

**Continuing Disclosure
Annual Report
Fiscal Year Ending June 30, 2011**

Poway Unified School District
Improvement Area D of
Community Facilities District No. 10
Series 2002 Special Tax Bonds
Base CUSIP: 738855

January 31, 2012

Prepared For:

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Poway Unified School District
Improvement Area D of
Community Facilities District No. 10
Series 2002 Special Tax Bonds

<u>Maturity Date (September 1)</u>	<u>CUSIP*</u>
2004	738855EF8
2005	738855EG6
2006	738855EH4
2007	738855EJ0
2008	738855EK7
2009	738855EL5
2010	738855EM3
2011	738855EN1
2012	738855EP6
2013	738855EQ4
2014	738855ER2
2015	738855ES0
2016	738855ET8
2017	738855EU5
2018	738855EV3
2019	738855EW1
2020	738855EX9
2025	738855EY7
2032	738855EZ4

* CUSIP is a registered trademark of the American Bankers Association.

List of Participants

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I. Issuer's Statement

This Annual Report ("Report") has been prepared pursuant to the Continuing Disclosure Agreement ("Disclosure Agreement") executed in connection with the issuance of the Series 2002 Special Tax Bonds ("Bonds"), by Improvement Area ("IA") D of Community Facilities District ("CFD") No. 10 of the Poway Unified School District ("School District").

The School District has agreed under the Disclosure Agreement and pursuant to Rule 15c2-12 of the Securities and Exchange Commission to provide certain annual financial information, operating data, and notices of certain listed events via the Electronic Municipal Market Access ("EMMA") system, a service of the Municipal Securities Rulemaking Board. This Report has been prepared by Dolinka Group at the direction of the School District, for the benefit of the owners of the Bonds and the Participating Underwriter.

Any information contained herein which involves estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. The information set forth herein has been furnished by the School District, or other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Report nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the School District or IA D of CFD No. 10 since the date hereof. Capitalized terms used herein which are not otherwise defined shall have the meaning given them in the Disclosure Agreements.

As a qualified representative of the School District, I have reviewed the contents of this Report and certify that to the best of my knowledge the information contained herein is complete and factually correct.

If there are any questions regarding the information provided, please contact the Dolinka Group at 949.250.8300.

Poway Unified School District

Sandra Burgoyne
Director of Planning

II. Financial Information

The School District's annual audited financial statements for Fiscal Year 2010/2011 is available online at <http://emma.msrb.org/> and are hereby incorporated by reference.

The School District's annual financial statements are provided solely to comply with the Securities Exchange Commission staff's interpretation of Rule 15C2-12. No funds or assets of IA D of CFD No. 10 or the School District are required to be used to pay debt service on the Bonds, and neither IA D of CFD No. 10 nor the School District is obligated to advance available funds to cover any delinquencies. Investors should not rely on the financial condition of IA D of CFD No. 10 or the School District in evaluating whether to buy, hold, or sell the Bonds.

III. Bond Information

2002 Special Tax Bonds. The Bonds were issued in the amount of \$5,125,000 on October 23, 2002. The Bonds were issued to (i) finance the acquisition and construction of certain road improvements, (ii) fund a reserve fund for the Bonds, (iii) pay interest on the Bonds through September 1, 2003, (v) pay certain administrative expenses of IA D of CFD No. 10, and (vi) pay the costs of issuing the Bonds. The Bonds are limited obligations of IA D of CFD No. 10 and are payable solely from revenues of the "Net Taxes" which is defined as Special Taxes collected within IA D of CFD No. 10 minus the Administrative Expense Requirement. The Bonds are not a debt of the School District, IA D of CFD No. 10, the State of California, or any of its political subdivisions.

A. Principal Amount of Bonds Outstanding

As of January 1, 2012 the outstanding principal amount of the Bonds was \$4,875,000.

B. Fund and Account Balances

The balance in each fund and account of the Bonds as of January 1, 2012 is listed in the table below.

Fund and Account Balances

Funds and Accounts	Amount
Administrative Expense Fund	\$50,413.82
Interest Account	\$25.58
Principal Account	\$0.00
Reserve Fund	\$507,372.65
Special Tax Fund	\$33,908.79
Total	\$591,720.84

C. Reserve Requirement

As of January 1, 2012 the Reserve Requirement for the Bonds was \$507,360.00; therefore, the Reserve Requirement was satisfied as of this date.

D. Status of Projects

2002 Special Tax Bonds. Construction proceeds generated from the issuance of the Bonds were used to construct improvements to Camino del Sur. The last substantial payment from bond proceeds for the purpose of funding Camino del Sur occurred in December of 2002 and all improvements to Camino del Sur have been completed.

IV. Special Taxes

IA D of CFD No. 10 has covenanted to annually levy the Special Tax in accordance with the Rate and Method of Apportionment ("RMA") so long as the Bonds are outstanding. Exhibit B includes a detailed listing of the Special Tax levy. The items below summarize information required by the Disclosure Agreement.

A. Changes to the Rate and Method of Apportionment

There has been no change to the RMA since the date of the Official Statement. A copy of the RMA has been included as Exhibit C.

B. Prepayments

There has been no prepayment of the Special Tax since the data of the Official Statement.

C. Special Tax Budget

A summary of the Fiscal Year 2011/2012 Special Tax budget is outlined below.

Special Tax Budget

FY 2011/2012 Obligations		\$396,371.00
Interest Payment Due March 1, 2012	\$136,796.25	
Interest Payment Due September 1, 2012	\$136,796.25	
Principal Payment Due September 1, 2012	\$65,000.00	
Administrative Expense Budget for Fiscal Year 2011/2012	\$17,926.39	
Anticipated Special Tax Delinquencies (2.91%)	\$11,381.68	
2007 Lease Revenue Bond Pledge	\$28,470.43	
Less: Prior Year's Remaining Funds		\$0.00
Special Tax Levy		\$396,371.00

D. Debt Service Coverage

At the time the Bonds were sold IA D of CFD No. 10 represented that, the amount of Net Taxes that may be levied on the parcels within IA D of CFD No. 10 if levied in accordance with the RMA, would annually yield revenue in an amount not less than 1.10 times the annual debt service on the Bonds.

In Fiscal Year 2011/2012 the amount of Net Taxes yield 112% of the of the annual debt service on the Bonds. An Annual Debt Service Coverage Summary Table has been included as Exhibit D.

E. Summary of Levy

A summary of the Fiscal Year 2011/2012 Special Tax levy is listed in the following table.

Summary of Special Tax Levy

Tax Class	Number of Units/Acres	Assigned Annual Special Tax Rate	Total Annual Special Taxes
Tax Class 1 (≤ 2,700)	34 Units	\$2,558.78 per Unit	\$86,998.52
Tax Class 2 (2,701 – 3,100)	72 Units	\$2,788.22 per Unit	\$200,751.84
Tax Class 3 (> 3,100)	36 Units	\$3,017.24 per Unit	\$108,620.64
<i>Developed Property</i>	<i>142 Units</i>	<i>NA</i>	<i>\$396,371.00</i>
<i>Undeveloped Property</i>	<i>0.00 Acres</i>	<i>\$0.00 per Unit</i>	<i>\$0.00</i>
Total			\$396,371.00

F. Major Taxpayers

"Major Taxpayers" are those property owners responsible for more than five percent (5.00%) of the Special Tax levy. There are no property owners responsible for more than five percent (5.00%) of the Special Taxes levied in Fiscal Year 2011/2012.

G. Special Tax Delinquencies

Historical Special Tax delinquencies within IA D of CFD No. 10 are shown in the table below.

Historical Special Tax Delinquencies

Fiscal Year	Subject Fiscal Year ^[1]			June 30, 2011		
	Aggregate Special Tax	Parcels Delinquent	Fiscal Year Amount Delinquent	Fiscal Year Delinquency Rate	Remaining Amount Delinquent	Remaining Delinquency Rate
2005/2006	\$351,979.56	6	\$10,107.16	2.87 %	\$0.00	0.00 %
2006/2007	\$359,018.84	8	\$14,409.03	4.01 %	\$0.00	0.00 %
2007/2008	\$366,199.56	5	\$9,333.52	2.55 %	\$0.00	0.00 %
2008/2009	\$373,523.16	10	\$23,970.87	6.42 %	\$1,421.79	0.38 %
2009/2010	\$380,980.28	6	\$15,620.26	4.10 %	\$2,900.08	0.76 %
2010/2011	\$388,600.28	4	\$8,537.46	2.20 %	\$8,537.46	2.20 %

[1] Delinquencies as of June 30th.

H. Special Tax Foreclosures

IA D of CFD No. 10 has covenanted that it will commence judicial foreclosure proceedings against parcels with delinquent Special Taxes in the event (i) any single parcel has aggregate delinquent Special Taxes in excess of \$5,000 or (ii) a property owner of multiple parcels has delinquent Special Taxes in excess of \$10,000 by the August 30th following the close of each Fiscal Year in which such Special Taxes were due and will commence judicial foreclosure proceedings against all parcels with delinquent Special Taxes by the August 30th following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than 95% of the total Special Taxes levied.

After reviewing the level of delinquencies within IA D of CFD No. 10 as of June 1, 2011, it was determined that IA D of CFD No. 10 was not required to initiate foreclosure proceedings for Fiscal Year 2010/2011.

V. Assessed Values and Land Secured Bonded Indebtedness

The assessed values and direct and overlapping land secured bonded indebtedness on individual parcels vary among parcels within IA D of CFD No. 10. The value of and debt burden on individual parcels is significant because in the event of a delinquency in the payment of Special Taxes IA D of CFD No. 10 may foreclose only against delinquent parcels. Exhibit E includes a detailed listing of the assessed value and land secured bonded indebtedness for each parcel. The items below summarize information required by the Disclosure Agreement.

A. Assessed Value Summary

A summary of the assessed value of the property within IA D of CFD No. 10, distinguishing between the assessed value of improved parcels and unimproved parcels, is shown in the table below.

Land Use/Tax Class	Units / Parcels	Assessed Value Land	Assessed Value Improvement	Assessed Value Other	Assessed Value Total
Tax Class 1 (\leq 2,700)	34	\$9,789,193.00	\$13,297,465.00	\$0.00	\$23,086,658.00
Tax Class 2 (2,701 - 3,100)	72	\$20,152,374.00	\$30,125,859.00	\$0.00	\$50,278,233.00
Tax Class 3 ($>$ 3,100)	36	\$9,931,751.00	\$15,996,348.00	\$0.00	\$25,928,099.00
Subtotal Improved	142	\$39,873,318.00	\$59,419,672.00	\$0.00	\$99,292,990.00
EXEMPT	14	\$817,797.00	\$1,338,000.00	\$0.00	\$2,155,797.00
Total	156	\$40,691,115.00	\$60,757,672.00	\$0.00	\$101,448,787.00

B. Overlapping Debt Report

Certain overlapping local agencies provide public services and assess property taxes, assessments, special taxes, and other charges on the property in IA D of CFD No. 10. Many of these local agencies have outstanding debt. The direct and overlapping debt affecting the property in IA D of CFD No. 10 as of the date of this Report is outlined in Exhibit F. Exhibit F was prepared by National Tax Data, Inc., and has not been reviewed for completeness or accuracy by the School District or Dolinka Group. Additional indebtedness could be authorized by the School District or other public agencies at any time.

C. Assessed Values and Value-to-Lien Ratios

A summary of the assessed values and value-to-lien ratios for all parcels within IA D of CFD No. 10 are shown in the table below.

Land Use	Total Assessed Value ^[1]	2002 Special Tax Bonds		Other		Total Lien	Value-to-Lien Ratio
		Principal Amount Outstanding	Value-to-Lien Ratio for CFD	Overlapping Debt ^[2]	General Obligation Debt ^[2]		
Tax Class 1 (\leq 2,700)	\$23,086,658.00	\$1,070,002.06	21.58:1	\$1,182,795.20	\$85,990.88	\$2,338,788.14	9.87:1
Tax Class 2 (2,701 - 3,100)	\$50,278,233.00	\$2,469,063.63	20.36:1	\$2,507,204.09	\$187,271.35	\$5,163,539.06	9.74:1
Tax Class 3 ($>$ 3,100)	\$25,928,099.00	\$1,335,934.31	19.41:1	\$1,252,226.35	\$96,574.40	\$2,684,735.06	9.66:1
Subtotal for Taxable Parcels ^[3]	\$99,292,990.00	\$4,875,000.00	20.37:1	\$4,942,225.64	\$369,836.62	\$10,187,062.26	9.75:1
Exempt	\$2,155,797.00	\$0.00	0.00:1	\$0.00	\$8,029.70	\$8,029.70	0.00:1
Total ^[3]	\$101,448,787.00	\$4,875,000.00	20.81:1	\$4,942,225.64	\$377,866.32	\$10,195,091.96	9.95:1

[1] Total Assessed Value as reported on the Fiscal Year 2011/2012 equalized tax roll of the County of San Diego.

[2] Source: Detailed Direct and Overlapping Debt Report, National Tax Data, Inc. (attached as Exhibit F).

[3] Totals may not sum due to rounding.

VI. Reports and Additional Information

Below is a summary of various other reports and information regarding the Bonds which are required by the Disclosure Agreements.

A. Report to the California Debt and Investment Advisory Commission

A copy of the report prepared and filed with the California Debt and Investment Advisory Commission pursuant to Section 53359.5(b) of the Act for Fiscal Year 2010/2011 is included as Exhibit G.

B. Listed Events

Pursuant to the Disclosure Agreement, IA D of CFD No. 10 shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions or events affecting the tax-exempt status of the security;
- (vii) Modifications to rights of security holders;
- (viii) Contingent or unscheduled bond calls;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the securities; and
- (xi) Rating changes.

None of these events occurred in Fiscal Year 2010/2011.

C. Additional Information

In addition to any of the information expressly required to be provided by the Disclosure Agreement, IA D of CFD No. 10 shall provide such further information, if any, as may be necessary to make the specifically required statements, in light of the circumstances under which they are made, not misleading. After careful review it has been determined that there is no such information for Fiscal Year 2010/2011.

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Exhibit A

Debt Service Schedule

Debt Service Schedule
Poway Unified School District
Improvement Area D of
Community Facilities District No. 10
Series 2002 Special Tax Bonds

<u>Maturity Date</u> <u>(September 1)</u>	<u>Principal Amount/ Sinking Fund Payment</u>	<u>Interest</u>	<u>Total Debt Service</u>
2003	\$0.00	\$242,449.47	\$242,449.47
2004	\$5,000.00	\$283,382.50	\$288,382.50
2005	\$15,000.00	\$283,257.50	\$298,257.50
2006	\$20,000.00	\$282,845.00	\$302,845.00
2007	\$25,000.00	\$282,205.00	\$307,205.00
2008	\$35,000.00	\$281,330.00	\$316,330.00
2009	\$40,000.00	\$280,017.00	\$320,017.00
2010	\$50,000.00	\$278,417.50	\$328,417.50
2011	\$60,000.00	\$276,292.50	\$336,292.50
2012	\$65,000.00	\$273,592.50	\$338,592.50
2013	\$75,000.00	\$270,505.00	\$345,505.00
2014	\$90,000.00	\$266,830.00	\$356,830.00
2015	\$100,000.00	\$262,240.00	\$362,240.00
2016	\$110,000.00	\$256,990.00	\$366,990.00
2017	\$125,000.00	\$251,160.00	\$376,160.00
2018	\$140,000.00	\$244,410.00	\$384,410.00
2019	\$155,000.00	\$236,710.00	\$391,710.00
2020	\$170,000.00	\$228,107.50	\$398,107.50
2021	\$190,000.00	\$218,587.50	\$408,587.50
2022	\$210,000.00	\$207,852.50	\$417,852.50
2023	\$230,000.00	\$195,987.50	\$425,987.50
2024	\$250,000.00	\$182,992.50	\$432,992.50
2025	\$275,000.00	\$168,867.50	\$443,867.50
2026	\$300,000.00	\$153,330.00	\$453,330.00
2027	\$325,000.00	\$136,230.00	\$461,230.00
2028	\$350,000.00	\$117,705.00	\$467,705.00
2029	\$380,000.00	\$97,755.00	\$477,755.00
2030	\$410,000.00	\$76,095.00	\$486,095.00
2031	\$445,000.00	\$52,725.00	\$497,725.00
2032	\$480,000.00	\$27,360.00	\$507,360.00

Exhibit B

Special Tax Levy Detail Report

Fiscal Year 2011/2012 Special Tax Levy
Poway Unified School District
Improvement Area D of
Community Facilities District No. 10

Assessor's Parcel Number	Special Tax Classification	Maximum Annual Special Tax	Special Tax Levy
3063600100	2	\$3,208.69	\$2,788.22
3063600200	2	\$3,208.69	\$2,788.22
3063600300	2	\$3,208.69	\$2,788.22
3063600400	3	\$3,208.69	\$3,017.24
3063600500	1	\$3,208.69	\$2,558.78
3063600600	2	\$3,208.69	\$2,788.22
3063600700	2	\$3,208.69	\$2,788.22
3063600800	2	\$3,208.69	\$2,788.22
3063600900	1	\$3,208.69	\$2,558.78
3063601000	2	\$3,208.69	\$2,788.22
3063601100	2	\$3,208.69	\$2,788.22
3063601200	1	\$3,208.69	\$2,558.78
3063601300	2	\$3,208.69	\$2,788.22
3063601400	3	\$3,208.69	\$3,017.24
3063601500	1	\$3,208.69	\$2,558.78
3063601600	3	\$3,208.69	\$3,017.24
3063601700	1	\$3,208.69	\$2,558.78
3063601800	2	\$3,208.69	\$2,788.22
3063601900	1	\$3,208.69	\$2,558.78
3063602000	2	\$3,208.69	\$2,788.22
3063602100	2	\$3,208.69	\$2,788.22
3063602200	1	\$3,208.69	\$2,558.78
3063602300	2	\$3,208.69	\$2,788.22
3063602400	3	\$3,208.69	\$3,017.24
3063602500	2	\$3,208.69	\$2,788.22
3063602600	3	\$3,208.69	\$3,017.24
3063602700	2	\$3,208.69	\$2,788.22
3063602800	2	\$3,208.69	\$2,788.22
3063602900	3	\$3,208.69	\$3,017.24
3063603000	2	\$3,208.69	\$2,788.22
3063603100	2	\$3,208.69	\$2,788.22
3063603200	1	\$3,208.69	\$2,558.78
3063603300	2	\$3,208.69	\$2,788.22
3063603400	3	\$3,208.69	\$3,017.24
3063603500	3	\$3,208.69	\$3,017.24
3063603600	2	\$3,208.69	\$2,788.22
3063603700	2	\$3,208.69	\$2,788.22
3063603800	2	\$3,208.69	\$2,788.22
3063603900	1	\$3,208.69	\$2,558.78
3063604000	3	\$3,208.69	\$3,017.24
3063604100	2	\$3,208.69	\$2,788.22
3063604200	3	\$3,208.69	\$3,017.24
3063604300	2	\$3,208.69	\$2,788.22
3063604400	1	\$3,208.69	\$2,558.78
3063604500	3	\$3,208.69	\$3,017.24
3063604600	3	\$3,208.69	\$3,017.24
3063604700	1	\$3,208.69	\$2,558.78
3063604800	3	\$3,208.69	\$3,017.24
3063604900	2	\$3,208.69	\$2,788.22
3063605000	2	\$3,208.69	\$2,788.22
3063605100	3	\$3,208.69	\$3,017.24
3063605200	1	\$3,208.69	\$2,558.78
3063605300	2	\$3,208.69	\$2,788.22
3063605400	3	\$3,208.69	\$3,017.24
3063605500	1	\$3,208.69	\$2,558.78
3063605600	2	\$3,208.69	\$2,788.22
3063610100	2	\$3,208.69	\$2,788.22
3063610200	1	\$3,208.69	\$2,558.78
3063610300	2	\$3,208.69	\$2,788.22

Assessor's Parcel Number	Special Tax Classification	Maximum Annual Special Tax	Special Tax Levy
3063610400	3	\$3,208.69	\$3,017.24
3063610500	2	\$3,208.69	\$2,788.22
3063610600	1	\$3,208.69	\$2,558.78
3063610700	2	\$3,208.69	\$2,788.22
3063610800	1	\$3,208.69	\$2,558.78
3063610900	1	\$3,208.69	\$2,558.78
3063611000	2	\$3,208.69	\$2,788.22
3063611100	2	\$3,208.69	\$2,788.22
3063611200	3	\$3,208.69	\$3,017.24
3063611300	2	\$3,208.69	\$2,788.22
3063611400	2	\$3,208.69	\$2,788.22
3063611500	3	\$3,208.69	\$3,017.24
3063611600	2	\$3,208.69	\$2,788.22
3063611700	1	\$3,208.69	\$2,558.78
3063611800	2	\$3,208.69	\$2,788.22
3063611900	1	\$3,208.69	\$2,558.78
3063612000	2	\$3,208.69	\$2,788.22
3063612100	2	\$3,208.69	\$2,788.22
3063612200	2	\$3,208.69	\$2,788.22
3063612300	2	\$3,208.69	\$2,788.22
3063612400	2	\$3,208.69	\$2,788.22
3063612500	1	\$3,208.69	\$2,558.78
3063612600	3	\$3,208.69	\$3,017.24
3063612700	1	\$3,208.69	\$2,558.78
3063612800	1	\$3,208.69	\$2,558.78
3063612900	1	\$3,208.69	\$2,558.78
3063613000	2	\$3,208.69	\$2,788.22
3063613100	2	\$3,208.69	\$2,788.22
3063613200	2	\$3,208.69	\$2,788.22
3063613300	1	\$3,208.69	\$2,558.78
3063613400	3	\$3,208.69	\$3,017.24
3063613500	3	\$3,208.69	\$3,017.24
3063613600	2	\$3,208.69	\$2,788.22
3063613700	1	\$3,208.69	\$2,558.78
3063613800	2	\$3,208.69	\$2,788.22
3063613900	3	\$3,208.69	\$3,017.24
3063614000	1	\$3,208.69	\$2,558.78
3063614100	3	\$3,208.69	\$3,017.24
3063614200	2	\$3,208.69	\$2,788.22
3063620100	2	\$3,208.69	\$2,788.22
3063620200	2	\$3,208.69	\$2,788.22
3063620300	3	\$3,208.69	\$3,017.24
3063620400	2	\$3,208.69	\$2,788.22
3063620500	3	\$3,208.69	\$3,017.24
3063620600	2	\$3,208.69	\$2,788.22
3063620700	1	\$3,208.69	\$2,558.78
3063620800	2	\$3,208.69	\$2,788.22
3063620900	2	\$3,208.69	\$2,788.22
3063621000	1	\$3,208.69	\$2,558.78
3063621100	2	\$3,208.69	\$2,788.22
3063621200	3	\$3,208.69	\$3,017.24
3063621300	2	\$3,208.69	\$2,788.22
3063621400	1	\$3,208.69	\$2,558.78
3063621500	2	\$3,208.69	\$2,788.22
3063621600	3	\$3,208.69	\$3,017.24
3063621700	3	\$3,208.69	\$3,017.24
3063621800	2	\$3,208.69	\$2,788.22
3063621900	2	\$3,208.69	\$2,788.22
3063622000	3	\$3,208.69	\$3,017.24
3063622100	2	\$3,208.69	\$2,788.22
3063622200	1	\$3,208.69	\$2,558.78

<u>Assessor's Parcel Number</u>	<u>Special Tax Classification</u>	<u>Maximum Annual Special Tax</u>	<u>Special Tax Levy</u>
3063622300	2	\$3,208.69	\$2,788.22
3063622400	2	\$3,208.69	\$2,788.22
3063622500	3	\$3,208.69	\$3,017.24
3063622600	2	\$3,208.69	\$2,788.22
3063622700	1	\$3,208.69	\$2,558.78
3063622800	2	\$3,208.69	\$2,788.22
3063622900	2	\$3,208.69	\$2,788.22
3063623000	3	\$3,208.69	\$3,017.24
3063623100	1	\$3,208.69	\$2,558.78
3063623200	2	\$3,208.69	\$2,788.22
3063623300	2	\$3,208.69	\$2,788.22
3063623400	3	\$3,208.69	\$3,017.24
3063623500	1	\$3,208.69	\$2,558.78
3063623600	3	\$3,208.69	\$3,017.24
3063623700	2	\$3,208.69	\$2,788.22
3063623800	2	\$3,208.69	\$2,788.22
3063623900	2	\$3,208.69	\$2,788.22
3063624000	3	\$3,208.69	\$3,017.24
3063624100	2	\$3,208.69	\$2,788.22
3063624200	3	\$3,208.69	\$3,017.24
3063624300	1	\$3,208.69	\$2,558.78
3063624400	3	\$3,208.69	\$3,017.24

Exhibit C

Rate and Method of Apportionment

**RATE AND METHOD OF APPORTIONMENT FOR
COMMUNITY FACILITIES DISTRICT NO. 10
OF THE POWAY UNIFIED SCHOOL DISTRICT
(IMPROVEMENT AREA D)**

An Annual Special Tax shall be levied on and collected in Improvement Area D ("IA D") of Community Facilities District No. 10 ("CFD No. 10") of the Poway Unified School District ("School District") in each Fiscal Year, in an amount determined through the application of the rate and method of apportionment described below. All of the real property in IA D of CFD No. 10, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

**SECTION 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 as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any ordinary and necessary expenses of the School District to carry out its duties as the legislative body of IA D of CFD No. 10.

"Affordable Unit" means any Unit subject to deed restrictions, resale restrictions, and/or regulatory agreements recorded in favor of the City or County providing for affordable housing.

"Annual Special Tax" means the Special Tax levied in each Fiscal Year on an Assessor's Parcel as set forth in Section F. In each Fiscal Year Annual Special Tax revenues shall be used in the following order of priority: (i) to satisfy the Annual Special Tax Requirement and (ii) to pay for the acquisition, construction, rehabilitation, and improvement of School Facilities.

"Annual Special Tax Requirement" means the amount required in any Fiscal Year to pay: (i) the debt service on all Non-School Bonds or other indebtedness or other periodic costs on the Non-School Bonds, (ii) the Administrative Expenses of IA D of CFD No. 10, (iii) any costs associated with the release of funds from an escrow account, (iv) any amount required to establish or replenish any reserve funds established in association with the Non-School Bonds, less (v) any amounts on deposit in any fund or account which are available to pay for items (i) through (iv) above pursuant to any applicable fiscal agent agreement, bond indenture, or trust agreement.

"Assessor's Parcel" means a lot or parcel of land in IA D of CFD No. 10 which is designated on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

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

"Assessor's Parcel Number" means that number assigned to an Assessor's Parcel by the County Assessor for purposes of identification.

"Assigned Annual Special Tax" means the Special Tax of that name as set forth in Section D.

"Assistant Superintendent" means the Assistant Superintendent of Business of the School District or his/her designee.

"Attached Unit" means a Unit that (i) consists or shall consist of a building or buildings in which each of the individual Units has at least one common wall with another Unit and (ii) is not an Affordable Unit or a Senior Citizen Unit.

"Backup Annual Special Tax" means the Special Tax of that name described in Section E below.

"Board" means the Board of Education of the School District or its designee.

"Bonds" means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to the repayment of which Special Taxes of IA D of CFD No. 10 are pledged.

"Building Square Footage" or **"BSF"** means the square footage of internal living space of a Unit, exclusive of garages or other structures not used as living space, as determined by reference to the building permit application for such Unit or other applicable records of the City.

"Calendar Year" means any period beginning January 1 and ending December 31.

"City" means the City of San Diego.

"County" means the County of San Diego.

"Detached Unit" means a Unit which is not an Attached Unit, an Affordable Unit, or a Senior Citizen Unit.

"Developed Property" means all Assessor's Parcels for which building permits for the construction of Units were issued on or before May 1 of the prior Fiscal Year, provided that such Assessor's Parcels were created on or before January 1 of the prior Fiscal Year and that each such Assessor's Parcel is associated with a Lot, as determined reasonably by the Assistant Superintendent.

"Exempt Property" means the property designated as Exempt Property in Section J.

"Final Subdivision Map" means a final tract map, parcel map, lot line adjustment, or functionally equivalent map or instrument that creates building sites, recorded in the County Office of the Recorder.

"Fiscal Year" means the period commencing on July 1 of any year and ending the following June 30.

"Gross Floor Area" or "GFA" means the covered and enclosed space within the perimeters of a commercial or industrial structure, not including any storage area incidental to the principal use of the development, garage, parking structure, unenclosed walkway, or utility or disposable area, as used in Section 65995 of the Government Code.

"Gross Prepayment Amount" means any amount determined by reference to Table 3 and adjusted as set forth in Section G.

"Lot" means an individual legal lot created by a Final Subdivision Map for which a building permit for a Unit has been or could be issued, provided that land for which one or more building permits have been or could be issued for the construction of one or more model Units shall not be construed as a Lot until such land has been subdivided by a Final Subdivision Map.

"Non-School Bonds" means any Bonds which are not School Bonds.

"Partial Prepayment Amount" means the dollar amount required to prepay a portion of the Annual Special Tax obligation on any Assessor's Parcel, determined pursuant to Section H.

"Prepayment Amount" means the dollar amount required to prepay all of the Annual Special Tax obligation on any Assessor's Parcel, determined pursuant to Sections G.

"Proportionately" means that the ratio of the actual Annual Special Tax levy to the applicable Special Tax is equal for all applicable Assessor's Parcels.

"School Bonds" means any Bonds allocable to proceeds used or to be used to fund the acquisition, construction, rehabilitation, or improvement of School Facilities.

"School Facilities" means any public facilities owned or to be owned by the School District.

"Senior Citizen Unit" means a Unit designated as senior citizen housing, part of a residential care facility for the elderly, or part of a multi-level care facility for the elderly as referred to in California Government Code Section 65995.1. For purposes hereof, it shall be sufficient to designate a Unit as a Senior Citizen Unit if Senior Citizen Restrictions have been effected with respect to such Unit.

"Senior Citizen Restriction" means (i) a restriction limiting the use of Units to senior citizen housing under a specific plan, a final map or other governmental entitlements, or a declaration of covenants, conditions and restrictions or any similar recorded instrument or (ii) licensing from appropriate agencies received for residential care facilities for the elderly or multi-level care facilities as those terms are defined in Health and Safety Code Section 1569.2 and Government Code Section 15432(d)(9), respectively.

"Special Tax" means any of the special taxes authorized to be levied in IA D of CFD No. 10 under the Act.

"Taxable Developed Property" means all Assessor's Parcels of Developed Property which are not Exempt Property.

"Taxable Property" means all Assessor's Parcels which are not Exempt Property.

"Taxable Undeveloped Property" means all Assessor's Parcels of Undeveloped Property which are not Exempt Property.

"Undeveloped Property" means all Assessor's Parcels which are not Developed Property.

"Unit" means each separate residential dwelling unit which comprises an independent facility capable of conveyance separate from adjacent residential dwelling units. Each Unit shall be classified as an Affordable Unit, an Attached Unit, a Detached Unit, or a Senior Citizen Unit.

SECTION B ASSIGNMENT OF ASSESSOR'S PARCELS

For each Fiscal Year, beginning with Fiscal Year 2001-02, (i) each Assessor's Parcel shall be classified as Developed Property or Undeveloped Property; (ii) each Assessor's Parcel of Developed Property shall be classified as Taxable Developed Property or Exempt Property; and (iii) each Assessor's Parcel of Undeveloped Property shall be classified as Taxable Undeveloped Property or Exempt Property.

SECTION C MAXIMUM SPECIAL TAX

1. Taxable Developed Property

The Maximum Special Tax for each Assessor's Parcel classified as Taxable Developed Property in any Fiscal Year shall be the greater of (i) the Assigned Annual Special Tax or (ii) the Backup Annual Special Tax.

2. Taxable Undeveloped Property

The Maximum Special Tax for any Assessor's Parcel classified as Taxable Undeveloped Property in any Fiscal Year shall be the Assigned Annual Special Tax.

**SECTION D
ASSIGNED ANNUAL SPECIAL TAXES**

1. Taxable Developed Property

The Assigned Annual Special Tax for each Assessor's Parcel of Taxable Developed Property in Fiscal Year 2001-02 shall be the amount determined by reference to Table 1 below. No Assigned Annual Special Tax shall apply to Affordable Units or Senior Citizen Units.

TABLE 1

<i>ASSIGNED ANNUAL SPECIAL TAX FOR TAXABLE DEVELOPED PROPERTY FOR FISCAL YEAR 2001-02</i>	
Building Square Feet	Assigned Annual Special Tax ¹
<= 2,700	\$2,099.11 per Detached/Attached Unit
2,701 - 3,100	\$2,287.31 per Detached/Attached Unit
> 3,100	\$2,475.52 per Detached/Attached Unit
1. No Assigned Annual Special Tax shall apply to Affordable Units or Senior Citizen Units.	

Each July 1, commencing July 1, 2002, the Assigned Annual Special Tax for each Assessor's Parcel of Taxable Developed Property shall be increased by two percent (2.00%) of the amount in effect in the prior Fiscal Year.

2. Taxable Undeveloped Property

The Assigned Annual Special Tax for an Assessor's Parcel of Taxable Undeveloped Property in Fiscal Year 2001-02 shall be \$16,533.00 per acre of Acreage. On each July 1, commencing July 1, 2002, the Assigned Annual Special Tax for each Assessor's Parcel of Taxable Undeveloped Property shall be increased by two percent (2.00%) of the amount in effect in the prior Fiscal Year.

**SECTION E
BACKUP ANNUAL SPECIAL TAX**

Each Fiscal Year, each Assessor's Parcel of Taxable Developed Property shall be subject to a Backup Annual Special Tax. In each Fiscal Year, the Backup Annual Special Tax rate for Taxable Developed Property shall be the rate per Lot calculated according to the following formula:

$$B = (Z H A))L$$

The terms above have the following meanings:

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B	=	Backup Annual Special Tax per Lot for the applicable Fiscal Year
Z	=	Assigned Annual Special Tax per Acre of Taxable Undeveloped Property for the applicable Fiscal Year
A	=	Acreage of Taxable Developed Property expected to exist in the applicable Final Subdivision Map at buildout, as determined by the Assistant Superintendent pursuant to Section J
L	=	Lots in the Final Subdivision Map

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

1. Determine the total Backup Annual Special Taxes anticipated to apply to the changed or modified Final Subdivision Map 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 Map area, as reasonably determined by the Board.
3. The result of paragraph 2 above shall be divided by 43,560. The result is the Backup Annual 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 Map area for all remaining Fiscal Years in which the Special Tax may be levied.

SECTION F

METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX

Commencing Fiscal Year 2001-02 and for each subsequent Fiscal Year, the Assistant Superintendent shall determine the Annual Special Tax Requirement to be collected in IA D of CFD No. 10 in such Fiscal Year. The Annual Special Tax shall be levied as follows:

First: The Annual Special Tax shall be levied on each Assessor's Parcel of Taxable Developed Property at the Assigned Annual Special Tax applicable to such Assessor's Parcel.

Second: If the sum of the amounts levied on Assessor's Parcels in the first step above is less than the Annual Special Tax Requirement, then the Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Undeveloped Property up to the Assigned Annual Special Tax applicable to such Assessor's Parcel to satisfy the Annual Special Tax Requirement.

Third: If the sum of the amounts levied on Assessor's Parcels in the first and second steps above is less than the Annual Special Tax Requirement, then the Annual Special Tax on each Assessor's Parcel of Taxable Developed Property whose Maximum Special Tax is the Backup Annual Special

Tax shall be increased Proportionately from the Assigned Annual Special Tax up to the Backup Annual Special Tax to satisfy the Annual Special Tax Requirement.

**SECTION G
PREPAYMENT OF ANNUAL SPECIAL TAX**

The Annual Special Tax obligation of an Assessor's Parcel of Taxable Developed Property or an Assessor's Parcel of Taxable Undeveloped Property for which a building permit has been issued may be prepaid in full, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time the Annual Special Tax obligation would be prepaid. The Prepayment Amount for an Assessor's Parcel eligible for prepayment shall be determined as described below.

1. Prior to Issuance of Non-School Bonds

Prior to the issuance of Non-School Bonds, the Prepayment Amount for each Assessor's Parcel of Developed Property and each Assessor's Parcel of Undeveloped Property for which a building permit has been issued shall be the amount equal to the Gross Prepayment Amount. The Gross Prepayment Amount for the period May 1, 2001 to April 30, 2002 shall be the amount determined by reference to Table 3.

TABLE 3

<i>GROSS PREPAYMENT AMOUNT FOR MAY 1, 2001 TO APRIL 30, 2002</i>	
Building Square Feet	Assigned Annual Special Tax ¹
<= 2,700	\$25,176.06 per Detached/Attached Unit
2,701 - 3,100	\$25,176.06 per Detached/Attached Unit
> 3,100	\$27,231.82 per Detached/Attached Unit
1. No Assigned Annual Special Tax shall apply to Affordable Units or Senior Citizen Units.	

On each May 1, commencing May 1, 2002, the Gross Prepayment Amount for each Unit shall be increased by two percent (2.00%) of the amount in effect in the prior Fiscal Year, provided that the Gross Prepayment Amount applicable to a Unit shall not increase after the issuance of the building permit for such Unit.

2. Subsequent to Issuance of Non-School Bonds

Subsequent to the issuance of Non-School Bonds, the Prepayment Amount for each applicable Assessor's Parcel shall be calculated according to the following formula (capitalized terms defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Defeasance
plus	Administrative Fee
<u>less</u>	<u>Reserve Fund Credit</u>
equals	Prepayment Amount

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

1. For each Assessor's Parcel of Taxable Developed Property, compute the Assigned Annual Special Tax and the Backup Annual Special Tax. For each Assessor's Parcel of Taxable Undeveloped Property, compute the Assigned Annual Special Tax and the Backup Annual Special Tax applicable to the Assessor's Parcel as though it was already designated as Taxable Developed Property, based upon the building permit issued for that Assessor's Parcel.
2. For each Annual Special Tax obligation to be prepaid, (a) divide the Assigned Annual Special Tax computed pursuant to paragraph 1 for such Assessor's Parcel by the estimated Assigned Annual Special Tax applicable to all Assessor's Parcels of Taxable Developed Property at buildout, as reasonably determined by the Assistant Superintendent, and (b) divide the Backup Annual Special Tax computed pursuant to paragraph 1 for such Assessor's Parcel by the estimated Backup Annual Special Tax applicable to all Assessor's Parcels of Taxable Developed Property at buildout, as reasonably determined by the Assistant Superintendent.
3. Multiply the larger quotient computed pursuant to paragraph 2(a) or 2(b) by the face value of all outstanding Non-School Bonds. The product is the "Bond Redemption Amount."
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the outstanding Non-School Bonds to be redeemed with the proceeds of the Bond Redemption Amount. This product is the "Redemption Premium."

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5. Compute the amount needed to pay interest on the Bond Redemption Amount, the Redemption Premium, and the Reserve Fund Credit (see step 9) to be redeemed with the proceeds of the Prepayment Amount until the earliest call date for the outstanding Non-School Bonds.
6. Estimate the amount of interest earnings to be derived from the reinvestment of the Bond Redemption Amount plus the Redemption Premium until the earliest call date for the outstanding Non-School Bonds.
7. Subtract the amount computed pursuant to paragraph 6 from the amount computed pursuant to paragraph 5. This difference is the "Defeasance."
8. Estimate the administrative fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Non-School Bonds, and the costs of recording any notices to evidence the prepayment and the redemption. This amount is the "Administrative Fee."
9. Calculate the "Reserve Fund Credit" as the lesser of: (a) the expected reduction in the applicable reserve requirements, if any, associated with the redemption of outstanding Non-School Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirements in effect after the redemption of outstanding Non-School Bonds as a result of the prepayment from the balance in the applicable reserve funds on the prepayment date. Notwithstanding the foregoing, if the reserve fund requirement is satisfied by a surety bond or other instrument at the time of the prepayment, then no Reserve Fund Credit shall be given. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than 0.
10. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Defeasance, and the Administrative Fee, less the Reserve Fund Credit.

With respect to an Annual Special Tax obligation that is prepaid pursuant to this Section G, the Assistant Superintendent shall indicate in the records of IA D of CFD No. 10 that there has been a prepayment of the Annual Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Annual Special Tax obligation and the release of the Annual Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Annual Special Tax shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Annual Special Tax that may be levied in IA D of CFD No. 10, net of an allocable portion of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Non-School Bonds in each future Fiscal Year, as reasonably determined by the Assistant Superintendent.

SECTION H PARTIAL PREPAYMENT OF SPECIAL TAX

Prior to the issuance of a building permit for the construction of a production Unit on a Lot within a Final Subdivision Map area, the owner of no less than the entire Final Subdivision Map area may elect to prepay any portion of the applicable Annual Special Tax obligations for all of the Assessor's Parcels within such Final Subdivision Map area. In order to prepay any portion of the applicable Annual Special Tax obligations, the residential Final Subdivision Map area must contain at least 25 Detached Units or 50 Attached Units. The partial prepayment of each Annual Special Tax obligation shall be collected at the issuance of each applicable building permit, provided that the Annual Special Tax obligations with respect to model Units for which building permits have already been issued must be partially prepaid at the time of the election. The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = P_G H F$$

These terms have the following meanings:

- PP = the Partial Prepayment Amount
- P_G = the Prepayment Amount calculated according to Section G
- F = the percent by which the owner of the Assessor's Parcel is partially prepaying the Annual Special Tax obligation.

The owner of any Assessor's Parcel who desires such partial prepayment shall notify the Assistant Superintendent of (i) such owner's intent to partially prepay the Annual Special Tax obligation and (ii) the percentage by which the Annual Special Tax obligation shall be prepaid.

With respect to any Assessor's Parcel's Annual Special Tax obligation that is partially prepaid, the Assistant Superintendent shall indicate in the records of IA D of CFD No. 10 that there has been a partial prepayment of the Annual Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such partial prepayment, to indicate the partial prepayment of Annual Special Tax obligation and the partial release of the Annual Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such prepaid portion of the Annual Special Tax shall cease. The portion of the Annual Special Tax with respect to any Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the remaining Annual Special Tax, shall continue to be levied on such Assessor's Parcel.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Annual Special Tax that may be levied in IA D of CFD No. 10, net of an allocable portion of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Non-School Bonds in each future Fiscal Year, as reasonably determined by the Assistant Superintendent.

SECTION I TERMINATION OF SPECIAL TAX

The Annual Special Tax shall be levied for a term of thirty-four (34) Fiscal Years after the issuance of Non-School Bonds by IA D of CFD No. 10, but in no event shall the Annual Special Tax be levied later than Fiscal Year 2045-46.

SECTION J EXEMPTIONS

The Assistant Superintendent shall classify as Exempt Property (i) Assessor's Parcels owned by the State of California, Federal or other local governments, (ii) Assessor's Parcels which are used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization, (iii) Assessor's Parcels used exclusively by a homeowners' association, (iv) Assessor's Parcels with public or utility easements or other restrictions making impractical their utilization for other than the purposes set forth in the easement or the restriction, (v) Assessor's Parcels for which building permits were issued on or before May 1 of the prior Fiscal Year for the construction of Affordable Units and/or Senior Citizen Units exclusively, (vi) Assessor's Parcels for which building permits were issued on or before May 1 of the prior Fiscal Year for the construction of GFA and Assessor's Parcels which directly service such Assessor's Parcels, such as parking lots, as reasonably determined by the Assistant Superintendent, and (vii) other types of Assessor's Parcels, at the reasonable discretion of the Assistant Superintendent, provided that no such classification would reduce the Acreage of all Taxable Property to less than 19.67 acres of Acreage. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than 19.67 acres of Acreage will continue to be classified as Taxable Developed Property or Taxable Undeveloped Property, as applicable, and will continue to be subject to Special Taxes accordingly.

SECTION K APPEALS

Any property owner claiming that the amount or application of any Special Tax is not correct may file a written notice of appeal with the Assistant Superintendent not later than twelve (12) months after having paid the Special Tax that is disputed. The Assistant Superintendent shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the Assistant Superintendent's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy or in other special cases, as determined by the Assistant Superintendent), but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s).

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SECTION L
MANNER OF COLLECTION

The Annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes, provided, however, that IA D of CFD No. 10 may collect Annual Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

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Exhibit D

Annual Debt Service Coverage Summary Table

Annual Debt Service Coverage Summary
Poway Unified School District
Improvement Area D of
Community Facilities District No. 10

<u>Maturity Date</u> <u>(September 1)</u>	<u>Combined</u> <u>Debt</u> <u>Service</u>	<u>Special Tax</u> <u>Levy/ Maximum</u> <u>Special Tax</u>	<u>Administrative</u> <u>Expense</u> <u>Budget</u>	<u>Net Taxes</u>	<u>Coverage</u>
2012	\$338,592.50	\$396,371.00	\$17,926.39	378,444.61	111.77%
2013	\$345,505.00	\$464,746.66	\$18,284.92	446,461.74	129.22%
2014	\$356,830.00	\$474,041.59	\$18,650.62	455,390.97	127.62%
2015	\$362,240.00	\$483,522.42	\$19,023.63	464,498.79	128.23%
2016	\$366,990.00	\$493,192.87	\$19,404.10	473,788.77	129.10%
2017	\$376,160.00	\$503,056.73	\$19,792.18	483,264.55	128.47%
2018	\$384,410.00	\$513,117.86	\$20,188.02	492,929.84	128.23%
2019	\$391,710.00	\$523,380.22	\$20,591.78	502,788.44	128.36%
2020	\$398,107.50	\$533,847.82	\$21,003.62	512,844.20	128.82%
2021	\$408,587.50	\$544,524.78	\$21,423.69	523,101.09	128.03%
2022	\$417,852.50	\$555,415.28	\$21,852.16	533,563.12	127.69%
2023	\$425,987.50	\$566,523.59	\$22,289.20	544,234.39	127.76%
2024	\$432,992.50	\$577,854.06	\$22,734.98	555,119.08	128.21%
2025	\$443,867.50	\$589,411.14	\$23,189.68	566,221.46	127.57%
2026	\$453,330.00	\$601,199.36	\$23,653.47	577,545.89	127.40%
2027	\$461,230.00	\$613,223.35	\$24,126.54	589,096.81	127.72%
2028	\$467,705.00	\$625,487.82	\$24,609.07	600,878.75	128.47%
2029	\$477,755.00	\$637,997.58	\$25,101.25	612,896.33	128.29%
2030	\$486,095.00	\$650,757.53	\$25,603.28	625,154.25	128.61%
2031	\$497,725.00	\$663,772.68	\$26,115.35	637,657.33	128.11%
2032	\$507,360.00	\$677,048.13	\$26,637.66	650,410.47	128.20%

Exhibit E

Assessed Value-to-Lien Detail Report

Fiscal Year 2011/2012 Assessed Value-to-Lien
Poway Unified School District
Improvement Area D of
Community Facilities District No. 10

Assessed Value

<u>Assessor's Parcel Number</u>	<u>Land</u>	<u>Improvement</u>	<u>Total</u>	<u>Total Lien</u>	<u>Value-to-Lien</u>
3063600100	\$264,000.00	\$483,000.00	\$747,000.00	\$71,115.92	10.50:1
3063600200	\$261,000.00	\$435,000.00	\$696,000.00	\$71,115.92	9.79:1
3063600300	\$269,000.00	\$467,000.00	\$736,000.00	\$71,115.92	10.35:1
3063600400	\$253,000.00	\$457,000.00	\$710,000.00	\$73,932.65	9.60:1
3063600500	\$304,000.00	\$396,000.00	\$700,000.00	\$68,294.01	10.25:1
3063600600	\$267,000.00	\$471,000.00	\$738,000.00	\$71,115.92	10.38:1
3063600700	\$258,000.00	\$493,000.00	\$751,000.00	\$71,115.92	10.56:1
3063600800	\$277,000.00	\$461,000.00	\$738,000.00	\$71,115.92	10.38:1
3063600900	\$269,000.00	\$431,000.00	\$700,000.00	\$68,294.01	10.25:1
3063601000	\$400,000.00	\$250,000.00	\$650,000.00	\$71,115.92	9.14:1
3063601100	\$238,201.00	\$444,904.00	\$683,105.00	\$71,115.92	9.61:1
3063601200	\$392,000.00	\$308,000.00	\$700,000.00	\$68,294.01	10.25:1
3063601300	\$395,000.00	\$346,000.00	\$741,000.00	\$71,115.92	10.42:1
3063601400	\$281,000.00	\$529,000.00	\$810,000.00	\$73,932.65	10.96:1
3063601500	\$398,000.00	\$302,000.00	\$700,000.00	\$65,454.12	10.69:1
3063601600	\$254,000.00	\$456,000.00	\$710,000.00	\$71,092.76	9.99:1
3063601700	\$270,000.00	\$468,000.00	\$738,000.00	\$68,294.01	10.81:1
3063601800	\$249,000.00	\$449,000.00	\$698,000.00	\$71,115.92	9.81:1
3063601900	\$279,000.00	\$400,000.00	\$679,000.00	\$66,141.97	10.27:1
3063602000	\$244,144.00	\$384,551.00	\$628,695.00	\$68,963.87	9.12:1
3063602100	\$255,242.00	\$395,591.00	\$650,833.00	\$68,963.87	9.44:1
3063602200	\$284,000.00	\$396,000.00	\$680,000.00	\$66,141.97	10.28:1
3063602300	\$277,438.00	\$469,680.00	\$747,118.00	\$68,963.87	10.83:1
3063602400	\$279,000.00	\$521,000.00	\$800,000.00	\$71,780.61	11.15:1
3063602500	\$311,000.00	\$399,000.00	\$710,000.00	\$68,963.87	10.30:1
3063602600	\$400,000.00	\$400,000.00	\$800,000.00	\$71,780.61	11.15:1
3063602700	\$311,000.00	\$433,000.00	\$744,000.00	\$68,963.87	10.79:1
3063602800	\$264,000.00	\$446,000.00	\$710,000.00	\$68,963.87	10.30:1
3063602900	\$277,750.00	\$435,899.00	\$713,649.00	\$71,780.61	9.94:1
3063603000	\$310,730.00	\$442,929.00	\$753,659.00	\$68,963.87	10.93:1
3063603100	\$248,000.00	\$462,000.00	\$710,000.00	\$68,963.87	10.30:1
3063603200	\$274,000.00	\$426,000.00	\$700,000.00	\$66,141.97	10.58:1
3063603300	\$277,438.00	\$419,517.00	\$696,955.00	\$68,963.87	10.11:1
3063603400	\$288,535.00	\$433,949.00	\$722,484.00	\$71,780.61	10.07:1
3063603500	\$266,339.00	\$386,408.00	\$652,747.00	\$71,092.76	9.18:1
3063603600	\$400,000.00	\$310,000.00	\$710,000.00	\$68,276.03	10.40:1
3063603700	\$99,969.00	\$309,203.00	\$409,172.00	\$68,963.87	5.93:1
3063603800	\$293,758.00	\$445,596.00	\$739,354.00	\$68,963.87	10.72:1
3063603900	\$293,758.00	\$416,950.00	\$710,708.00	\$66,141.97	10.75:1
3063604000	\$217,000.00	\$493,000.00	\$710,000.00	\$71,780.61	9.89:1
3063604100	\$282,879.00	\$453,267.00	\$736,146.00	\$68,963.87	10.67:1
3063604200	\$244,000.00	\$466,000.00	\$710,000.00	\$71,780.61	9.89:1
3063604300	\$260,000.00	\$405,000.00	\$665,000.00	\$68,963.87	9.64:1
3063604400	\$295,000.00	\$405,000.00	\$700,000.00	\$66,141.97	10.58:1
3063604500	\$430,000.00	\$330,000.00	\$760,000.00	\$71,780.61	10.59:1
3063604600	\$276,000.00	\$489,000.00	\$765,000.00	\$73,932.65	10.35:1
3063604700	\$275,000.00	\$417,000.00	\$692,000.00	\$68,294.01	10.13:1
3063604800	\$259,000.00	\$451,000.00	\$710,000.00	\$73,932.65	9.60:1
3063604900	\$279,334.00	\$445,583.00	\$724,917.00	\$71,115.92	10.19:1
3063605000	\$262,000.00	\$448,000.00	\$710,000.00	\$71,115.92	9.98:1
3063605100	\$234,000.00	\$476,000.00	\$710,000.00	\$73,932.65	9.60:1
3063605200	\$266,339.00	\$370,565.00	\$636,904.00	\$66,141.97	9.63:1
3063605300	\$304,963.00	\$442,624.00	\$747,587.00	\$68,963.87	10.84:1
3063605400	\$266,339.00	\$428,856.00	\$695,195.00	\$71,780.61	9.68:1
3063605500	\$317,000.00	\$383,000.00	\$700,000.00	\$66,141.97	10.58:1

Assessor's Parcel Number	Land	Improvement	Total	Total Lien	Value-to-Lien
3063605600	\$275,000.00	\$435,000.00	\$710,000.00	\$68,963.87	10.30:1
3063610100	\$288,535.00	\$417,075.00	\$705,610.00	\$68,276.03	10.33:1
3063610200	\$288,535.00	\$370,652.00	\$659,187.00	\$65,454.12	10.07:1
3063610300	\$282,986.00	\$383,222.00	\$666,208.00	\$68,276.03	9.76:1
3063610400	\$237,000.00	\$473,000.00	\$710,000.00	\$71,092.76	9.99:1
3063610500	\$299,000.00	\$451,000.00	\$750,000.00	\$68,276.03	10.98:1
3063610600	\$316,894.00	\$431,935.00	\$748,829.00	\$65,454.12	11.44:1
3063610700	\$320,000.00	\$430,000.00	\$750,000.00	\$71,115.92	10.55:1
3063610800	\$294,000.00	\$406,000.00	\$700,000.00	\$65,454.12	10.69:1
3063610900	\$244,144.00	\$341,608.00	\$585,752.00	\$66,141.97	8.86:1
3063611000	\$266,339.00	\$357,371.00	\$623,710.00	\$68,963.87	9.04:1
3063611100	\$256,000.00	\$454,000.00	\$710,000.00	\$68,963.87	10.30:1
3063611200	\$266,339.00	\$416,178.00	\$682,517.00	\$71,780.61	9.51:1
3063611300	\$260,000.00	\$433,000.00	\$693,000.00	\$68,963.87	10.05:1
3063611400	\$255,242.00	\$471,965.00	\$727,207.00	\$68,963.87	10.54:1
3063611500	\$255,242.00	\$453,549.00	\$708,791.00	\$71,780.61	9.87:1
3063611600	\$255,242.00	\$463,601.00	\$718,843.00	\$68,963.87	10.42:1
3063611700	\$255,242.00	\$364,606.00	\$619,848.00	\$66,141.97	9.37:1
3063611800	\$256,148.00	\$419,400.00	\$675,548.00	\$68,963.87	9.80:1
3063611900	\$277,438.00	\$391,586.00	\$669,024.00	\$66,141.97	10.11:1
3063612000	\$277,438.00	\$518,170.00	\$795,608.00	\$68,963.87	11.54:1
3063612100	\$277,438.00	\$417,726.00	\$695,164.00	\$68,963.87	10.08:1
3063612200	\$267,000.00	\$426,000.00	\$693,000.00	\$68,963.87	10.05:1
3063612300	\$233,000.00	\$477,000.00	\$710,000.00	\$68,963.87	10.30:1
3063612400	\$250,000.00	\$443,000.00	\$693,000.00	\$68,963.87	10.05:1
3063612500	\$288,535.00	\$373,951.00	\$662,486.00	\$66,141.97	10.02:1
3063612600	\$266,000.00	\$444,000.00	\$710,000.00	\$71,780.61	9.89:1
3063612700	\$282,050.00	\$413,144.00	\$695,194.00	\$66,141.97	10.51:1
3063612800	\$277,438.00	\$487,025.00	\$764,463.00	\$66,141.97	11.56:1
3063612900	\$277,438.00	\$371,530.00	\$648,968.00	\$66,141.97	9.81:1
3063613000	\$267,000.00	\$424,000.00	\$691,000.00	\$68,963.87	10.02:1
3063613100	\$277,438.00	\$425,659.00	\$703,097.00	\$68,963.87	10.20:1
3063613200	\$277,438.00	\$477,195.00	\$754,633.00	\$68,963.87	10.94:1
3063613300	\$266,339.00	\$417,872.00	\$684,211.00	\$66,141.97	10.34:1
3063613400	\$268,000.00	\$442,000.00	\$710,000.00	\$71,780.61	9.89:1
3063613500	\$290,000.00	\$420,000.00	\$710,000.00	\$71,780.61	9.89:1
3063613600	\$266,339.00	\$445,826.00	\$712,165.00	\$68,963.87	10.33:1
3063613700	\$255,242.00	\$319,496.00	\$574,738.00	\$65,454.12	8.78:1
3063613800	\$299,633.00	\$437,425.00	\$737,058.00	\$68,276.03	10.80:1
3063613900	\$270,000.00	\$440,000.00	\$710,000.00	\$71,092.76	9.99:1
3063614000	\$266,339.00	\$336,874.00	\$603,213.00	\$65,454.12	9.22:1
3063614100	\$255,000.00	\$455,000.00	\$710,000.00	\$71,092.76	9.99:1
3063614200	\$266,339.00	\$400,993.00	\$667,332.00	\$68,276.03	9.77:1
3063620100	\$280,000.00	\$420,000.00	\$700,000.00	\$68,276.03	10.25:1
3063620200	\$264,000.00	\$446,000.00	\$710,000.00	\$68,276.03	10.40:1
3063620300	\$199,000.00	\$598,000.00	\$797,000.00	\$71,092.76	11.21:1
3063620400	\$293,921.00	\$397,923.00	\$691,844.00	\$68,276.03	10.13:1
3063620500	\$293,921.00	\$424,717.00	\$718,638.00	\$71,092.76	10.11:1
3063620600	\$260,006.00	\$362,992.00	\$622,998.00	\$68,276.03	9.12:1
3063620700	\$293,921.00	\$354,401.00	\$648,322.00	\$65,454.12	9.90:1
3063620800	\$272,000.00	\$438,000.00	\$710,000.00	\$68,276.03	10.40:1
3063620900	\$295,000.00	\$401,000.00	\$696,000.00	\$68,276.03	10.19:1
3063621000	\$305,000.00	\$395,000.00	\$700,000.00	\$65,454.12	10.69:1
3063621100	\$282,617.00	\$365,366.00	\$647,983.00	\$68,276.03	9.49:1
3063621200	\$271,000.00	\$439,000.00	\$710,000.00	\$71,092.76	9.99:1
3063621300	\$367,387.00	\$374,289.00	\$741,676.00	\$68,276.03	10.86:1
3063621400	\$359,000.00	\$341,000.00	\$700,000.00	\$65,454.12	10.69:1
3063621500	\$293,921.00	\$388,993.00	\$682,914.00	\$68,276.03	10.00:1
3063621600	\$296,000.00	\$414,000.00	\$710,000.00	\$71,092.76	9.99:1
3063621700	\$271,310.00	\$402,444.00	\$673,754.00	\$71,092.76	9.48:1
3063621800	\$248,701.00	\$394,870.00	\$643,571.00	\$68,276.03	9.43:1

<u>Assessor's Parcel Number</u>	<u>Land</u>	<u>Improvement</u>	<u>Total</u>	<u>Total Lien</u>	<u>Value-to-Lien</u>
3063621900	\$237,397.00	\$389,106.00	\$626,503.00	\$68,276.03	9.18:1
3063622000	\$263,275.00	\$417,892.00	\$681,167.00	\$71,092.76	9.58:1
3063622100	\$260,006.00	\$439,454.00	\$699,460.00	\$68,276.03	10.24:1
3063622200	\$237,397.00	\$405,871.00	\$643,268.00	\$65,454.12	9.83:1
3063622300	\$377,000.00	\$294,000.00	\$671,000.00	\$68,276.03	9.83:1
3063622400	\$316,000.00	\$434,000.00	\$750,000.00	\$68,276.03	10.98:1
3063622500	\$256,000.00	\$464,000.00	\$720,000.00	\$71,092.76	10.13:1
3063622600	\$238,596.00	\$358,228.00	\$596,824.00	\$68,276.03	8.74:1
3063622700	\$341,307.00	\$515,914.00	\$857,221.00	\$65,454.12	13.10:1
3063622800	\$470,000.00	\$346,000.00	\$816,000.00	\$68,276.03	11.95:1
3063622900	\$255,242.00	\$393,850.00	\$649,092.00	\$68,276.03	9.51:1
3063623000	\$310,000.00	\$400,000.00	\$710,000.00	\$71,092.76	9.99:1
3063623100	\$249,693.00	\$355,564.00	\$605,257.00	\$65,454.12	9.25:1
3063623200	\$250,000.00	\$418,000.00	\$668,000.00	\$68,276.03	9.78:1
3063623300	\$249,693.00	\$411,607.00	\$661,300.00	\$68,276.03	9.69:1
3063623400	\$227,000.00	\$483,000.00	\$710,000.00	\$71,092.76	9.99:1
3063623500	\$244,144.00	\$335,921.00	\$580,065.00	\$65,454.12	8.86:1
3063623600	\$260,000.00	\$450,000.00	\$710,000.00	\$71,092.76	9.99:1
3063623700	\$288,535.00	\$362,889.00	\$651,424.00	\$68,276.03	9.54:1
3063623800	\$308,000.00	\$445,000.00	\$753,000.00	\$68,276.03	11.03:1
3063623900	\$248,701.00	\$376,219.00	\$624,920.00	\$68,276.03	9.15:1
3063624000	\$248,701.00	\$424,456.00	\$673,157.00	\$71,092.76	9.47:1
3063624100	\$262,000.00	\$448,000.00	\$710,000.00	\$71,115.92	9.98:1
3063624200	\$297,000.00	\$477,000.00	\$774,000.00	\$73,932.65	10.47:1
3063624300	\$252,000.00	\$448,000.00	\$700,000.00	\$68,294.01	10.25:1
3063624400	\$405,000.00	\$305,000.00	\$710,000.00	\$73,932.65	9.60:1

Exhibit F

Detailed Direct and Overlapping Debt Report

POWAY UNIFIED SCHOOL DISTRICT

Community Facilities District No. 10

Improvement Area D
Special Tax Bonds

Detailed Direct and Overlapping Debt

Report Date: 12/16/2011

Report Time: 12:00:00 PM

I. Assessed Value

2011-2012 Secured Roll Assessed Value	\$101,448,787
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II. Secured Property Taxes

Description on Tax Bill	Type	Total Parcels	Total Levy	% Applicable	Parcels	Levy
Basic Levy	PROP13	960,202	\$3,661,027,974.96	0.02695%	143	\$986,557.87
Voter Approved Debt	VOTER	959,996	\$329,883,676.91	0.00674%	143	\$22,235.53
County of San Diego Vector Control, Zone A	VECTOR	531,917	\$1,493,519.40	0.02872%	143	\$429.00
County of San Diego Vector Disease Control	VECTOR	946,116	\$5,250,491.66	0.01681%	143	\$882.52
Metropolitan Water District of Southern California Standby Charge	STANDBY	355,096	\$4,361,738.14	0.04074%	144	\$1,777.08
Poway Unified School District CFD No. 10	CFD	1,264	\$2,476,147.08	13.08090%	142	\$323,902.28
Poway Unified School District CFD No. 10, Impv Area D	CFD	156	\$396,371.00	100.00000%	142	\$396,371.00
San Diego County Water Authority Standby Charge	STANDBY	362,960	\$3,841,729.62	0.04022%	144	\$1,545.20
2011-2012 TOTAL PROPERTY TAX LIABILITY						\$1,733,700.48
TOTAL PROPERTY TAX LIABILITY AS A PERCENTAGE OF 2011-2012 ASSESSED VALUATION						1.71%

III. Land Secured Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Poway Unified School District CFD No. 10	CFD	\$38,230,000	\$37,782,000	13.08090%	142	\$4,942,226
Poway Unified School District CFD No. 10, Impv Area D	CFD	\$5,125,000	\$4,875,000	100.00000%	142	\$4,875,000
TOTAL LAND SECURED BOND INDEBTEDNESS (1)						\$9,817,226
TOTAL OUTSTANDING LAND SECURED BOND INDEBTEDNESS (1)						\$9,817,226

IV. General Obligation Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Metropolitan Water District of Southern California GOB 1966	GOB	\$850,000,000	\$225,335,000	0.00491%	143	\$11,057
Palomar Community College District GOB 2006	GOB	\$334,998,901	\$321,028,901	0.11426%	143	\$366,809
TOTAL GENERAL OBLIGATION BOND INDEBTEDNESS (1)						\$377,866
TOTAL OUTSTANDING GENERAL OBLIGATION BOND INDEBTEDNESS (1)						\$377,866

TOTAL OF ALL OUTSTANDING AND OVERLAPPING BONDED DEBT	\$10,195,091.96
VALUE TO ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT	9.95:1

(1) Additional bonded indebtedness or available bond authorization may exist but are not shown because a tax was not levied for the referenced fiscal year.

Source: National Tax Data, Inc.

Exhibit G

**Report to the California Debt and
Investment Advisory Commission**

CDIAC #: 2002-1746

Saturday, October 29, 2011

10:39:16AM

STATE OF CALIFORNIA
MELLO Roos COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT

California Debt and Investment Advisory Commission
915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94209-0001
(916) 653-3269 Fax (916) 654-7440

For Office Use Only
Fiscal Year _____

I. GENERAL INFORMATION

A. Issuer Poway Unified School District CFD No 10
B. Community Facilities District Number/ Name Torrey Highlands Subarea IV IA D
C. Name/ Title/ Series of Bond Issue 2002 Special Tax Bonds
D. Date of Bond Issue 10-21-2002
E. Original Principal Amount of Bonds \$5,125,000.00
F. Reserve Fund Minimum Balance Required \$507,360.00

II. FUND BALANCE FISCAL STATUS

Balances Reported as of: June 30, 2011
A. Principal Amount of Bonds Outstanding \$4,935,000.00
B. Bond Reserve Fund \$507,372.79
C. Capitalized Interest Fund \$0.00
D. Construction Fund(s) \$0.00

III. ASSESSED VALUE OF ALL PARCELS IN CFD SUBJECT TO SPECIAL TAX

A. Assessed Value Reported as of: 7/1/2011 From Equalized Tax Roll
B. Total Assessed Value of All Parcels \$99,292,990.00

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due \$388,600.28
B. Total Amount of Unpaid Special Taxes \$8,537.68
C. The Taxes are Paid Under the County's Teeter Plan No

V. DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of Equalized Tax Roll of : 6/30/2011
A. Total Number of Delinquent Parcels 4
B. Total Amount of Taxes Due on Delinquent Parcels \$12,859.33

VI. FORECLOSURE INFORMATION FOR FISCAL YEAR

(Aggregate totals, if foreclosure commenced on same date)

Table with 3 columns: Date Foreclosure Commenced, Total Number of Foreclosure Parcels, Total Amount of Tax Due on Foreclosure Parcels. Includes dollar signs in the third column.

VII. ISSUE RETIRED

This issue is retired and no longer subject to the Yearly Fiscal Status filing requirements. (If yes, Indicate reason for retirement.)

VIII. NAME OF PARTY COMPLETING THIS FORM

Name Benjamin Dolinka
Title President
Firm/ Agency Dolinka Group, LLC
Address 20 Pacifica, Suite 900
City Irvine State CA Zip Code 92618
Phone Number 949 2508300 Ext E-Mail taxinfo@dolinkagroup.com

CDIAC #: 2002-1746

Saturday, October 29, 2011

10:39:16AM

**STATE OF CALIFORNIA
MELLO_ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT**

California Debt and Investment Advisory Commission
915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94209-0001
(916) 653-3269 Fax (916) 654-7440

For Office Use Only

Fiscal Year _____

IX. ADDITIONAL INFORMATION\ COMMENTS

Completion and submittal of this form to the California Debt and Investment Advisory Commission will assure your compliance with California State law. Section 53359.5 of the California Government Code requires that all agencies issuing Mello-Roos Community Facilities bonds after January 1, 1993 to report specific information to the Commission by October 30th of each year.