property	\$2,911.98
347-494-021	Developed Property	\$2,911.98	347-510-005	Developed Property	\$3,015.58
347-494-022	Developed Property	\$3,015.58	347-510-006	Exempt Property	\$0.00
347-494-023	Developed Property	\$2,911.98	347-510-007	Exempt Property	\$0.00
347-494-024	Developed Property	\$3,015.58	347-511-001	Developed Property	\$2,323.58
347-494-025	Developed Property	\$2,781.88	347-511-002	Developed Property	\$2,498.96
347-494-026	Developed Property	\$3,015.58	347-511-003	Developed Property	\$2,386.52

**EXHIBIT D  
SPECIAL TAX ROLL  
(Fiscal Year 2006-07)**

**CITY OF LAKE ELSINORE  
CFD No. 2004-3  
(IMPROVEMENT AREA 1)**

<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>	<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>
347-511-004	Developed Property	\$2,565.84	347-512-002	Developed Property	\$2,498.96
347-511-005	Developed Property	\$2,323.58	347-512-003	Developed Property	\$2,565.84
347-511-006	Developed Property	\$2,498.96	347-512-004	Developed Property	\$2,498.96
347-511-007	Developed Property	\$2,386.52	347-512-005	Developed Property	\$2,323.58
347-511-008	Developed Property	\$2,323.58	347-512-006	Developed Property	\$2,386.52
347-511-009	Developed Property	\$2,386.52	347-512-007	Developed Property	\$2,323.58
347-511-010	Developed Property	\$2,565.84	347-512-008	Developed Property	\$2,565.84
347-511-011	Developed Property	\$2,498.96	347-512-009	Developed Property	\$2,386.52
347-511-012	Developed Property	\$2,323.58	347-512-010	Exempt Property	\$0.00
347-511-013	Developed Property	\$2,565.84	347-520-001	Developed Property	\$2,498.96
347-511-014	Developed Property	\$2,386.52	347-520-002	Developed Property	\$2,565.84
347-511-015	Developed Property	\$2,498.96	347-520-003	Developed Property	\$2,386.52
347-511-016	Developed Property	\$2,323.58	347-520-004	Developed Property	\$2,323.58
347-511-017	Developed Property	\$2,386.52	347-520-005	Developed Property	\$2,498.96
347-511-018	Developed Property	\$2,498.96	347-520-006	Developed Property	\$2,386.52
347-511-019	Developed Property	\$2,565.84	347-520-007	Developed Property	\$2,323.58
347-511-020	Developed Property	\$2,386.52	347-520-008	Developed Property	\$2,565.84
347-511-021	Developed Property	\$2,498.96	347-520-009	Developed Property	\$2,323.58
347-511-022	Developed Property	\$2,565.84	347-520-010	Developed Property	\$2,498.96
347-511-023	Developed Property	\$2,781.88	347-520-011	Developed Property	\$2,323.58
347-511-024	Developed Property	\$3,015.58	347-520-012	Developed Property	\$2,386.52
347-511-025	Developed Property	\$2,781.88	347-520-013	Developed Property	\$2,498.96
347-511-026	Developed Property	\$3,015.58	347-520-014	Developed Property	\$2,565.84
347-511-027	Developed Property	\$2,911.98	347-520-015	Developed Property	\$2,498.96
347-511-028	Developed Property	\$2,323.58	347-520-016	Developed Property	\$2,323.58
347-511-029	Developed Property	\$2,498.96	347-520-017	Developed Property	\$2,386.52
347-511-030	Developed Property	\$2,386.52	347-520-018	Developed Property	\$2,565.84
347-511-031	Developed Property	\$2,386.52	347-520-019	Developed Property	\$2,498.96
347-511-032	Developed Property	\$2,498.96	347-520-020	Developed Property	\$2,323.58
347-511-033	Developed Property	\$2,565.84	347-520-021	Developed Property	\$2,386.52
347-511-034	Developed Property	\$2,323.58	347-520-022	Developed Property	\$2,323.58
347-511-035	Developed Property	\$2,323.58	347-520-023	Developed Property	\$2,498.96
347-511-036	Developed Property	\$2,386.52	347-520-024	Developed Property	\$2,386.52
347-511-037	Developed Property	\$2,565.84	347-520-025	Developed Property	\$2,323.58
347-511-038	Developed Property	\$2,498.96	347-520-026	Developed Property	\$2,498.96
347-511-039	Developed Property	\$2,323.58	347-520-027	Developed Property	\$2,565.84
347-511-040	Developed Property	\$2,386.52	347-520-028	Developed Property	\$2,386.52
347-511-041	Developed Property	\$2,323.58	347-520-029	Developed Property	\$2,498.96
347-511-042	Developed Property	\$2,386.52	347-520-030	Developed Property	\$2,323.58
347-511-043	Exempt Property	\$0.00	347-520-031	Exempt Property	\$0.00
347-511-044	Exempt Property	\$0.00	347-520-032	Exempt Property	\$0.00
347-511-045	Exempt Property	\$0.00	347-521-001	Developed Property	\$2,498.96
347-511-046	Exempt Property	\$0.00	347-521-002	Developed Property	\$2,565.84
347-511-047	Exempt Property	\$0.00	347-521-003	Developed Property	\$2,386.52
347-512-001	Developed Property	\$2,323.58	347-521-004	Developed Property	\$2,323.58

**EXHIBIT D  
SPECIAL TAX ROLL  
(Fiscal Year 2006-07)**

**CITY OF LAKE ELSINORE  
CFD No. 2004-3  
(IMPROVEMENT AREA 1)**

<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>
347-521-005	Developed Property	\$2,498.96
347-521-006	Developed Property	\$2,565.84
347-521-007	Developed Property	\$2,386.52
347-521-008	Developed Property	\$2,323.58
347-521-009	Developed Property	\$2,565.84
347-521-010	Developed Property	\$2,323.58
347-521-011	Developed Property	\$2,565.84
347-521-012	Developed Property	\$2,498.96
347-521-013	Developed Property	\$2,386.52
347-521-014	Exempt Property	\$0.00
<b>550 Parcels</b>		<b>\$1,248,673.08</b>

**EXHIBIT D  
SPECIAL TAX ROLL  
(Fiscal Year 2006-07)**

**CITY OF LAKE ELSINORE  
CFD No. 2004-3  
(IMPROVEMENT AREA 2)**

<b>Assessor's Parcel Number</b>	<b>Special Tax Classification</b>	<b>Special Tax Amount</b>
349-240-069	Exempt Property	\$0.00
349-400-020	Undeveloped Property	\$2,487.12
349-400-021	Undeveloped Property	\$846.54
349-410-001	Undeveloped Property	\$580.72
349-410-002	Undeveloped Property	\$763.58
349-410-003	Undeveloped Property	\$399.56
349-410-004	Undeveloped Property	\$348.76
349-410-016	Undeveloped Property	\$2,788.50
349-420-001	Undeveloped Property	\$1,156.36
349-420-002	Undeveloped Property	\$1,894.56
349-430-006	Undeveloped Property	\$1,513.60
349-430-014	Undeveloped Property	\$2,810.50
349-430-016	Exempt Property	\$0.00
349-430-019	Undeveloped Property	\$9,410.12
<b>14 Parcels</b>		<b>\$24,999.92</b>