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COMPLETE FINANCIAL & DEMOGRAPHIC PLANNING FOR EDUCATION

POWAY UNIFIED SCHOOL DISTRICT

CONTINUING DISCLOSURE ANNUAL REPORT

FISCAL YEAR ENDING JUNE 30, 2017

PUBLIC FINANCING AUTHORITY

SPECIAL TAX REVENUE REFUNDING BONDS, SERIES 2015A

BASE CUSIP: 73885Q

JANUARY 31, 2018

PREPARED FOR:

**Poway Unified School
District – Planning
Department**

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Poway Unified School District
Public Financing Authority
Special Tax Revenue Refunding Bonds, Series 2015A

| <u>Maturity Date (September 1)</u> | <u>CUSIP*</u> |
|---|----------------------|
| 2015 | 73885QFH7 |
| 2016 | 73885QFJ3 |
| 2017 | 73885QFK0 |
| 2018 | 73885QFL8 |
| 2019 | 73885QFM6 |
| 2020 | 73885QFN4 |
| 2021 | 73885QFP9 |
| 2022 | 73885QFQ7 |
| 2023 | 73885QFR5 |
| 2024 | 73885QFS3 |
| 2025 | 73885QFT1 |
| 2026 | 73885QFU8 |
| 2027 | 73885QFV6 |
| 2027 | 73885QFW4 |
| 2028 | 73885QFX2 |
| 2029 | 73885QFY0 |
| 2030 | 73885QFZ7 |
| 2031 | 73885QGA1 |
| 2031 | 73885QGB9 |
| 2032 | 73885QGC7 |
| 2033 | 73885QGD5 |
| 2034 | 73885QGE3 |
| 2035 | 73885QGF0 |
| 2036 | 73885QGH6 |

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

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T.O.C.

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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 Special Tax Revenue Refunding Bonds, Series 2015A ("Bonds"), by the Poway Unified School District ("School District") Public Financing Authority ("Authority").

The Authority 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 Cooperative Strategies at the direction of the Authority, 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 have been no change in the affairs of the School District or Authority since the date hereof. Capitalized terms used herein which are not otherwise defined shall have the meaning given them in the Disclosure Agreement.

For a detailed listing of information provided in this Report, please contact Cooperative Strategies at taxinfo@coopstrategies.com. Information requested, in accordance with the Disclosure Agreement, will be uploaded to the Electronic Municipal Market Access website. Please visit <https://emma.msrb.org> for any updates.

Poway Unified School District

II. FINANCIAL INFORMATION

Audited financial statements of the Community Facilities Districts ("CFDs") are not prepared, however, the School District's annual audited financial statements for Fiscal Year 2016/2017 are 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 the Authority or the School District are required to be used to pay debt service on the Bonds, and neither Authority nor the School District is obligated to advance available funds to cover any delinquencies. Investors should not rely on the financial condition of the Authority or the School District in evaluating whether to buy, hold, or sell the Bonds.

III. BOND INFORMATION

Special Tax Revenue Refunding Bonds, Series 2015A. The Bonds were issued in the amount of \$89,405,000 on April 22, 2015. The Bonds were issued (i) to purchase two separate series of CFD Bonds for CFD No. 14 and Improvement Area ("IA") A of CFD No. 14 ("CFD Bonds") as listed in Exhibit A, (ii) to fund a reserve fund for the Bonds in the amount equal to the Reserve Requirement, and (iii) to pay costs of issuance of the Bonds and the CFD Bonds. Proceeds of the CFD Bonds will be used together with available funds to refund the outstanding Poway Unified School District CFD No. 14 2006 Special Tax Bonds and Poway Unified School District CFD No. 14 Improvement Area ("IA") A 2006 Special Tax Bonds ("Prior Bonds").

The Bonds are limited obligations of the Authority and are payable solely from revenues received through the collection of interest and principal on the CFD Bonds. The Bonds are not a debt of the School District, the State of California, or any of its political subdivisions.

The items below summarize information required by the Disclosure Agreement.

A. Principal Amount of Bonds Outstanding

Exhibit B includes the debt service schedule for the Bonds. The outstanding principal amount of the Bonds as of January 1, 2018 is \$84,350,000. The outstanding principal amount of the CFD Bonds is listed in the table below.

| Principal Amount of Bonds Outstanding | |
|---------------------------------------|------------------------------|
| CFD No. | Principal Amount Outstanding |
| CFD No. 14 | \$42,105,000.00 |
| IA A of CFD No. 14 | \$42,245,000.00 |
| Total | \$84,350,000.00 |

B. Fund and Account Balances

For more information regarding the funds and account balances of the Special Tax Bonds please refer to Exhibit C.

C. Reserve Requirement

As of January 1, 2018 the Reserve Requirement of the Bonds was \$8,457,750.00; therefore, based on the balance of \$8,471,978.83 in the Reserve Fund, the Reserve Requirement was satisfied as of this date.

D. Status of Projects

Special Tax Revenue Refunding Bonds, Series 2015A. There were no construction proceeds generated from the issuance of the Bonds. Proceeds generated from the issuance of the Bonds were used to purchase the CFD Bonds which were used to fully redeem the previous 2006 Special Tax Bonds of CFD No. 14 and the 2006 Special Tax Bonds of IA A of CFD No. 14 issued on June 22, 2006 in the amounts of \$51,515,000 and \$51,495,000, respectively.

E. Bond Authorization

The information required under Section 4 (b) (x) of the Disclosure Agreement is listed in the table below.

**CFD No. 14
Bond Authorization and Use of Bond Proceeds**

| Bond Issuance | Issuance Date | Use of Proceeds | Amount |
|--|----------------------|---|------------------------|
| Original Bond Authorization | | | \$75,000,000.00 |
| CFD No. 14, 2006 Special Tax Bonds | June 22, 2006 | Finance the acquisition and construction of elementary school seats at Del Sur Elementary School. | \$51,515,000.00 |
| Special Tax Refunding Bonds, Series 2015 | April 22, 2015 | Refund the outstanding Series 2006 Special Tax Bonds of CFD No. 14 | \$0.00 |
| Remaining Bond Authorization | | | \$23,485,000.00 |

IA A of CFD No. 14
Bond Authorization and Use of Bond Proceeds

| Bond Issuance | Issuance Date | Use of Proceeds | Amount |
|---|----------------------|--|------------------------|
| Original Bond Authorization | | | \$75,000,000.00 |
| IA A of CFD No. 14, 2006 Special Tax Bonds | June 22, 2006 | Finance the acquisition and construction of certain Infrastructure Improvements, including (i) transportation improvements, (ii) park improvements, (iii) fire station improvements, (iv) library improvements, (v) water/sewer improvements, (vi) City of San Diego ("City") and California Transportation Department ("CalTrans") Improvements, including road improvements to Camino Del Sur, Carmel Valley Road, El Camino Real, and Camino del Norte and improvements included in the City's Non-Facilities Benefit Assessment ("FBA") program. | \$51,495,000.00 |
| IA A Special Tax Refunding Bonds, Series 2015 | April 22, 2015 | Refund the outstanding Series 2006 Special Tax Bonds of IA A of CFD No. 14 | \$0.00 |
| Remaining Bond Authorization | | | \$23,505,000.00 |

IV. SPECIAL TAXES

Each CFD has covenanted to annually levy the respective Special Tax in accordance with the applicable Rate and Method of Apportionment ("RMA") so long as the Special Tax Bonds are outstanding. 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 RMAs since the date of the Official Statement. A copy of each RMA has been included as Exhibit D.

B. Prepayments

There has been no prepayment of the Special Tax in Fiscal Year 2016/2017.

C. Special Tax Budget

A summary of the Fiscal Year 2017/2018 Special Tax budget for CFD No. 14 and IA A of CFD No. 14 is outlined in Exhibit E.

D. Debt Service Coverage

At the time the Bonds were sold, the Authority represented that the Debt Service of the CFD Bonds would yield 100.00% coverage of the annual debt service on the Bonds. CFD No. 14 represented that, the amount of Net Taxes that may be levied on the parcels for which a building permit has been issued, 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 CFD Bonds.

In Fiscal Year 2017/2018 the amount of debt service on the CFD Bonds yields 100.00% of the of the annual debt service on the Bonds. An Annual Debt Service Coverage Summary Table for the Bonds and the CFD Bonds has been included as Exhibit F.

E. Special Tax Levy

A summary of the Fiscal Year 2016/2017 Special Tax levy, collections, and delinquencies as well as the Fiscal Year 2017/2018 Special Tax levy for CFD No. 14 and IA A of CFD No. 14 is listed in Exhibit G.

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 2017/2018.

G. Special Tax Delinquencies

The Special Tax delinquencies for Fiscal Year 2016/2017 and prior Fiscal Years within CFD No. 14 and CFD No. 14 IA A are shown in Exhibit H.

There is no delinquent taxpayer within CFD No. 14 or IA A of CFD No. 14 obligated for more than five percent (5.00%) of the annual Special Tax Levy for Fiscal Year 2016/2017.

H. Special Tax Foreclosures

CFD No. 14 and IA A of CFD No. 14 have covenanted that it will commence judicial foreclosure proceedings against parcels with delinquent Special Taxes in the event any individual parcel has delinquent Special Taxes in excess of 4 or more semi annual installments 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 CFD No. 14 and IA A of CFD No. 14, as of June 1, 2017, the School District determined that it was required to initiate foreclosure proceedings on one (1) parcel within CFD No. 14 and IA A of CFD No. 14. Exhibit I contains a detailed listing of the Assessor's Parcel Numbers and their respective foreclosure status for prior Fiscal Years as of the date of this Report.

I. Teeter Plan

The County of San Diego ("County") and CFD No. 14 and IA A of CFD No. 14 do not participate in an alternative method for the distribution of secured property taxes, known as the "Teeter Plan", wherein a CFD receives the total annual Special Tax levy, including delinquent Special Taxes which have yet to be collected.

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 CFD No. 14 and IA A of CFD No. 14. The value of and debt burden on individual parcels is significant because in the event of a delinquency in the payment of Special Taxes CFD No. 14 and IA A of CFD No. 14 may foreclose only against delinquent parcels. The items below summarize information required by the Disclosure Agreement.

A. Assessed Value Summary

A summary of the assessed value of the property within CFD No. 14 and IA A of CFD No. 14, distinguishing between the assessed value of improved parcels and unimproved parcels, is included in Exhibit J.

B. Overlapping Debt Report

Certain overlapping local agencies provide public services and assess property taxes, assessments, special taxes and other charges on the property within CFD No. 14 and IA A of CFD No. 14. Many of these local agencies have outstanding debt. The direct and overlapping debt affecting the property in CFD No. 14 and IA A of CFD No. 14 as of the date of this Report is outlined in Exhibit K. Exhibit K was prepared by National Tax Data, Inc., and has not been reviewed for completeness or accuracy by the School District or Cooperative Strategies. Additional indebtedness could be authorized by the School District or other public agencies at any time.

C. Assessed Values and Value-to-Lien Ratios

The assessed values and value-to-lien ratios for all parcels within CFD No. 14 and IA A of CFD No. 14 are shown in Exhibit L.

VI. REPORTS AND ADDITIONAL INFORMATION

In addition to the operational data included herein, the Disclosure Agreement require the Authority to incorporate within this Report various other reports and information, summarized below, regarding the Bonds.

A. Report to the California Debt and Investment Advisory Commission

A copy of the reports prepared and filed with the California Debt and Investment Advisory Commission pursuant to Section 53359.5(b) of the Act for Fiscal Year 2016/2017 is included as Exhibit M.

B. Listed Events

Pursuant to the Disclosure Agreement, the Authority 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, if material;
- (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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security or other material events affecting the tax status of the security;
- (vii) Modifications to rights of security holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the securities; if material;

- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (xiii) The consummation of a merger, consolidation or acquisition involving an obligated person or sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

None of these events occurred in Fiscal Year 2016/2017.

C. Additional Information

In addition to any of the information expressly required to be provided by the Disclosure Agreement, the Authority shall provide such further information, if any, as may be necessary to make the specifically required statements, in the 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 2016/2017.

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EXHIBIT A

Special Tax Bonds

Poway Unified School District
Public Financing Authority
Special Tax Revenue Refunding Bonds
Series 2015A

| <u><i>Community Facilities District</i></u> | <u><i>Bond</i></u> | <u><i>Original Principal Amount</i></u> |
|--|--|---|
| Poway Unified School District Community Facilities District No. 14 | Series 2015 Special Tax Refunding Bonds | \$44,630,000.00 |
| Poway Unified School District Improvement Area A of Community Facilities District No. 14 | Series 2015 Special Tax Refunding Bonds | \$44,775,000.00 |

EXHIBIT B

Debt Service Schedules

Poway Unified School District
Public Financing Authority
Special Tax Revenue Refunding Bonds
Series 2015A

| <i><u>Maturity Date</u></i> <i><u>(September 1)</u></i> | <i><u>Principal Amount/ Sinking Fund Payment</u></i> | <i><u>Interest</u></i> | <i><u>Total Debt Service</u></i> |
|--|--|------------------------|----------------------------------|
| 2015 | \$1,855,000.00 | \$1,513,385.00 | \$3,368,385.00 |
| 2016 | \$1,530,000.00 | \$4,186,300.00 | \$5,716,300.00 |
| 2017 | \$1,670,000.00 | \$4,155,700.00 | \$5,825,700.00 |
| 2018 | \$1,850,000.00 | \$4,105,600.00 | \$5,955,600.00 |
| 2019 | \$2,020,000.00 | \$4,050,100.00 | \$6,070,100.00 |
| 2020 | \$2,220,000.00 | \$3,969,300.00 | \$6,189,300.00 |
| 2021 | \$2,430,000.00 | \$3,880,500.00 | \$6,310,500.00 |
| 2022 | \$2,680,000.00 | \$3,759,000.00 | \$6,439,000.00 |
| 2023 | \$2,950,000.00 | \$3,625,000.00 | \$6,575,000.00 |
| 2024 | \$3,215,000.00 | \$3,477,500.00 | \$6,692,500.00 |
| 2025 | \$3,510,000.00 | \$3,316,750.00 | \$6,826,750.00 |
| 2026 | \$3,825,000.00 | \$3,141,250.00 | \$6,966,250.00 |
| 2027 | \$4,150,000.00 | \$2,950,000.00 | \$7,100,000.00 |
| 2028 | \$4,485,000.00 | \$2,760,000.00 | \$7,245,000.00 |
| 2029 | \$4,855,000.00 | \$2,535,750.00 | \$7,390,750.00 |
| 2030 | \$5,245,000.00 | \$2,293,000.00 | \$7,538,000.00 |
| 2031 | \$5,665,000.00 | \$2,030,750.00 | \$7,695,750.00 |
| 2032 | \$6,085,000.00 | \$1,762,500.00 | \$7,847,500.00 |
| 2033 | \$6,545,000.00 | \$1,458,250.00 | \$8,003,250.00 |
| 2034 | \$7,030,000.00 | \$1,131,000.00 | \$8,161,000.00 |
| 2035 | \$7,535,000.00 | \$779,500.00 | \$8,314,500.00 |
| 2036 | \$8,055,000.00 | \$402,750.00 | \$8,457,750.00 |

Poway Unified School District
Community Facilities District No. 14
Series 2015 Special Tax Refunding Bonds

| <i><u>Maturity Date</u></i> <i><u>(September 1)</u></i> | <i><u>Principal Amount/ Sinking Fund Payment</u></i> | <i><u>Interest</u></i> | <i><u>Total Debt Service</u></i> |
|--|--|------------------------|----------------------------------|
| 2015 | \$925,000.00 | \$755,420.42 | \$1,680,420.42 |
| 2016 | \$765,000.00 | \$2,089,650.00 | \$2,854,650.00 |
| 2017 | \$835,000.00 | \$2,074,350.00 | \$2,909,350.00 |
| 2018 | \$925,000.00 | \$2,049,300.00 | \$2,974,300.00 |
| 2019 | \$1,010,000.00 | \$2,021,550.00 | \$3,031,550.00 |
| 2020 | \$1,110,000.00 | \$1,981,150.00 | \$3,091,150.00 |
| 2021 | \$1,215,000.00 | \$1,936,750.00 | \$3,151,750.00 |
| 2022 | \$1,340,000.00 | \$1,876,000.00 | \$3,216,000.00 |
| 2023 | \$1,475,000.00 | \$1,809,000.00 | \$3,284,000.00 |
| 2024 | \$1,605,000.00 | \$1,735,250.00 | \$3,340,250.00 |
| 2025 | \$1,755,000.00 | \$1,655,000.00 | \$3,410,000.00 |
| 2026 | \$1,910,000.00 | \$1,567,250.00 | \$3,477,250.00 |
| 2027 | \$2,070,000.00 | \$1,471,750.00 | \$3,541,750.00 |
| 2028 | \$2,240,000.00 | \$1,377,000.00 | \$3,617,000.00 |
| 2029 | \$2,425,000.00 | \$1,265,000.00 | \$3,690,000.00 |
| 2030 | \$2,620,000.00 | \$1,143,750.00 | \$3,763,750.00 |
| 2031 | \$2,830,000.00 | \$1,012,750.00 | \$3,842,750.00 |
| 2032 | \$3,040,000.00 | \$878,750.00 | \$3,918,750.00 |
| 2033 | \$3,270,000.00 | \$726,750.00 | \$3,996,750.00 |
| 2034 | \$3,510,000.00 | \$563,250.00 | \$4,073,250.00 |
| 2035 | \$3,755,000.00 | \$387,750.00 | \$4,142,750.00 |
| 2036 | \$4,000,000.00 | \$200,000.00 | \$4,200,000.00 |

Poway Unified School District
Improvement Area A of Community Facilities District No. 14
Series 2015 Special Tax Refunding Bonds

| <i><u>Maturity Date</u></i> <i><u>(September 1)</u></i> | <i><u>Principal Amount/ Sinking Fund Payment</u></i> | <i><u>Interest</u></i> | <i><u>Total Debt Service</u></i> |
|--|--|------------------------|----------------------------------|
| 2015 | \$930,000.00 | \$757,964.58 | \$1,687,964.58 |
| 2016 | \$765,000.00 | \$2,096,650.00 | \$2,861,650.00 |
| 2017 | \$835,000.00 | \$2,081,350.00 | \$2,916,350.00 |
| 2018 | \$925,000.00 | \$2,056,300.00 | \$2,981,300.00 |
| 2019 | \$1,010,000.00 | \$2,028,550.00 | \$3,038,550.00 |
| 2020 | \$1,110,000.00 | \$1,988,150.00 | \$3,098,150.00 |
| 2021 | \$1,215,000.00 | \$1,943,750.00 | \$3,158,750.00 |
| 2022 | \$1,340,000.00 | \$1,883,000.00 | \$3,223,000.00 |
| 2023 | \$1,475,000.00 | \$1,816,000.00 | \$3,291,000.00 |
| 2024 | \$1,610,000.00 | \$1,742,250.00 | \$3,352,250.00 |
| 2025 | \$1,755,000.00 | \$1,661,750.00 | \$3,416,750.00 |
| 2026 | \$1,915,000.00 | \$1,574,000.00 | \$3,489,000.00 |
| 2027 | \$2,080,000.00 | \$1,478,250.00 | \$3,558,250.00 |
| 2028 | \$2,245,000.00 | \$1,383,000.00 | \$3,628,000.00 |
| 2029 | \$2,430,000.00 | \$1,270,750.00 | \$3,700,750.00 |
| 2030 | \$2,625,000.00 | \$1,149,250.00 | \$3,774,250.00 |
| 2031 | \$2,835,000.00 | \$1,018,000.00 | \$3,853,000.00 |
| 2032 | \$3,045,000.00 | \$883,750.00 | \$3,928,750.00 |
| 2033 | \$3,275,000.00 | \$731,500.00 | \$4,006,500.00 |
| 2034 | \$3,520,000.00 | \$567,750.00 | \$4,087,750.00 |
| 2035 | \$3,780,000.00 | \$391,750.00 | \$4,171,750.00 |
| 2036 | \$4,055,000.00 | \$202,750.00 | \$4,257,750.00 |

EXHIBIT C

Fund and Account Balances

Poway Unified School District
Public Financing Authority
Special Tax Revenue Refunding Bonds
Series 2015A

Fund and Account Balances

| Funds and Accounts ^[1] | Amount^[2] |
|---|-----------------------------|
| 2015 Series A Special Tax Revenue Refunding Bonds | |
| Administrative Expense Fund | \$0.00 |
| Interest Account | \$24,032.11 |
| Principal Account | \$0.00 |
| Redemption Fund | \$0.00 |
| Reserve Fund | \$8,471,978.83 |
| Revenue Fund | \$0.34 |
| CFD No. 14 | |
| 2015 Administrative Expense Fund | \$52,455.50 |
| 2015 Interest Account | \$0.00 |
| 2015 Principal Account | \$0.00 |
| 2015 Redemption Fund | \$95,578.40 |
| 2015 Special Tax Fund | \$636,806.19 |
| Improvement Area A of CFD No. 14 | |
| 2015 Administrative Expense Fund | \$190,108.86 |
| 2015 Interest Account | \$0.00 |
| 2015 Principal Account | \$0.00 |
| 2015 Redemption Fund | \$601.01 |
| 2015 Special Tax Fund | \$1,487,788.51 |
| [1] The balances of all other funds and accounts referenced in the Bond Indenture or Indenture of Trust are \$0.00 and/or have been closed. | |
| [2] Balances as of January 1, 2018. | |

EXHIBIT D

Rates and Methods of Apportionment

RATE AND METHOD OF APPORTIONMENT FOR COMMUNITY FACILITIES DISTRICT NO. 14 OF POWAY UNIFIED SCHOOL DISTRICT

The following sets forth the Rate and Method of Apportionment for the levy and collection of Special Taxes ("Rate and Method of Apportionment") of Community Facilities District No. 14 ("CFD No. 14") of the Poway Unified School District ("School District"). An Annual Special Tax shall be levied on and collected on Taxable Property (defined below) located within the boundaries of CFD No. 14 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 CFD No. 14, 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

For purposes of this Rate and Method of Apportionment the terms hereinafter set forth have the following meanings:

"Acreage" means the number of acres of 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 Board may rely on the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map.

"Act" means the Mello-Roos Communities 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 expense incurred by the School District on behalf of CFD No. 14 related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes, including the reasonable expenses of collecting delinquencies, the administration of Bonds, the proportionate payment of salaries and benefits of any School District employee whose duties are directly related to the administration of CFD No. 14, and reasonable costs otherwise incurred in order to carry out the authorized purposes of CFD No. 14.

"Affordable Unit" means an Attached Unit that is subject to affordable housing restrictions under any applicable law.

"Annual Special Tax" means the Special Tax actually levied in any Fiscal Year on any Assessor's Parcel.

"Assessor's Parcel" means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel Number within the boundaries of CFD No. 14.

"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 for purposes of identification.

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

"Attached Unit" means a Unit that is located or shall be located within a building in which each of the individual Units has or shall have at least one common wall with another Unit.

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

"Board" means the Board of Education of Poway Unified School District, or its designee, in certain cases acting as the Legislative Body of CFD No. 14.

"Bond Index" means the national Bond Buyer Revenue Index, commonly referenced as the 25-Bond Revenue Index. In the event the Bond Index ceases to be published, the index used shall be based on a comparable index for revenue bonds maturing in 30 year with an average rating equivalent to Moody's A1 and/or S&P's A+, as reasonably determined by the Board.

"Bond Yield" means the yield of the last series of Bonds issued, for purposes of this calculation the yield of the Bonds shall be the yield calculated at the time such Bonds are issued, pursuant to Section 148 of the Internal Revenue Code of 1986, as amended for the purpose of the Non-Arbitrage Certificate or other similar bond issuance document.

"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 which the Special Taxes have been pledged for repayment.

"Building Permit" means a permit for the construction of one or more Units issued by the City, or another public agency in the event the City no longer issues said permits for the construction of Units within CFD No. 14. For purposes of this definition, "Building Permit" shall not include permits for construction or installation of structures, parking structures, retaining walls, utility improvements, or other such improvements not intended for human habitation or commercial/industrial use.

"Building Square Footage" or "BSF" means the square footage of assessable internal living space of a Unit, exclusive of any carports, walkways, garages, overhangs, patios, enclosed patios, detached accessory structure, other structures not used as living space, or any other square footage excluded under Government Code Section 65995 as determined by reference to the Building Permit for such Unit.

"Calendar Year" means the period commencing January 1 of any year and ending the following December 31.

"City" means the City of San Diego.

"Commercial/Industrial Property" means all Assessor's Parcels of Developed Property other than Residential Property.

"County" means the County of San Diego.

"Developed Property" means all Assessor's Parcels of Taxable Property for which Building Permits 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 Board.

"Detached Unit" means a Unit which is not an Attached Unit.

"Exempt Property" means all Assessor's Parcels designated as being exempt from Special Taxes in Section L each Fiscal Year as determined May 1st of the previous Fiscal Year.

"Final Subdivision Map" means a final tract map, parcel map, lot line adjustment, or functionally equivalent map or instrument that creates individual Lots, 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, for an Assessor's Parcel of Commercial/Industrial Property, the covered and enclosed space determined to be within the perimeter of a commercial or industrial structure, not including any storage areas incidental to the principal use of the development, garage, parking structure, unenclosed walkway, utility, or disposal area. The determination of Gross Floor Area shall be made by the Board in accordance with the standard practice of the building department of the City.

"Homeowner" means any owner of a completed Unit constructed and sold within CFD No. 14.

"Index" means the Marshall & Swift eight (8) California Cities Class B Construction Cost Index, or if the Marshall & Swift eight (8) California Cities Class B Construction Cost Index ceases to be used by the State Allocation Board, a reasonably comparable index used by the State Allocation Board to estimate changes in school construction costs, or in the absence of such an Index, the Engineering News Record, Construction Cost Index (Los Angeles Area) published by McGraw-Hill, Inc.

"Inflator" means the greater of (i) 2.00% or (ii) the percentage change in the Index as measured between the Index published in December of the prior Calendar Year and the Index published in December of the Calendar Year immediately preceding the prior Calendar Year.

"Lot" means an individual legal lot created by a Final Subdivision Map for which a Building Permit for residential construction has been or could be issued. Notwithstanding the foregoing, in the case of an individual legal lot created by such a Final Subdivision Map upon which condominium units are entitled to be developed but for which a condominium plan has not been recorded, the number of Lots allocable to such legal lot for purposes of calculating the Backup Special Tax applicable to such Final Subdivision Map shall equal the number of condominium units which are permitted to be constructed on such legal lot as shown on such Final Subdivision Map.

"Maximum Special Tax" means the maximum Special Tax, determined in accordance with Section C, that can be levied by CFD No. 14 in any Fiscal Year on any Assessor's Parcel.

"Minimum Annual Special Tax Requirement" means the amount required in any Fiscal Year to pay: (i) the debt service or the periodic costs on all outstanding Bonds, (ii) Administrative Expenses of CFD No. 14, (iii) the costs associated with the release of funds from an escrow account(s) established in association with the Bonds, and (iv) any amount required to establish or replenish any reserve funds (or accounts thereof) established in association with the Bonds, less (v) any amount(s) available to pay debt service or other periodic costs on the Bonds pursuant to any applicable bond indenture, fiscal agent agreement, trust agreement, or equivalent agreement or document. In arriving at the Minimum Annual Special Tax requirement the Board shall take into account the reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year.

"Minimum Taxable Acreage" means the applicable Acreage listed in Table 3 set forth in Section L.

"Net Taxable Acreage" means the total Acreage of all Taxable Property expected to exist in CFD No. 14 after all Final Subdivision Maps are recorded.

"One Time Special Tax" means the single payment Special Tax which shall be levied on each Assessor's Parcel of Undeveloped Property, determined pursuant to Section D.

"Partial Prepayment Amount" means the amount required to prepay a portion of the Annual Special Tax obligation for an Assessor's Parcel as described in Section I.

"Prepayment Administrative Fees" means any fees or expenses of the School District or CFD No. 14 associated with the prepayment of the Special Tax obligation of an Assessor's Parcel. Prepayment Administrative Fees shall include among other things the cost of computing the Prepayment Amount, redeeming Bonds, and recording any notices to evidence the prepayment and redemption of Bonds.

"Prepayment Amount" means the amount required to prepay the Annual Special Tax obligation in full for an Assessor's Parcel as described in Section H.

"Present Value of Taxes" means for any Assessor's Parcel the present value of (i) the unpaid portion, if any, of the Special Tax applicable to such Assessor's Parcel in the current Fiscal Year and (ii) the Annual Special Taxes expected to be levied on such Assessor's Parcel in each remaining Fiscal Year, as determined by the Board, until the termination date specified in Section K. The discount rate used for this calculation shall be equal to the (i) Bond Yield after Bond issuance or (ii) most recently published Bond Index prior to Bond issuance.

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

"Reserve Fund Credit" means an amount equal to the reduction in the applicable reserve fund requirement(s) resulting from the redemption of Bonds with the Prepayment Amount. In the event that a surety bond or other credit instrument satisfies the reserve requirement or the reserve requirement is under funded at the time of the prepayment no Reserve Fund Credit shall be given.

"Residential Property" means all Assessor's Parcels of Developed Property which a Building Permit was issued for the construction of one or more Units.

"Senior Citizen Unit" means a Unit designated as senior citizen housing, part of a residential care facility for the elderly, or part of a multilevel care facility for the elderly as referred to in California Government Code Section 65995.1. For the purpose hereof it shall be sufficient to designate a Unit as a Senior Citizen Unit if Senior Citizen Restrictions have been affected 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 multilevel care facilities as those terms are defined in Health and Safety Code Section 1569.23 and Government Code Section 15432(d)(8), respectively.

"Special Tax(es)" means any of the special taxes authorized to be levied by CFD No. 14 pursuant to the Act.

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

"Undeveloped Property" means all Assessor's Parcels of Taxable Property 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 Attached Unit or a Detached Unit.

SECTION B CLASSIFICATION OF ASSESSOR'S PARCELS

For each Fiscal Year, beginning with Fiscal Year 2006-07, each Assessor's Parcel within CFD No. 14 shall be classified as Taxable Property or Exempt Property. Furthermore, each Assessor's Parcel of Taxable Property shall be classified as Developed Property or Undeveloped Property and Developed Property shall be further classified as Residential Property or Commercial/Industrial Property. Residential Property shall be classified by unit type (e.g. Detached Unit, Attached Unit, Senior Citizen Unit, or Affordable Unit) and Detached Units and Attached Units shall be classified based on the Building Square Footage of the Unit. The classification of Exempt Property shall take into consideration the Minimum Taxable Acreage as determined pursuant to Section L.

SECTION C
MAXIMUM SPECIAL TAXES

1. Developed Property

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property for any Fiscal Year shall be the amount determined by the sum of (i) any portion of the One-Time Special Tax not collected and (ii) the greater of (a) the application of the Assigned Annual Special Tax or (b) the application of the Backup Annual Special Tax for a given Final Subdivision Map.

2. Undeveloped Property

The Maximum Special Tax for each Assessor's Parcel classified as Undeveloped Property for any Fiscal Year shall be the amount determined by the application of the Assigned Annual Special Tax.

SECTION D
ONE-TIME SPECIAL TAXES

A One-Time Special Tax shall be collected for each Assessor's Parcel of Undeveloped Property prior to the time a Building Permit is issued for such Assessor's Parcel. The One-Time Special Tax shall be determined by reference to Table 1 below, subject to increases as described below.

TABLE 1
ONE-TIME SPECIAL TAX FOR
FISCAL YEAR 2006-07

| Property Type | Unit Type | One-Time Special Tax |
|-----------------------|---------------------|-----------------------------|
| Residential Property | Detached Unit | \$0.00 per Unit |
| Residential Property | Attached Unit | \$0.00 per Unit |
| Residential Property | Affordable Unit | \$0.00 per Unit |
| Residential Property | Senior Citizen Unit | \$0.40 per BSF |
| Commercial/Industrial | NA | \$0.40 per GFA |

Each July 1, commencing July 1, 2007, the One-Time Special Tax for each Assessor's Parcel of Undeveloped Property shall be increased by the Inflation.

SECTION E
ASSIGNED ANNUAL SPECIAL TAXES

1. Developed Property

A. Assigned Annual Special Tax For Newly Developed Property

The Assigned Annual Special Tax for an Assessor's Parcel of Developed Property in the first Fiscal Year in which such Assessor's Parcel is classified as Developed Property shall be determined by reference to Table 2 below, subject to increases as described below.

TABLE 2

**ASSIGNED ANNUAL SPECIAL TAX FOR
DEVELOPED PROPERTY
FISCAL YEAR 2006-07**

| Property Type | Unit Type | Building Square Footage | Assigned Annual Special Tax |
|-----------------------------------|---------------------|------------------------------------|--|
| Residential Property | Detached Unit | < 1,800 | \$2,043.05 per Unit |
| Residential Property | Detached Unit | 1,800 – 2,000 | \$2,275.10 per Unit |
| Residential Property | Detached Unit | 2,001 – 2,200 | \$2,565.16 per Unit |
| Residential Property | Detached Unit | 2,201 – 2,400 | \$2,642.51 per Unit |
| Residential Property | Detached Unit | 2,401 – 2,600 | \$2,661.85 per Unit |
| Residential Property | Detached Unit | 2,601 – 2,800 | \$2,758.54 per Unit |
| Residential Property | Detached Unit | 2,801 – 3,000 | \$2,932.58 per Unit |
| Residential Property | Detached Unit | 3,001 – 3,200 | \$3,258.22 per Unit |
| Residential Property | Detached Unit | 3,201 – 3,450 | \$3,613.26 per Unit |
| Residential Property | Detached Unit | > 3,450 | \$3,709.94 per Unit |
| Residential Property | Attached Unit | < 1,900 | \$1,830.34 per Unit |
| Residential Property | Attached Unit | 1,900 – 2,100 | \$2,130.07 per Unit |
| Residential Property | Attached Unit | > 2,100 | \$2,360.19 per Unit |
| Residential Property | Affordable Unit | NA | \$1,106.59 per Unit |
| Residential Property | Senior Citizen Unit | NA | \$0.00 per Unit |
| Commercial/Industrial Property | NA | NA | \$0.00 per GFA |

Each July 1, commencing July 1, 2007, the Assigned Annual Special Tax for each Assessor's Parcel of Developed Property in the first Fiscal Year in which such Assessor's Parcel is classified as Developed Property shall be increased by the Inflation.

B. Assigned Annual Special Tax for Existing Developed Property

Each July 1, commencing the July 1 immediately following the Fiscal Year in which the Assessor's Parcel was first classified as Developed Property, the Assigned Annual Special Tax applicable to such Assessor's Parcel shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

2. Undeveloped Property

The Assigned Annual Special Tax rate in Fiscal Year 2006-07 for an Assessor's Parcel classified as Undeveloped Property shall be \$25,027.47 per acre of Acreage.

Each July 1, commencing July 1, 2007, the Assigned Annual Special Tax per acre of Acreage for each Assessor's Parcel of Undeveloped Property shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

SECTION F BACKUP ANNUAL SPECIAL TAXES

Each Fiscal Year, each Assessor's Parcel of Developed Property shall be subject to a Backup Annual Special Tax. The Backup Annual Special Tax rate for an Assessor's Parcel of Developed Property within a Final Subdivision Map in Fiscal Year 2006-07 or such later Fiscal Year in which such Final Subdivision Map is created shall be the rate per Lot calculated according to the following formula:

$$B = \frac{U \times A}{L}$$

The terms above have the following meanings:

| | | |
|---|---|--|
| B | = | Backup Annual Special Tax per Lot |
| U | = | Assigned Annual Special Tax per acre of Acreage for Undeveloped Property in the Fiscal Year which the calculation is performed |
| A | = | Acreage of Taxable Property in such Final Subdivision Map at time of calculation, as determined by the Board pursuant to Section L |
| L | = | Lots in the Final Subdivision Map at the time of calculation |

Each July 1, commencing the July 1 first following the initial calculation of the Backup Annual Special Tax rate for an Assessor's Parcel of Developed Property with a Final Subdivision Map, the Backup Annual Special Tax for each Lot within such Final Subdivision Map shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

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 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 area in the Final Subdivision Map prior to the change or modification in the current Fiscal Year.
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 area in the Final Subdivision Map, 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 area of the Final Subdivision Map. Each July 1, commencing the July 1 first following the change or modification to be Final Subdivision Map the amount determined by this Section shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

SECTION G

METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX

Commencing Fiscal Year 2006-07, and for each subsequent Fiscal Year, the Board shall levy Annual Special Taxes as follows:

- Step One: The Board shall levy an Annual Special Tax on each Assessor's Parcel of Developed Property in an amount equal to the Assigned Annual Special Tax applicable to each such Assessor's Parcel.
- Step Two: If the sum of the amounts collected in step one is insufficient to satisfy the Minimum Annual Special Tax Requirement, then the Board shall Proportionately levy an Annual Special Tax on each Assessor's Parcel of Undeveloped Property up to the Assigned Annual Special Tax applicable to each such Assessor's Parcel to satisfy the Minimum Annual Special Tax Requirement.
- Step Three: If the sum of the amounts collected in steps one and two is insufficient to satisfy the Minimum Annual Special Tax Requirement, then the Board shall Proportionately levy an Annual Special Tax on each Assessor's Parcel of Developed Property up to the Maximum Special Tax applicable to each such Assessor's Parcel to satisfy the Minimum Annual Special Tax Requirement.

SECTION H

PREPAYMENT OF ANNUAL SPECIAL TAXES

The Annual Special Tax obligation of 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 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.

An owner of an Assessor's Parcel intending to prepay the Annual Special Tax obligation shall provide CFD No. 14 with written notice of intent to prepay. Within thirty (30) days of receipt of such written notice, the Board shall reasonably determine the Prepayment Amount of such Assessor's Parcel and shall notify such owner of such Prepayment Amount. The Prepayment Amount shall be calculated according to the following formula:

$$P = PVT - RFC + PAF$$

The terms above have the following meanings:

| | | |
|-----|---|--------------------------------|
| P | = | Prepayment Amount |
| PVT | = | Present Value of Taxes |
| RFC | = | Reserve Fund Credit |
| PAF | = | Prepayment Administrative Fees |

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Annual Special Taxes that may be levied on Taxable Property, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Board. Such determination shall include identifying all Assessor's Parcels that are expected to become Exempt Property.

With respect to any Assessor's Parcel that is prepaid, the Board shall indicate in the records of CFD No. 14 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 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.

SECTION I

PARTIAL PREPAYMENT OF ANNUAL SPECIAL TAXES

The Annual Special Tax obligation of an Assessor's Parcel may be partially prepaid at the times and under the conditions set forth in this section, 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.

1. Partial Prepayment Times and Conditions

Prior to the conveyance of the first production Unit on a Lot within a Final Subdivision Map to a Homeowner, the owner of no less than all the Taxable Property within such Final Subdivision Map may elect in writing to the Board to prepay a portion of the Annual Special Tax obligations for all the Assessor's Parcels within such Final Subdivision Map, as calculated in Section I.2. below. The partial prepayment of each Annual Special Tax obligation shall be collected for all Assessor's Parcels prior to the conveyance of the first production Unit to a Homeowner with respect to such Final Subdivision Map.

2. Partial Prepayment Amount

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = P_G \times F$$

The terms above have the following meanings:

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

3. Partial Prepayment Procedures and Limitations

With respect to any Assessor's Parcel that is partially prepaid, the Board shall indicate in the records of CFD No. 14 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 to indicate the partial prepayment of the 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. Additionally, the notice shall indicate that the Assigned Annual Special Tax and the Backup Annual Special Tax if applicable for the Assessor's Parcel has been reduced by an amount equal to the percentage which was partially prepaid.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Annual Special Taxes that may be levied on Taxable Property after such partial prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such partial prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Board. Such determination shall include identifying all Assessor's Parcels that are expected to become Exempt Property.

SECTION J EXCESS ASSIGNED ANNUAL SPECIAL TAXES

In any Fiscal Year which the Annual Special Taxes collected from Developed Property, pursuant to Step 1 of Section G, exceeds the Minimum Annual Special Tax Requirement, the School District shall use such amount for acquisition, construction or financing of school facilities in accordance with the Act, CFD No. 14 proceedings and other applicable laws as determined by the Board.

SECTION K TERMINATION OF SPECIAL TAX

Annual Special Taxes shall be levied for a period of thirty-five (35) Fiscal Years after the last series of Bonds have been issued, provided that Annual Special Taxes shall not be levied after Fiscal Year 2050-2051.

SECTION L EXEMPTIONS

The Board 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 owned by a homeowners' association, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Assessor's Parcels developed or expected to be developed exclusively for non-residential use, including any use directly servicing any non-residential property, such as parking, as reasonably determined by the Board, and (vi) any other Assessor's Parcels at the reasonable discretion of the Board, provided that no such classification would reduce the Net Taxable Acreage to less than the Minimum Taxable Acreage. Notwithstanding the above, the Board shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of all Taxable Property to less than the Minimum Taxable 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 the Minimum Taxable Acreage will continue to be classified as Developed Property or Undeveloped Property, as applicable, and will continue to be subject to Special Taxes accordingly.

TABLE 3

MINIMUM TAXABLE ACREAGE

| Minimum Taxable Acreage |
|-------------------------|
| 123.76 Acres |

SECTION M APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Board not later than twelve months after having paid the first installment of the Special Tax that is disputed. In order to be considered sufficient, any notice of appeal must: (i) specifically identify the property by address and Assessor's Parcel Number; (ii) state the amount in dispute and whether it is the whole amount or only a portion of the Special Tax; (iii) state all grounds on which the property owner is disputing the amount or application of the Special Tax, including a reasonably detailed explanation as to why the amount or application of such Special Tax is incorrect; (iv) include all documentation, if any, in support of the claim; and (v) be verified under penalty of perjury by the person who paid the Special Tax or his or her guardian, executor or administrator. A representative(s) of CFD No. 14 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 representative'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), but an adjustment shall be made to the Annual Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) as the representative's decision shall indicate.

SECTION N 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 and shall be subject to the same penalties, the same procedure, sale and lien priority in the case of delinquency; provided, however, that CFD No. 14 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 if so collected, a delinquent penalty of 10% of the Special Tax will attach at 5:00 p.m. on the date the Special Tax becomes delinquent and interest at 1.5% per month of the Special Tax will attach on the July 1 after the delinquency date and the first of each month thereafter until such Special Taxes are paid.

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**RATE AND METHOD OF APPORTIONMENT FOR
IMPROVEMENT AREA NO. A OF
COMMUNITY FACILITIES DISTRICT NO. 14
OF POWAY UNIFIED SCHOOL DISTRICT**

The following sets forth the Rate and Method of Apportionment for the levy and collection of Special Taxes ("Rate and Method of Apportionment") of Improvement Area No. A ("IA No. A") of Community Facilities District No. 14 ("CFD No. 14") of the Poway Unified School District ("School District"). An Annual Special Tax shall be levied on and collected on Taxable Property (defined below) located within the boundaries of IA No. A of CFD No. 14 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 No. A of CFD No. 14, 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**

For purposes of this Rate and Method of Apportionment the terms hereinafter set forth have the following meanings:

"Acreage" means the number of acres of 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 Board may rely on the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map.

"Act" means the Mello-Roos Communities 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 expense incurred by the School District on behalf of IA No. A of CFD No. 14 related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes, including the reasonable expenses of collecting delinquencies, the administration of Bonds, the proportionate payment of salaries and benefits of any School District employee whose duties are directly related to the administration of IA No. A of CFD No. 14, and reasonable costs otherwise incurred in order to carry out the authorized purposes of IA No. A of CFD No. 14.

"Affordable Unit" means an Attached Unit that is subject to affordable housing restrictions under any applicable law.

"Annual Special Tax" means the Special Tax actually levied in any Fiscal Year on any Assessor's Parcel.

"Assessor's Parcel" means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel Number within the boundaries of IA No. A of CFD No. 14.

"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 for purposes of identification.

"Assigned Annual Special Tax" means the Special Tax of that name described in Section D.

"Attached Unit" means a Unit that is located or shall be located within a building in which each of the individual Units has or shall have at least one common wall with another Unit.

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

"Board" means the Board of Education of Poway Unified School District, or its designee, in certain cases acting as the Legislative Body of IA No. A of CFD No. 14.

"Bond Index" means the national Bond Buyer Revenue Index, commonly referenced as the 25-Bond Revenue Index. In the event the Bond Index ceases to be published, the index used shall be based on a comparable index for revenue bonds maturing in 30 year with an average rating equivalent to Moody's A1 and/or S&P's A+, as reasonably determined by the Board.

"Bond Yield" means the yield of the last series of Bonds issued, for purposes of this calculation the yield of the Bonds shall be the yield calculated at the time such Bonds are issued, pursuant to Section 148 of the Internal Revenue Code of 1986, as amended for the purpose of the Non-Arbitrage Certificate or other similar bond issuance document.

"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 which the Special Taxes have been pledged for repayment.

"Building Permit" means a permit for the construction of one or more Units issued by the City, or another public agency in the event the City no longer issues said permits for the construction of Units within IA No. A of CFD No. 14. For purposes of this definition, "Building Permit" shall not include permits for construction or installation of structures, parking structures, retaining walls, utility improvements, or other such improvements not intended for human habitation or commercial/industrial use.

"Building Square Footage" or "BSF" means the square footage of assessable internal living space of a Unit, exclusive of any carports, walkways, garages, overhangs, patios, enclosed patios, detached accessory structure, other structures not used as living space, or any other square footage excluded under Government Code Section 65995 as determined by reference to the Building Permit for such Unit.

"City" means the City of San Diego.

"Commercial/Industrial Property" means all Assessor's Parcels of Developed Property other than Residential Property.

"County" means the County of San Diego.

"Developed Property" means all Assessor's Parcels of Taxable Property for which Building Permits 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 Board.

"Detached Unit" means a Unit which is not an Attached Unit.

"Exempt Property" means all Assessor's Parcels designated as being exempt from Special Taxes in Section K each Fiscal Year as determined May 1st of the previous Fiscal Year.

"Final Subdivision Map" means a final tract map, parcel map, lot line adjustment, or functionally equivalent map or instrument that creates individual Lots, 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, for an Assessor's Parcel of Commercial/Industrial Property, the covered and enclosed space determined to be within the perimeter of a commercial or industrial structure, not including any storage areas incidental to the principal use of the development, garage, parking structure, unenclosed walkway, utility, or disposal area. The determination of Gross Floor Area shall be made by the Board in accordance with the standard practice of the building department of the City.

"Homeowner" means any owner of a completed Unit constructed and sold within IA No. A of CFD No. 14.

"Lot" means an individual legal lot created by a Final Subdivision Map for which a Building Permit for residential construction has been or could be issued. Notwithstanding the foregoing, in the case of an individual legal lot created by such a Final Subdivision Map upon which condominium units are entitled to be developed but for which a condominium plan has not been recorded, the number of Lots allocable to such legal lot for purposes of calculating the Backup Special Tax applicable to such Final Subdivision Map shall equal the number of condominium units which are permitted to be constructed on such legal lot as shown on such Final Subdivision Map.

"Maximum Special Tax" means the maximum Special Tax, determined in accordance with Section C, that can be levied by IA No. A of CFD No. 14 in any Fiscal Year on any Assessor's Parcel.

"Minimum Annual Special Tax Requirement" means the amount required in any Fiscal Year to pay: (i) the debt service or the periodic costs on all outstanding Bonds, (ii) Administrative Expenses of IA No. A of CFD No. 14, (iii) the costs associated with the release of funds from an escrow account(s) established in association with the Bonds, and (iv) any amount required to establish or replenish any reserve funds (or accounts thereof) established in association with the Bonds, less (v) any amount(s) available to pay debt service or other periodic costs on the Bonds pursuant to any applicable bond indenture, fiscal agent agreement, trust agreement, or equivalent agreement or document. In arriving at the Minimum Annual Special Tax requirement the Board shall take into account the reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year.

"Minimum Taxable Acreage" means the applicable Acreage listed in Table 3 set forth in Section K.

"Net Taxable Acreage" means the total Acreage of all Taxable Property expected to exist in IA No. A of CFD No. 14 after all Final Subdivision Maps are recorded.

"Partial Prepayment Amount" means the amount required to prepay a portion of the Annual Special Tax obligation for an Assessor's Parcel as described in Section H.

"Prepayment Administrative Fees" means any fees or expenses of the School District or IA No. A of CFD No. 14 associated with the prepayment of the Special Tax obligation of an Assessor's Parcel. Prepayment Administrative Fees shall include among other things the cost of computing the Prepayment Amount, redeeming Bonds, and recording any notices to evidence the prepayment and redemption of Bonds.

"Prepayment Amount" means the amount required to prepay the Annual Special Tax obligation in full for an Assessor's Parcel as described in Section G.

"Present Value of Taxes" means for any Assessor's Parcel the present value of (i) the unpaid portion, if any, of the Special Tax applicable to such Assessor's Parcel in the current Fiscal Year and (ii) the Annual Special Taxes expected to be levied on such Assessor's Parcel in each remaining Fiscal Year, as determined by the Board, until the termination date specified in Section J. The discount rate used for this calculation shall be equal to the (i) Bond Yield after Bond issuance or (ii) most recently published Bond Index prior to Bond issuance.

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

"Reserve Fund Credit" means an amount equal to the reduction in the applicable reserve fund requirement(s) resulting from the redemption of Bonds with the Prepayment Amount. In the event that a surety bond or other credit instrument satisfies the reserve requirement or the reserve requirement is under funded at the time of the prepayment no Reserve Fund Credit shall be given.

"Residential Property" means all Assessor's Parcels of Developed Property which a Building Permit was issued for the construction of one or more Units.

"Senior Citizen Unit" means a Unit designated as senior citizen housing, part of a residential care facility for the elderly, or part of a multilevel care facility for the elderly as referred to in California Government Code Section 65995.1. For the purpose hereof it shall be sufficient to designate a Unit as a Senior Citizen Unit if Senior Citizen Restrictions have been affected 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 multilevel care facilities as those terms are defined in Health and Safety Code Section 1569.23 and Government Code Section 15432(d)(8), respectively.

"Special Tax" means any of the special taxes authorized to be levied by IA No. A of CFD No. 14 pursuant to the Act.

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

"Undeveloped Property" means all Assessor's Parcels of Taxable Property 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 Attached Unit or a Detached Unit.

SECTION B CLASSIFICATION OF ASSESSOR'S PARCELS

For each Fiscal Year, beginning with Fiscal Year 2006-07, each Assessor's Parcel within IA No. A of CFD No. 14 shall be classified as Taxable Property or Exempt Property. Furthermore, each Assessor's Parcel of Taxable Property shall be classified as Developed Property or Undeveloped Property and Developed Property shall be further classified as Residential Property or Commercial/Industrial Property. Residential Property shall be classified by unit type (e.g. Detached Unit, Attached Unit, Senior Citizen Unit, or Affordable Unit) and Detached Units and Attached Units shall be classified based on the Building Square Footage of the Unit. The classification of Exempt Property shall take into consideration the Minimum Taxable Acreage as determined pursuant to Section K.

SECTION C MAXIMUM SPECIAL TAXES

1. Developed Property

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property for any Fiscal Year shall be the amount determined by the greater of (i) the application of the Assigned Annual Special Tax or (ii) the application of the Backup Annual Special Tax for a given Final Subdivision Map.

2. **Undeveloped Property**

The Maximum Special Tax for each Assessor's Parcel classified as Undeveloped Property for any Fiscal Year shall be the amount determined by the application of the Assigned Annual Special Tax.

SECTION D ASSIGNED ANNUAL SPECIAL TAXES

1. **Developed Property**

The Assigned Annual Special Tax in Fiscal Year 2006-07 for each Assessor's Parcel of Developed Property shall be the amount determined by reference to Table 2 subject to increases as described below.

TABLE 2
**ASSIGNED ANNUAL SPECIAL TAX FOR
DEVELOPED PROPERTY
FISCAL YEAR 2006-07**

| Property Type | Unit Type | Building Square Footage | Assigned Annual Special Tax |
|-----------------------------------|---------------------|------------------------------------|--|
| Residential Property | Detached Unit | < 1,800 | \$2,042.05 per Unit |
| Residential Property | Detached Unit | 1,800 – 2,000 | \$2,274.10 per Unit |
| Residential Property | Detached Unit | 2,001 – 2,200 | \$2,564.16 per Unit |
| Residential Property | Detached Unit | 2,201 – 2,400 | \$2,641.51 per Unit |
| Residential Property | Detached Unit | 2,401 – 2,600 | \$2,660.85 per Unit |
| Residential Property | Detached Unit | 2,601 – 2,800 | \$2,757.54 per Unit |
| Residential Property | Detached Unit | 2,801 – 3,000 | \$2,931.58 per Unit |
| Residential Property | Detached Unit | 3,001 – 3,200 | \$3,257.22 per Unit |
| Residential Property | Detached Unit | 3,201 – 3,450 | \$3,612.26 per Unit |
| Residential Property | Detached Unit | > 3,450 | \$3,708.94 per Unit |
| Residential Property | Attached Unit | < 1,900 | \$1,829.34 per Unit |
| Residential Property | Attached Unit | 1,900 – 2,100 | \$2,129.07 per Unit |
| Residential Property | Attached Unit | > 2,100 | \$2,359.19 per Unit |
| Residential Property | Affordable Unit | NA | \$0.00 per Unit |
| Residential Property | Senior Citizen Unit | NA | \$0.00 per Unit |
| Commercial/Industrial Property | NA | NA | \$0.00 per GFA |

Each July 1, commencing July 1, 2007, the Assigned Annual Special Tax for each Assessor's Parcel of Developed Property shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

2. Undeveloped Property

The Assigned Annual Special Tax rate in Fiscal Year 2006-07 for an Assessor's Parcel classified as Undeveloped Property shall be \$25,018.20 per acre of Acreage.

Each July 1, commencing July 1, 2007, the Assigned Annual Special Tax per acre of Acreage for each Assessor's Parcel of Undeveloped Property shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

SECTION E BACKUP ANNUAL SPECIAL TAXES

Each Fiscal Year, each Assessor's Parcel of Developed Property shall be subject to a Backup Annual Special Tax. The Backup Annual Special Tax rate for an Assessor's Parcel of Developed Property within a Final Subdivision Map in Fiscal Year 2006-07 or such later Fiscal Year in which such Final Subdivision Map is created shall be the rate per Lot calculated according to the following formula:

$$B = \frac{U \times A}{L}$$

The terms above have the following meanings:

| | | |
|---|---|--|
| B | = | Backup Annual Special Tax per Lot |
| U | = | Assigned Annual Special Tax per acre of Acreage for Undeveloped Property in the Fiscal Year which the calculation is performed |
| A | = | Acreage of Taxable Property in such Final Subdivision Map at time of calculation, as determined by the Board pursuant to Section K |
| L | = | Lots in the Final Subdivision Map at the time of calculation |

Each July 1, commencing the July 1 first following the initial calculation of the Backup Annual Special Tax rate for an Assessor's Parcel of Developed Property with a Final Subdivision Map, the Backup Annual Special Tax for each Lot within such Final Subdivision Map shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

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 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 area in the Final Subdivision Map prior to the change or modification in the current Fiscal Year.

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 area in the Final Subdivision Map, 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 area of the Final Subdivision Map. Each July 1, commencing the July 1 first following the change or modification to be Final Subdivision Map the amount determined by this Section shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

SECTION F

METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX

Commencing Fiscal Year 2006-07, and for each subsequent Fiscal Year, the Board shall levy Annual Special Taxes as follows:

- Step One: The Board shall levy an Annual Special Tax on each Assessor's Parcel of Developed Property in an amount equal to the Assigned Annual Special Tax applicable to each such Assessor's Parcel.
- Step Two: If the sum of the amounts collected in step one is insufficient to satisfy the Minimum Annual Special Tax Requirement, then the Board shall Proportionately levy an Annual Special Tax on each Assessor's Parcel of Undeveloped Property up to the Assigned Annual Special Tax applicable to each such Assessor's Parcel to satisfy the Minimum Annual Special Tax Requirement.
- Step Three: If the sum of the amounts collected in steps one and two is insufficient to satisfy the Minimum Annual Special Tax Requirement, then the Board shall Proportionately levy an Annual Special Tax on each Assessor's Parcel of Developed Property up to the Maximum Special Tax applicable to each such Assessor's Parcel to satisfy the Minimum Annual Special Tax Requirement.

SECTION G

PREPAYMENT OF ANNUAL SPECIAL TAXES

The Annual Special Tax obligation of 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 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.

An owner of an Assessor's Parcel intending to prepay the Annual Special Tax obligation shall provide IA No. A of CFD No. 14 with written notice of intent to prepay. Within thirty (30) days of receipt of such written notice, the Board shall reasonably determine the Prepayment Amount of such Assessor's Parcel and shall notify such owner of such Prepayment Amount. The Prepayment Amount shall be calculated according to the following formula:

$$P = PVT - RFC + PAF$$

The terms above have the following meanings:

| | | |
|-----|---|--------------------------------|
| P | = | Prepayment Amount |
| PVT | = | Present Value of Taxes |
| RFC | = | Reserve Fund Credit |
| PAF | = | Prepayment Administrative Fees |

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Annual Special Taxes that may be levied on Taxable Property, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Board. Such determination shall include identifying all Assessor's Parcels that are expected to become Exempt Property.

With respect to any Assessor's Parcel that is prepaid, the Board shall indicate in the records of IA No. A of CFD No. 14 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 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.

SECTION H

PARTIAL PREPAYMENT OF ANNUAL SPECIAL TAXES

The Annual Special Tax obligation of an Assessor's Parcel may be partially prepaid at the times and under the conditions set forth in this section, 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.

1. Partial Prepayment Times and Conditions

Prior to the conveyance of the first production Unit on a Lot within a Final Subdivision Map to a Homeowner, the owner of no less than all the Taxable Property within such Final Subdivision Map may elect in writing to the Board to prepay a portion of the Annual Special Tax obligations for all the Assessor's Parcels within such Final Subdivision Map, as calculated in Section H.2. below. The partial prepayment of each Annual Special Tax obligation shall be collected for all Assessor's Parcels prior to the conveyance of the first production Unit to a Homeowner with respect to such Final Subdivision Map.

2. Partial Prepayment Amount

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = P_G \times F$$

The terms above 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

3. Partial Prepayment Procedures and Limitations

With respect to any Assessor's Parcel that is partially prepaid, the Board shall indicate in the records of IA No. A of CFD No. 14 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 to indicate the partial prepayment of the 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. Additionally, the notice shall indicate that the Assigned Annual Special Tax and the Backup Annual Special Tax if applicable for the Assessor's Parcel has been reduced by an amount equal to the percentage which was partially prepaid.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Annual Special Taxes that may be levied on Taxable Property after such partial prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such partial prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Board. Such determination shall include identifying all Assessor's Parcels that are expected to become Exempt Property.

SECTION I EXCESS ASSIGNED ANNUAL SPECIAL TAXES

In any Fiscal Year which the Annual Special Taxes collected from Developed Property, pursuant to Step 1 of Section F, exceeds the Minimum Annual Special Tax Requirement, the School District shall use such amount for acquisition, construction or financing of school facilities in accordance with the Act, IA No. A of CFD No. 14 proceedings and other applicable laws as determined by the Board.

SECTION J TERMINATION OF SPECIAL TAX

Annual Special Taxes shall be levied for a period of thirty-five (35) Fiscal Years after the last series of Bonds have been issued, provided that Annual Special Taxes shall not be levied after Fiscal Year 2050-2051.

SECTION K EXEMPTIONS

The Board 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 owned by a homeowners' association, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Assessor's Parcels developed or expected to be developed exclusively for non-residential use, including any use directly servicing any non-residential property, such as parking, as reasonably determined by the Board, and (vi) any other Assessor's Parcels at the reasonable discretion of the Board, provided that no such classification would reduce the Net Taxable Acreage to less than the Minimum Taxable Acreage listed in Table 3 below. Notwithstanding the above, the Board shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of all Taxable Property to less than the Minimum Taxable 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 the Minimum Taxable Acreage will continue to be classified as Developed Property or Undeveloped Property, as applicable, and will continue to be subject to Special Taxes accordingly.

TABLE 3

MINIMUM TAXABLE ACREAGE

| Taxable Acres |
|----------------------|
| 123.76 Acres |

SECTION L APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Board not later than twelve months after having paid the first installment of the Special Tax that is disputed. In order to be considered sufficient, any notice of appeal must: (i) specifically identify the property by address and Assessor's Parcel Number; (ii) state the amount in dispute and whether it is the whole amount or only a portion of the Special Tax; (iii) state all grounds on which the property owner is disputing the amount or application of the Special Tax, including a reasonably detailed explanation as to why the amount or application of such Special Tax is incorrect; (iv) include all documentation, if any, in support of the claim; and (v) be verified under penalty of perjury by the person who paid the Special Tax or his or her guardian, executor or administrator. A representative(s) of IA No. A of CFD No. 14 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 representative'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), but an adjustment shall be made to the Annual Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) as the representative's decision shall indicate.

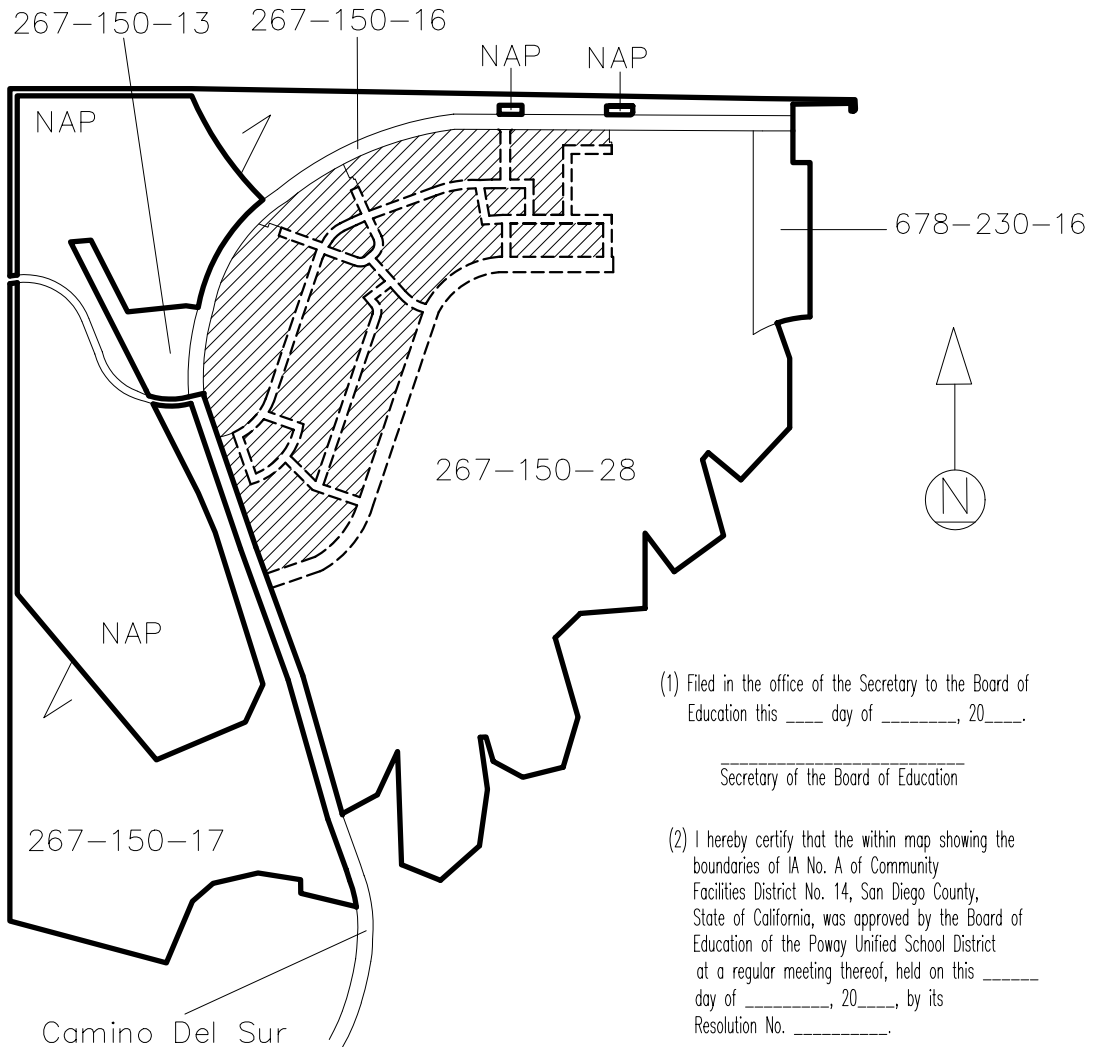
SECTION M MANNER OF COLLECTION

The Annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes and shall be subject to the same penalties, the same procedure, sale and lien priority in the case of delinquency; provided, however, that IA No. A of CFD No. 14 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 if so collected, a delinquent penalty of 10% of the Special Tax will attach at 5:00 p.m. on the date the Special Tax becomes delinquent and interest at 1.5% per month of the Special Tax will attach on the July 1 after the delinquency date and the first of each month thereafter until such Special Taxes are paid.

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EXHIBIT A
CFD BOUNDARY MAP

PROPOSED BOUNDARIES OF
POWAY UNIFIED SCHOOL DISTRICT
IMPROVEMENT AREA NO. A OF
COMMUNITY FACILITIES DISTRICT NO. 14
SAN DIEGO COUNTY
STATE OF CALIFORNIA



LEGEND

| | |
|------------|--|
| | Boundaries of IA No. A of Community Facilities District No. 14 |
| | Road Easements (Not a part of IA No. A of CFD No. 14) |
| | Assessor's Parcel Line |
| nnn-nnn-nn | San Diego County Assessor's Parcel Number |
| NAP | Not a Part of IA No. A of CFD No. 14 |
| | Exhibit A |

(1) Filed in the office of the Secretary to the Board of Education this ____ day of _____, 20____.

Secretary of the Board of Education

(2) I hereby certify that the within map showing the boundaries of IA No. A of Community Facilities District No. 14, San Diego County, State of California, was approved by the Board of Education of the Poway Unified School District at a regular meeting thereof, held on this ____ day of _____, 20____, by its Resolution No. _____.

Secretary of the Board of Education

(3) Filed this ____ day of _____, 20____, at the hour of ____ o'clock __m, in Book _____ of Maps of Assessment and Community Facilities Districts at page _____ and as Instrument No. _____, in the office of the County Recorder of San Diego County, State of California.

County Recorder of San Diego County

Reference is hereby made to the Assessor maps of the County of San Diego for an exact description of the lines and dimensions of each lot and parcel.

EXHIBIT "A"
BOUNDARIES OF
POWAY UNIFIED SCHOOL DISTRICT
IMPROVEMENT AREA NO. A OF
COMMUNITY FACILITIES DISTRICT NO. 14

Assessor's Parcel Numbers*

267-150-20
267-150-21
267-150-22
267-150-23
267-150-24
267-150-25
267-230-01
267-230-02
267-230-03
267-230-04
267-230-05
267-230-06
267-230-07

*Current as of equalized
tax Role of the Assesor of
the County of San Diego
for Fiscal Year 2005-06

EXHIBIT E

Special Tax Budget

Fiscal Year 2017/2018 Special Tax Budgets

Poway Unified School District

Public Financing Authority

Special Tax Revenue Refunding Bonds

Series 2015A

| | Interest Payment, March 1, 2018 | Interest Payment, September 1, 2018 | Principal Payment, September 1, 2018 | Administrative Expense Budget | Anticipated Special Tax Delinquencies | Transfer to Joint Acquisition Agreement/ Lease Revenue Bonds Custodial Account | Special Tax Levy |
|--------------------------------------|------------------------------------|--|---|----------------------------------|--|--|-----------------------|
| Community Facilities District | | | | | | | |
| CFD No. 14 | \$1,024,650.00 | \$1,024,650.00 | \$925,000.00 | \$63,412.08 | \$85,585.78 | \$1,155,993.22 | \$4,279,291.08 |
| Improvement Area A of CFD No. 14 | \$1,028,150.00 | \$1,028,150.00 | \$925,000.00 | \$63,412.09 | \$69,599.92 | \$806,924.67 | \$3,921,196.68 |
| Total | \$2,052,800.00 | \$2,052,800.00 | \$1,850,000.00 | \$126,824.17 | \$155,185.70 | \$1,962,917.89 | \$8,200,487.76 |

EXHIBIT F

Annual Debt Service Coverage Summary Tables

Annual Debt Service Coverage Summary

Poway Unified School District

Public Financing Authority

Special Tax Revenue Refunding Bonds

Series 2015A

| <i><u>Maturity Date</u></i> <i><u>(September 1)</u></i> | <i><u>CFD No. 14</u></i> <i><u>Debt Service</u></i> | <i><u>Improvement</u></i> <i><u>Area A of CFD</u></i> <i><u>No. 14 Debt</u></i> <i><u>Service</u></i> | <i><u>Total Local</u></i> <i><u>Obligations</u></i> <i><u>Debt Service</u></i> | <i><u>Authority Bonds</u></i> <i><u>Debt Service</u></i> | <i><u>Coverage</u></i> |
|--|--|--|--|---|------------------------|
| 2018 | \$2,974,300.00 | \$2,981,300.00 | \$5,955,600.00 | \$5,955,600.00 | 100.00% |
| 2019 | \$3,031,550.00 | \$3,038,550.00 | \$6,070,100.00 | \$6,070,100.00 | 100.00% |
| 2020 | \$3,091,150.00 | \$3,098,150.00 | \$6,189,300.00 | \$6,189,300.00 | 100.00% |
| 2021 | \$3,151,750.00 | \$3,158,750.00 | \$6,310,500.00 | \$6,310,500.00 | 100.00% |
| 2022 | \$3,216,000.00 | \$3,223,000.00 | \$6,439,000.00 | \$6,439,000.00 | 100.00% |
| 2023 | \$3,284,000.00 | \$3,291,000.00 | \$6,575,000.00 | \$6,575,000.00 | 100.00% |
| 2024 | \$3,340,250.00 | \$3,352,250.00 | \$6,692,500.00 | \$6,692,500.00 | 100.00% |
| 2025 | \$3,410,000.00 | \$3,416,750.00 | \$6,826,750.00 | \$6,826,750.00 | 100.00% |
| 2026 | \$3,477,250.00 | \$3,489,000.00 | \$6,966,250.00 | \$6,966,250.00 | 100.00% |
| 2027 | \$3,541,750.00 | \$3,558,250.00 | \$7,100,000.00 | \$7,100,000.00 | 100.00% |
| 2028 | \$3,617,000.00 | \$3,628,000.00 | \$7,245,000.00 | \$7,245,000.00 | 100.00% |
| 2029 | \$3,690,000.00 | \$3,700,750.00 | \$7,390,750.00 | \$7,390,750.00 | 100.00% |
| 2030 | \$3,763,750.00 | \$3,774,250.00 | \$7,538,000.00 | \$7,538,000.00 | 100.00% |
| 2031 | \$3,842,750.00 | \$3,853,000.00 | \$7,695,750.00 | \$7,695,750.00 | 100.00% |
| 2032 | \$3,918,750.00 | \$3,928,750.00 | \$7,847,500.00 | \$7,847,500.00 | 100.00% |
| 2033 | \$3,996,750.00 | \$4,006,500.00 | \$8,003,250.00 | \$8,003,250.00 | 100.00% |
| 2034 | \$4,073,250.00 | \$4,087,750.00 | \$8,161,000.00 | \$8,161,000.00 | 100.00% |
| 2035 | \$4,142,750.00 | \$4,171,750.00 | \$8,314,500.00 | \$8,314,500.00 | 100.00% |
| 2036 | \$4,200,000.00 | \$4,257,750.00 | \$8,457,750.00 | \$8,457,750.00 | 100.00% |

Annual Debt Service Coverage Summary
Poway Unified School District
Community Facilities District No. 14
Special Tax Revenue Refunding Bonds, Series 2015A

| <i><u>Maturity Date</u></i> <i><u>(September 1)</u></i> | <i><u>Total Debt</u></i> <i><u>Service</u></i> | <i><u>Special Tax Levy/</u></i> <i><u>Maximum</u></i> <i><u>Special Tax</u></i> | <i><u>Administrative</u></i> <i><u>Expense Budget</u></i> | <i><u>Net Taxes</u></i> | <i><u>Coverage</u></i> |
|--|---|---|--|-------------------------|------------------------|
| 2018 | \$2,974,300.00 | \$4,279,291.08 | \$63,412.08 | \$4,215,879.00 | 141.74% |
| 2019 | \$3,031,550.00 | \$4,996,611.81 | \$64,680.33 | \$4,931,931.48 | 162.69% |
| 2020 | \$3,091,150.00 | \$5,096,544.04 | \$65,973.94 | \$5,030,570.10 | 162.74% |
| 2021 | \$3,151,750.00 | \$5,198,474.92 | \$67,293.42 | \$5,131,181.50 | 162.80% |
| 2022 | \$3,216,000.00 | \$5,302,444.42 | \$68,639.29 | \$5,233,805.13 | 162.74% |
| 2023 | \$3,284,000.00 | \$5,408,493.31 | \$70,012.07 | \$5,338,481.24 | 162.56% |
| 2024 | \$3,340,250.00 | \$5,516,663.18 | \$71,412.31 | \$5,445,250.87 | 163.02% |
| 2025 | \$3,410,000.00 | \$5,626,996.44 | \$72,840.56 | \$5,554,155.88 | 162.88% |
| 2026 | \$3,477,250.00 | \$5,739,536.37 | \$74,297.37 | \$5,665,239.00 | 162.92% |
| 2027 | \$3,541,750.00 | \$5,854,327.10 | \$75,783.32 | \$5,778,543.78 | 163.16% |
| 2028 | \$3,617,000.00 | \$5,971,413.64 | \$77,298.98 | \$5,894,114.66 | 162.96% |
| 2029 | \$3,690,000.00 | \$6,090,841.91 | \$78,844.96 | \$6,011,996.95 | 162.93% |
| 2030 | \$3,763,750.00 | \$6,212,658.75 | \$80,421.86 | \$6,132,236.89 | 162.93% |
| 2031 | \$3,842,750.00 | \$6,336,911.92 | \$82,030.30 | \$6,254,881.62 | 162.77% |
| 2032 | \$3,918,750.00 | \$6,463,650.16 | \$83,670.91 | \$6,379,979.25 | 162.81% |
| 2033 | \$3,996,750.00 | \$6,592,923.17 | \$85,344.32 | \$6,507,578.85 | 162.82% |
| 2034 | \$4,073,250.00 | \$6,724,781.63 | \$87,051.21 | \$6,637,730.42 | 162.96% |
| 2035 | \$4,142,750.00 | \$6,859,277.26 | \$88,792.23 | \$6,770,485.03 | 163.43% |
| 2036 | \$4,200,000.00 | \$6,996,462.81 | \$90,568.08 | \$6,905,894.73 | 164.43% |

Annual Debt Service Coverage Summary
Poway Unified School District
Improvement Area A of Community Facilities District No. 14
Special Tax Revenue Refunding Bonds, Series 2015A

| <i><u>Maturity Date</u></i> <i><u>(September 1)</u></i> | <i><u>Total Debt</u></i> <i><u>Service</u></i> | <i><u>Special Tax Levy/</u></i> <i><u>Maximum</u></i> <i><u>Special Tax</u></i> | <i><u>Administrative</u></i> <i><u>Expense Budget</u></i> | <i><u>Net Taxes</u></i> | <i><u>Coverage</u></i> |
|--|---|---|--|-------------------------|------------------------|
| 2018 | \$2,981,300.00 | \$3,921,196.68 | \$63,412.09 | \$3,857,784.59 | 129.40% |
| 2019 | \$3,038,550.00 | \$4,694,554.02 | \$64,680.33 | \$4,629,873.69 | 152.37% |
| 2020 | \$3,098,150.00 | \$4,788,445.10 | \$65,973.94 | \$4,722,471.16 | 152.43% |
| 2021 | \$3,158,750.00 | \$4,884,214.01 | \$67,293.42 | \$4,816,920.59 | 152.49% |
| 2022 | \$3,223,000.00 | \$4,981,898.29 | \$68,639.29 | \$4,913,259.00 | 152.44% |
| 2023 | \$3,291,000.00 | \$5,081,536.25 | \$70,012.07 | \$5,011,524.18 | 152.28% |
| 2024 | \$3,352,250.00 | \$5,183,166.98 | \$71,412.31 | \$5,111,754.67 | 152.49% |
| 2025 | \$3,416,750.00 | \$5,286,830.32 | \$72,840.56 | \$5,213,989.76 | 152.60% |
| 2026 | \$3,489,000.00 | \$5,392,566.92 | \$74,297.37 | \$5,318,269.55 | 152.43% |
| 2027 | \$3,558,250.00 | \$5,500,418.26 | \$75,783.32 | \$5,424,634.94 | 152.45% |
| 2028 | \$3,628,000.00 | \$5,610,426.63 | \$77,298.98 | \$5,533,127.65 | 152.51% |
| 2029 | \$3,700,750.00 | \$5,722,635.16 | \$78,844.96 | \$5,643,790.20 | 152.50% |
| 2030 | \$3,774,250.00 | \$5,837,087.86 | \$80,421.86 | \$5,756,666.00 | 152.52% |
| 2031 | \$3,853,000.00 | \$5,953,829.62 | \$82,030.30 | \$5,871,799.32 | 152.40% |
| 2032 | \$3,928,750.00 | \$6,072,906.21 | \$83,670.91 | \$5,989,235.30 | 152.45% |
| 2033 | \$4,006,500.00 | \$6,194,364.34 | \$85,344.32 | \$6,109,020.02 | 152.48% |
| 2034 | \$4,087,750.00 | \$6,318,251.62 | \$87,051.21 | \$6,231,200.41 | 152.44% |
| 2035 | \$4,171,750.00 | \$6,444,616.66 | \$88,792.23 | \$6,355,824.43 | 152.35% |
| 2036 | \$4,257,750.00 | \$6,573,508.99 | \$90,568.08 | \$6,482,940.91 | 152.26% |

EXHIBIT G

Special Tax Levy Summary Tables

Fiscal Year 2016/2017 Special Tax Levy Summary Tables

Poway Unified School District

Public Financing Authority

Special Tax Revenue Refunding Bonds, Series 2015A

Community Facilities District No. 14

| Tax Class (Land Use) | Number of Units/Acres | Average Annual Special Tax Rate ^[1] | Total Annual Special Taxes | Total Annual Collections | Total Amount Collected | Delinquency Rate |
|--|------------------------------|---|-----------------------------------|---------------------------------|-------------------------------|-------------------------|
| Tax Class 1 (< 1,800) | 77 Units | \$2,628.07 per Unit | \$202,361.64 | \$199,746.80 | \$2,614.84 | 1.29% |
| Tax Class 2 (1,800 - 2,000) | 153 Units | \$2,936.62 per Unit | \$449,302.80 | \$447,916.14 | \$1,386.66 | 0.31% |
| Tax Class 3 (2,001 – 2,200) | 71 Units | \$3,446.25 per Unit | \$244,683.66 | \$237,962.58 | \$6,721.08 | 2.75% |
| Tax Class 4 (2,201 – 2,400) | 55 Units | \$3,469.36 per Unit | \$190,814.82 | \$184,211.51 | \$6,603.31 | 3.46% |
| Tax Class 5 (2,401 – 2,600) | 111 Units | \$3,381.69 per Unit | \$375,368.06 | \$368,725.28 | \$6,642.78 | 1.77% |
| Tax Class 6 (2,601 – 2,800) | 83 Units | \$3,645.03 per Unit | \$302,537.10 | \$297,247.16 | \$5,289.94 | 1.75% |
| Tax Class 7 (2,801 – 3,000) | 96 Units | \$3,905.39 per Unit | \$374,916.96 | \$370,996.34 | \$3,920.62 | 1.05% |
| Tax Class 8 (3,001 – 3,200) | 115 Units | \$4,308.85 per Unit | \$495,517.18 | \$488,987.82 | \$6,529.36 | 1.32% |
| Tax Class 9 (3,201 – 3,450) | 77 Units | \$5,073.4 per Unit | \$390,652.12 | \$383,010.37 | \$7,641.75 | 1.96% |
| Tax Class 10 (> 3,450) | 123 Units | \$5,202.51 per Unit | \$639,908.84 | \$632,135.28 | \$7,773.56 | 1.21% |
| Tax Class 11 (< 1,900) | 65 Units | \$2,496.54 per Unit | \$162,275.20 | \$157,268.84 | \$5,006.36 | 3.09% |
| Tax Class 12 (1,900 – 2,100) | 10 Units | \$2,657.86 per Unit | \$26,578.60 | \$25,219.01 | \$1,359.59 | 5.12% |
| Tax Class 13 (> 2,100) | 110 Units | \$3,095.13 per Unit | \$340,464.30 | \$336,148.74 | \$4,315.56 | 1.27% |
| Tax Class 14 (NA) | 0 Units | \$0.00 per Unit | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| <i>Developed Property</i> | <i>1,146 Units</i> | <i>NA</i> | <i>\$4,195,381.28</i> | <i>\$4,129,575.87</i> | <i>\$65,805.41</i> | <i>1.57%</i> |
| <i>Undeveloped Property</i> | <i>0.00 Acres</i> | <i>\$0.00 per Acre</i> | <i>\$0.00</i> | <i>\$0.00</i> | <i>\$0.00</i> | <i>0.00%</i> |
| Total | | | \$4,195,381.28 | \$4,129,575.87 | \$65,805.41 | 1.57% |
| [1] The average Assigned Annual Special Tax Rate is the average of all the Special Tax rates in each Tax Class, therefore they may not reflect the actual Assigned Annual Special Tax Rate for each parcel in a given Special Tax Class. | | | | | | |

The Maximum Special Tax rate range is \$2,540.28 to \$5,963.29 for Fiscal Year 2016/2017 per unit/parcel.

Improvement Area A of Community Facilities District No. 14

| Tax Class (Land Use) | Number of Units/Acres | Assigned Annual Special Tax Rate | Total Annual Special Taxes | Total Annual Collections | Total Amount Collected | Delinquency Rate |
|------------------------------|------------------------------|---|-----------------------------------|---------------------------------|-------------------------------|-------------------------|
| Tax Class 1 (< 1,800) | 77 Units | \$2,489.24 per Unit | \$191,671.48 | \$189,182.24 | \$0.00 | 1.30% |
| Tax Class 2 (1,800 - 2,000) | 153 Units | \$2,772.12 per Unit | \$424,134.36 | \$422,748.30 | \$4,076.64 | 0.33% |
| Tax Class 3 (2,001 – 2,200) | 71 Units | \$3,125.70 per Unit | \$221,924.70 | \$215,673.30 | \$7,661.00 | 2.82% |
| Tax Class 4 (2,201 – 2,400) | 55 Units | \$3,220.00 per Unit | \$177,100.00 | \$170,660.00 | \$6,313.72 | 3.64% |
| Tax Class 5 (2,401 – 2,600) | 111 Units | \$3,243.56 per Unit | \$360,035.16 | \$353,548.04 | \$6,359.92 | 1.80% |
| Tax Class 6 (2,601 – 2,800) | 83 Units | \$3,361.42 per Unit | \$278,997.86 | \$273,955.73 | \$3,295.52 | 1.81% |
| Tax Class 7 (2,801 – 3,000) | 96 Units | \$3,573.56 per Unit | \$343,061.76 | \$339,488.20 | \$5,255.25 | 1.04% |
| Tax Class 8 (3,001 – 3,200) | 116 Units | \$3,970.52 per Unit | \$460,580.32 | \$454,624.54 | \$11,677.98 | 1.29% |
| Tax Class 9 (3,201 – 3,450) | 78 Units | \$4,403.32 per Unit | \$343,458.96 | \$336,853.98 | \$6,475.47 | 1.92% |
| Tax Class 10 (> 3,450) | 123 Units | \$4,521.18 per Unit | \$556,105.14 | \$549,323.37 | \$13,297.56 | 1.22% |
| Tax Class 11 (< 1,900) | 65 Units | \$2,229.98 per Unit | \$144,948.70 | \$140,488.74 | \$4,372.48 | 3.08% |
| Tax Class 12 (1,900 – 2,100) | 10 Units | \$2,595.30 per Unit | \$25,953.00 | \$24,655.35 | \$0.00 | 5.00% |
| Tax Class 13 (> 2,100) | 110 Units | \$2,875.82 per Unit | \$316,340.20 | \$312,026.47 | \$7,048.60 | 1.36% |
| Tax Class 14 (NA) | 0 Units | \$0.00 per Unit | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| <i>Developed Property</i> | <i>1,148 Units</i> | <i>NA</i> | <i>\$3,844,311.64</i> | <i>\$3,783,228.26</i> | <i>\$61,083.38</i> | <i>1.59%</i> |
| <i>Undeveloped Property</i> | <i>0.00 Acres</i> | <i>\$0.00 per Acre</i> | <i>\$0.00</i> | <i>\$0.00</i> | <i>\$0.00</i> | <i>0.00%</i> |
| Total | | | \$3,844,311.64 | \$3,783,228.26 | \$61,083.38 | 1.59% |

The Maximum Special Tax rate range is \$2,539.02 to \$4,987.99 for Fiscal Year 2016/2017 per unit/parcel.

Fiscal Year 2017/2018 Special Tax Levy Summary Tables

Poway Unified School District

Public Financing Authority

Special Tax Revenue Refunding Bonds, Series 2015A

Community Facilities District No. 14

| Tax Class (Land Use) | Number of Units/Acres | Average Annual Special Tax Rate ^[1] | Total Annual Special Taxes |
|------------------------------|------------------------------|---|-----------------------------------|
| Tax Class 1 (< 1,800) | 77 Units | \$2,680.64 per Unit | \$206,409.00 |
| Tax Class 2 (1,800 - 2,000) | 153 Units | \$2,995.35 per Unit | \$458,288.68 |
| Tax Class 3 (2,001 – 2,200) | 71 Units | \$3,515.17 per Unit | \$249,577.02 |
| Tax Class 4 (2,201 – 2,400) | 55 Units | \$3,538.75 per Unit | \$194,631.36 |
| Tax Class 5 (2,401 – 2,600) | 111 Units | \$3,449.33 per Unit | \$382,875.74 |
| Tax Class 6 (2,601 – 2,800) | 83 Units | \$3,717.93 per Unit | \$308,588.00 |
| Tax Class 7 (2,801 – 3,000) | 96 Units | \$3,983.49 per Unit | \$382,415.40 |
| Tax Class 8 (3,001 – 3,200) | 115 Units | \$4,395.03 per Unit | \$505,428.28 |
| Tax Class 9 (3,201 – 3,450) | 77 Units | \$5,174.87 per Unit | \$398,465.30 |
| Tax Class 10 (> 3,450) | 123 Units | \$5,306.56 per Unit | \$652,707.44 |
| Tax Class 11 (< 1,900) | 65 Units | \$2,546.48 per Unit | \$165,521.10 |
| Tax Class 12 (1,900 – 2,100) | 10 Units | \$2,711.01 per Unit | \$27,110.10 |
| Tax Class 13 (> 2,100) | 110 Units | \$3,157.03 per Unit | \$347,273.66 |
| Tax Class 14 (NA) | 0 Units | \$0.00 per Unit | \$0.00 |
| <i>Developed Property</i> | <i>1,146 Units</i> | <i>NA</i> | <i>\$4,279,291.08</i> |
| <i>Undeveloped Property</i> | <i>0.00 Acres</i> | <i>\$0.00 per Acre</i> | <i>\$0.00</i> |
| Total | | | \$4,279,291.08 |

[1] The average Assigned Annual Special Tax Rate is the average of all the Special Tax rates in each Tax Class, therefore they may not reflect the actual Assigned Annual Special Tax Rate for each parcel in a given Special Tax Class.

Improvement Area A of Community Facilities District No. 14

| Tax Class (Land Use) | Number of Units/Acres | Assigned Annual Special Tax Rate | Total Annual Special Taxes |
|------------------------------|------------------------------|---|-----------------------------------|
| Tax Class 1 (< 1,800) | 77 Units | \$2,539.02 per Unit | \$195,504.54 |
| Tax Class 2 (1,800 - 2,000) | 153 Units | \$2,827.56 per Unit | \$432,616.68 |
| Tax Class 3 (2,001 – 2,200) | 71 Units | \$3,188.20 per Unit | \$226,362.20 |
| Tax Class 4 (2,201 – 2,400) | 55 Units | \$3,284.40 per Unit | \$180,642.00 |
| Tax Class 5 (2,401 – 2,600) | 111 Units | \$3,308.42 per Unit | \$367,234.62 |
| Tax Class 6 (2,601 – 2,800) | 83 Units | \$3,428.66 per Unit | \$284,578.78 |
| Tax Class 7 (2,801 – 3,000) | 96 Units | \$3,645.04 per Unit | \$349,923.84 |
| Tax Class 8 (3,001 – 3,200) | 116 Units | \$4,049.92 per Unit | \$469,790.72 |
| Tax Class 9 (3,201 – 3,450) | 78 Units | \$4,491.40 per Unit | \$350,329.20 |
| Tax Class 10 (> 3,450) | 123 Units | \$4,611.60 per Unit | \$567,226.80 |
| Tax Class 11 (< 1,900) | 65 Units | \$2,274.58 per Unit | \$147,847.70 |
| Tax Class 12 (1,900 – 2,100) | 10 Units | \$2,647.22 per Unit | \$26,472.20 |
| Tax Class 13 (> 2,100) | 110 Units | \$2,933.34 per Unit | \$322,667.40 |
| Tax Class 14 (NA) | 0 Units | \$0.00 per Unit | \$0.00 |
| <i>Developed Property</i> | <i>1,148 Units</i> | <i>NA</i> | <i>\$3,921,196.68</i> |
| <i>Undeveloped Property</i> | <i>0.00 Acres</i> | <i>\$0.00 per Acre</i> | <i>\$0.00</i> |
| Total | | | \$3,921,196.68 |

EXHIBIT H

Historical Special Tax Delinquency Summary Tables

Historical Special Tax Delinquency Summary Tables

*Poway Unified School District
Public Financing Authority
Special Tax Revenue Refunding Bonds
Series 2015A*

Community Facilities District No. 14

| Fiscal Year | Parcels Levied | Subject Fiscal Year ^[1] | | | | | | June 30, 2017 ^[2] | |
|-------------|----------------|------------------------------------|--------------------|------------------|-------------------------------|------------------------------|--------------------|------------------------------|----------------------------|
| | | Aggregate Special Tax | Parcels Delinquent | Amount Collected | Fiscal Year Amount Delinquent | Fiscal Year Delinquency Rate | Parcels Delinquent | Remaining Amount Delinquent | Remaining Delinquency Rate |
| 2007/2008 | 340 | \$2,399,971.62 | 19 | \$2,358,019.39 | \$41,952.23 | 1.75% | 0 | \$0.00 | 0.00% |
| 2008/2009 | 467 | \$2,843,169.36 | 38 | \$2,757,373.60 | \$85,795.76 | 3.02% | 0 | \$0.00 | 0.00% |
| 2009/2010 | 521 | \$3,059,396.32 | 19 | \$3,010,143.85 | \$49,252.47 | 1.61% | 0 | \$0.00 | 0.00% |
| 2010/2011 | 587 | \$3,101,275.84 | 2 | \$3,097,383.03 | \$3,892.81 | 0.13% | 0 | \$0.00 | 0.00% |
| 2011/2012 | 790 | \$3,152,480.38 | 13 | \$3,127,732.44 | \$24,747.94 | 0.79% | 0 | \$0.00 | 0.00% |
| 2012/2013 | 915 | \$2,971,068.28 | 11 | \$2,948,148.66 | \$22,919.62 | 0.77% | 0 | \$0.00 | 0.00% |
| 2013/2014 | 1,045 | \$3,475,176.48 | 20 | \$3,432,199.22 | \$42,977.26 | 1.24% | 3 | \$7,015.37 | 0.20% |
| 2014/2015 | 1,120 | \$3,912,336.60 | 21 | \$3,863,003.48 | \$49,333.12 | 1.26% | 4 | \$13,600.44 | 0.35% |
| 2015/2016 | 1,146 | \$4,113,121.00 | 36 | \$4,029,292.95 | \$83,828.05 | 2.04% | 36 | \$83,828.05 | 2.04% |
| 2016/2017 | 1,146 | \$4,195,381.28 | 26 | \$4,129,575.87 | \$65,805.41 | 1.57% | 26 | \$65,805.41 | 1.57% |

[1] As of June 30th of the applicable Fiscal Year.

[2] Section 4 (b)(vi) of the Disclosure Agreement requires delinquency information as of August 15th. However, due to the availability of tax information from the County of San Diego delinquencies are as of June 30th

Improvement Area A of Community Facilities District No. 14

| Fiscal Year | Parcels Levied | Subject Fiscal Year ^[1] | | | | | Parcels Delinquent | June 30, 2017 ^[2] | |
|---|----------------|------------------------------------|--------------------|------------------|-------------------------------|------------------------------|--------------------|------------------------------|----------------------------|
| | | Aggregate Special Tax | Parcels Delinquent | Amount Collected | Fiscal Year Amount Delinquent | Fiscal Year Delinquency Rate | | Remaining Amount Delinquent | Remaining Delinquency Rate |
| 2007/2008 | 340 | \$2,314,924.30 | 19 | \$2,273,308.43 | \$41,615.87 | 1.80% | 0 | \$0.00 | 0.00% |
| 2008/2009 | 467 | \$2,933,072.62 | 38 | \$2,849,291.24 | \$83,781.38 | 2.86% | 0 | \$0.00 | 0.00% |
| 2009/2010 | 521 | \$3,168,748.60 | 19 | \$3,120,500.50 | \$48,248.10 | 1.52% | 0 | \$0.00 | 0.00% |
| 2010/2011 | 578 | \$2,883,956.56 | 2 | \$2,880,065.38 | \$3,891.18 | 0.13% | 0 | \$0.00 | 0.00% |
| 2011/2012 | 791 | \$2,949,449.54 | 13 | \$2,925,967.62 | \$23,481.92 | 0.80% | 0 | \$0.00 | 0.00% |
| 2012/2013 | 917 | \$3,221,610.96 | 13 | \$3,197,527.02 | \$24,083.94 | 0.75% | 0 | \$0.00 | 0.00% |
| 2013/2014 | 1,047 | \$3,210,463.32 | 20 | \$3,170,850.20 | \$39,613.12 | 1.23% | 2 | \$4,462.53 | 0.14% |
| 2014/2015 | 1,122 | \$3,591,858.40 | 21 | \$3,546,721.69 | \$45,136.71 | 1.26% | 4 | \$12,475.00 | 0.35% |
| 2015/2016 | 1,148 | \$3,768,930.20 | 36 | \$3,693,096.06 | \$75,834.14 | 2.01% | 36 | \$75,834.14 | 2.01% |
| 2016/2017 | 1,148 | \$3,844,311.64 | 26 | \$3,783,228.26 | \$61,083.38 | 1.59% | 26 | \$61,083.38 | 1.59% |
| <p><i>[1] As of June 30th of the applicable Fiscal Year.</i></p> <p><i>[2] Section 4 (b)(vi) of the Disclosure Agreement requires delinquency information as of August 15th. However, due to the availability of tax information from the County of San Diego delinquencies are as of June 30th</i></p> | | | | | | | | | |

There are no delinquent taxpayers of any CFD obligated for greater than five percent (5.00%) of the annual Special Tax levy as of August 15th for Fiscal Year 2016/2017.

EXHIBIT I

Status of Foreclosures

Status of Foreclosures
Poway Unified School District
Public Financing Authority
Special Tax Revenue Refunding Bonds
Series 2015A

Community Facilities District No. 14

| Assessor's Parcel Number | Fiscal Year | Amount ^[1] | Status |
|---|--------------------|------------------------------|---------------|
| 2673603200 | 2013/2014 | \$3,092.52 | Unresolved |
| 2673603200 | 2014/2015 | \$3,154.38 | Unresolved |
| 2674030703 | 2013/2014 | \$2,405.14 | Unresolved |
| 2674030703 | 2014/2015 | \$2,453.24 | Unresolved |
| 2672410700 | 2013/2014 | \$1,517.71 | Unresolved |
| 2672410700 | 2014/2015 | \$3,096.14 | Unresolved |
| 2672410700 | 2016/2017 | \$3,158.06 | Unresolved |
| 2672902400 | 2015/2016 | \$3,181.16 | Unresolved |
| 2672902400 | 2016/2017 | \$3,179.96 | Unresolved |
| <i>[1] Amount does not include interest, penalties and attorney fees.</i> | | | |

Improvement Area A of Community Facilities District No. 14

| Assessor's Parcel Number | Fiscal Year | Amount ^[1] | Status |
|---|--------------------|------------------------------|---------------|
| 2672410700 | 2013/2014 | \$1,517.13 | Unresolved |
| 2672410700 | 2014/2015 | \$3,094.96 | Unresolved |
| 2672410700 | 2016/2017 | \$3,156.86 | Unresolved |
| 2672902400 | 2015/2016 | \$3,179.96 | Unresolved |
| 2672902400 | 2016/2017 | \$3,243.56 | Unresolved |
| <i>[1] Amount does not include interest, penalties and attorney fees.</i> | | | |

EXHIBIT J

Assessed Value Summary Tables

Fiscal Year 2017/2018 Assessed Value Summary Tables

Poway Unified School District Public Financing Authority Special Tax Revenue Refunding Bonds Series 2015A

Community Facilities District No. 14

| Tax Class (Land Use) | Units / Parcels | Assessed Value Land | Assessed Value Improvement | Assessed Value Other | Assessed Value Total ^[1] |
|---|-----------------|-------------------------|----------------------------|-------------------------|--|
| Improved | | | | | |
| Tax Class 1 (< 1,800) | 77 | \$24,409,408.00 | \$23,881,997.00 | \$0.00 | \$48,291,405.00 |
| Tax Class 2 (1,800 - 2,000) | 153 | \$47,624,449.00 | \$53,626,575.00 | \$0.00 | \$101,251,024.00 |
| Tax Class 3 (2,001 - 2,200) | 71 | \$20,481,289.00 | \$26,246,964.00 | \$0.00 | \$46,728,253.00 |
| Tax Class 4 (2,201 - 2,400) | 55 | \$16,679,140.00 | \$21,820,393.00 | \$0.00 | \$38,499,533.00 |
| Tax Class 5 (2,401 - 2,600) | 111 | \$38,204,542.00 | \$47,585,223.00 | \$0.00 | \$85,789,765.00 |
| Tax Class 6 (2,601 - 2,800) | 83 | \$30,058,650.00 | \$39,210,734.00 | \$0.00 | \$69,269,384.00 |
| Tax Class 7 (2,801 - 3,000) | 96 | \$30,577,043.00 | \$48,172,393.00 | \$0.00 | \$78,749,436.00 |
| Tax Class 8 (3,001 - 3,200) | 115 | \$38,393,367.00 | \$58,560,215.00 | \$0.00 | \$96,953,582.00 |
| Tax Class 9 (3,201 - 3,450) | 77 | \$33,506,317.00 | \$43,575,972.00 | \$0.00 | \$77,082,289.00 |
| Tax Class 10 (> 3,450) | 123 | \$50,049,829.00 | \$75,545,824.00 | \$0.00 | \$125,595,653.00 |
| Tax Class 11 (< 1,900) | 65 | \$17,257,811.00 | \$18,490,799.00 | \$0.00 | \$35,748,610.00 |
| Tax Class 12 (1,900 - 2,100) | 10 | \$3,354,128.00 | \$3,225,194.00 | \$0.00 | \$6,579,322.00 |
| Tax Class 13 (> 2,100) | 110 | \$32,984,196.00 | \$37,444,320.00 | \$0.00 | \$70,428,516.00 |
| Tax Class 14 (N/A) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class U (Undeveloped) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Subtotal Improved | 1,146 | \$383,580,169.00 | \$497,386,603.00 | \$0.00 | \$880,966,772.00 |
| Unimproved | | | | | |
| Tax Class 1 (< 1,800) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 2 (1,800 - 2,000) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 3 (2,001 - 2,200) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 4 (2,201 - 2,400) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 5 (2,401 - 2,600) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 6 (2,601 - 2,800) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 7 (2,801 - 3,000) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 8 (3,001 - 3,200) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 9 (3,201 - 3,450) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 10 (> 3,450) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 11 (< 1,900) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 12 (1,900 - 2,100) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 13 (> 2,100) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 14 (N/A) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class U (Undeveloped) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Subtotal Unimproved | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Subtotal for Taxable Parcels | 1,146 | \$383,580,169.00 | \$497,386,603.00 | \$0.00 | \$880,966,772.00 |
| Tax Class E (Exempt) | 122 | \$475,883.00 | \$0.00 | \$0.00 | \$475,883.00 |
| Tax Class P (Prepaid) | 2 | \$864,099.00 | \$1,416,585.00 | \$0.00 | \$2,280,684.00 |
| Total | 1,270 | \$384,920,151.00 | \$498,803,188.00 | \$0.00 | \$883,723,339.00 |
| <i>[1] Total Assessed Value as reported on the Fiscal Year 2017/2018 equalized tax roll of the County of San Diego.</i> | | | | | |

Improvement Area A of Community Facilities District No. 14

| Tax Class (Land Use) | Units / Parcels | Assessed Value Land | Assessed Value Improvement | Assessed Value Other | Assessed Value Total ^[1] |
|---|--------------------|-------------------------|-------------------------------|-------------------------|--|
| Improved | | | | | |
| Tax Class 1 (< 1,800) | 77 | \$24,409,408.00 | \$23,881,997.00 | \$0.00 | \$48,291,405.00 |
| Tax Class 2 (1,800 - 2,000) | 153 | \$47,624,449.00 | \$53,626,575.00 | \$0.00 | \$101,251,024.00 |
| Tax Class 3 (2,001 – 2,200) | 71 | \$20,481,289.00 | \$26,246,964.00 | \$0.00 | \$46,728,253.00 |
| Tax Class 4 (2,201 – 2,400) | 55 | \$16,679,140.00 | \$21,820,393.00 | \$0.00 | \$38,499,533.00 |
| Tax Class 5 (2,401 – 2,600) | 111 | \$38,204,542.00 | \$47,585,223.00 | \$0.00 | \$85,789,765.00 |
| Tax Class 6 (2,601 – 2,800) | 83 | \$30,058,650.00 | \$39,210,734.00 | \$0.00 | \$69,269,384.00 |
| Tax Class 7 (2,801 – 3,000) | 96 | \$30,577,043.00 | \$48,172,393.00 | \$0.00 | \$78,749,436.00 |
| Tax Class 8 (3,001 – 3,200) | 116 | \$38,911,144.00 | \$59,299,600.00 | \$0.00 | \$98,210,744.00 |
| Tax Class 9 (3,201 – 3,450) | 78 | \$33,852,639.00 | \$44,253,172.00 | \$0.00 | \$78,105,811.00 |
| Tax Class 10 (> 3,450) | 123 | \$50,049,829.00 | \$75,545,824.00 | \$0.00 | \$125,595,653.00 |
| Tax Class 11 (< 1,900) | 65 | \$17,257,811.00 | \$18,490,799.00 | \$0.00 | \$35,748,610.00 |
| Tax Class 12 (1,900 – 2,100) | 10 | \$3,354,128.00 | \$3,225,194.00 | \$0.00 | \$6,579,322.00 |
| Tax Class 13 (> 2,100) | 110 | \$32,984,196.00 | \$37,444,320.00 | \$0.00 | \$70,428,516.00 |
| Tax Class 14 (N/A) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class U (Undeveloped) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Subtotal Improved | 1,148 | \$384,444,268.00 | \$498,803,188.00 | \$0.00 | \$883,247,456.00 |
| Unimproved | | | | | |
| Tax Class 1 (< 1,800) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 2 (1,800 - 2,000) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 3 (2,001 – 2,200) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 4 (2,201 – 2,400) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 5 (2,401 – 2,600) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 6 (2,601 – 2,800) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 7 (2,801 – 3,000) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 8 (3,001 – 3,200) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 9 (3,201 – 3,450) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 10 (> 3,450) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 11 (< 1,900) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 12 (1,900 – 2,100) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 13 (> 2,100) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class 14 (N/A) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Tax Class U (Undeveloped) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Subtotal Unimproved | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Subtotal for Taxable Parcels | 1,148 | \$384,444,268.00 | \$498,803,188.00 | \$0.00 | \$883,247,456.00 |
| Tax Class E (Exempt) | 122 | \$475,883.00 | \$0.00 | \$0.00 | \$475,883.00 |
| Tax Class P (Prepaid) | 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Total | 1,270 | \$384,920,151.00 | \$498,803,188.00 | \$0.00 | \$883,723,339.00 |
| <i>[1] Total Assessed Value as reported on the Fiscal Year 2017/2018 equalized tax roll of the County of San Diego.</i> | | | | | |

EXHIBIT K

Detailed Direct and Overlapping Debt Reports

POWAY UNIFIED SCHOOL DISTRICT

Community Facilities District No. 14

Special Tax Bonds

Detailed Direct and Overlapping Debt

Report Date: 12/16/2017

Report Time: 12:00:00 PM

I. Assessed Value

| | |
|---------------------------------------|---------------|
| 2017-2018 Secured Roll Assessed Value | \$883,723,339 |
|---------------------------------------|---------------|

II. Secured Property Taxes

| Description on Tax Bill | Type | Total Parcels | Total Levy | % Applicable | Parcels | Levy |
|--|---------|---------------|--------------------|--------------|---------|-----------------|
| Basic 1% Levy | PROP13 | 974,064 | \$4,729,701,434.10 | 0.18554% | 1,154 | \$8,775,256.57 |
| Voter Approved Debt | AVALL | 973,975 | \$586,810,394.68 | 0.04341% | 1,154 | \$254,733.92 |
| County of San Diego Vector Control, Zone B | VECTOR | 366,802 | \$766,253.46 | 0.34337% | 1,154 | \$2,631.12 |
| County of San Diego Vector Disease Control | VECTOR | 959,649 | \$6,455,756.44 | 0.11984% | 1,154 | \$7,736.46 |
| Golden State Finance Authority CFD No. 2014-1 (1) | CFD | 2,394 | \$10,524,308.82 | 0.06287% | 2 | \$6,616.94 |
| Metropolitan Water District of Southern California Standby Charge | STANDBY | 361,449 | \$4,405,339.66 | 0.32397% | 1,151 | \$14,272.18 |
| Palomar Pomerado Health GOB 2004 | GOB | 191,592 | \$15,938,388.67 | 1.15621% | 1,154 | \$184,280.53 |
| Poway Unified School District CFD No. 14 | CFD | 1,270 | \$4,279,291.08 | 100.00000% | 1,146 | \$4,279,291.08 |
| Poway Unified School District CFD No. 14 Impv Area A | CFD | 1,148 | \$3,921,196.68 | 100.00000% | 1,148 | \$3,921,196.68 |
| San Diego County Water Authority Standby Charge | STANDBY | 367,599 | \$3,849,695.94 | 0.32368% | 1,154 | \$12,460.70 |
| WRCOG HERO Financing Program (County of San Diego) (1) | 1915 | 9,283 | \$35,289,501.68 | 0.01179% | 1 | \$4,160.44 |
| 2017-2018 TOTAL PROPERTY TAX LIABILITY | | | | | | \$17,462,636.62 |
| TOTAL PROPERTY TAX LIABILITY AS A PERCENTAGE OF 2017-2018 ASSESSED VALUATION | | | | | | 1.98% |

III. Land Secured Bond Indebtedness

| Outstanding Direct and Overlapping Bonded Debt | Type | Issued | Outstanding | % Applicable | Parcels | Amount |
|--|------|--------------|--------------|--------------|---------|--------------|
| Poway Unified School District CFD No. 14 | CFD | \$51,515,000 | \$42,105,000 | 100.00000% | 1,146 | \$42,105,000 |
| Poway Unified School District CFD No. 14 Impv Area A | CFD | \$51,495,000 | \$42,245,000 | 100.00000% | 1,148 | \$42,245,000 |
| TOTAL LAND SECURED BOND INDEBTEDNESS (2) | | | | | | \$84,350,000 |
| TOTAL OUTSTANDING LAND SECURED BOND INDEBTEDNESS (2) | | | | | | \$84,350,000 |

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 | \$74,905,000 | 0.18423% | 1,154 | \$137,997 |
| Palomar Community College District GOB 2006 | GOB | \$693,998,901 | \$640,814,437 | 0.78258% | 1,154 | \$5,014,863 |
| Palomar Pomerado Health GOB 2004 | GOB | \$495,999,997 | \$433,358,739 | 1.14688% | 1,154 | \$4,970,111 |
| TOTAL GENERAL OBLIGATION BOND INDEBTEDNESS (2) | | | | | | \$10,122,972 |
| TOTAL OUTSTANDING GENERAL OBLIGATION BOND INDEBTEDNESS (2) | | | | | | \$10,122,972 |

| | |
|---|-----------------|
| TOTAL OF ALL OUTSTANDING AND OVERLAPPING BONDED DEBT | \$94,472,972.08 |
| VALUE TO ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT | 9.35:1 |

(1) Does not include PACE program liens due to the variable nature of each lien.

(2) 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: California Tax Data

POWAY UNIFIED SCHOOL DISTRICT

Community Facilities District No. 14

Improvement Area A
Special Tax Bonds

Detailed Direct and Overlapping Debt

Report Date: 12/16/2017

Report Time: 12:00:00 PM

I. Assessed Value

| | |
|---------------------------------------|---------------|
| 2017-2018 Secured Roll Assessed Value | \$883,723,339 |
|---------------------------------------|---------------|

II. Secured Property Taxes

| Description on Tax Bill | Type | Total Parcels | Total Levy | % Applicable | Parcels | Levy |
|---|---------|---------------|--------------------|--------------|---------|-----------------|
| Basic 1% Levy | PROP13 | 974,064 | \$4,729,701,434.10 | 0.18554% | 1,154 | \$8,775,256.57 |
| Voter Approved Debt | AVALL | 973,975 | \$586,810,394.68 | 0.04341% | 1,154 | \$254,733.92 |
| County of San Diego Vector Control, Zone B | VECTOR | 366,802 | \$766,253.46 | 0.34337% | 1,154 | \$2,631.12 |
| County of San Diego Vector Disease Control | VECTOR | 959,649 | \$6,455,756.44 | 0.11984% | 1,154 | \$7,736.46 |
| Golden State Finance Authority CFD No. 2014-1 (1) | CFD | 2,394 | \$10,524,308.82 | 0.06287% | 2 | \$6,616.94 |
| Metropolitan Water District of Southern California Standby Charge | STANDBY | 361,449 | \$4,405,339.66 | 0.32397% | 1,151 | \$14,272.18 |
| Palomar Pomerado Health GOB 2004 | GOB | 191,592 | \$15,938,388.67 | 1.15621% | 1,154 | \$184,280.53 |
| Poway Unified School District CFD No. 14 | CFD | 1,270 | \$4,279,291.08 | 100.00000% | 1,146 | \$4,279,291.08 |
| Poway Unified School District CFD No. 14 Impv Area A | CFD | 1,148 | \$3,921,196.68 | 100.00000% | 1,148 | \$3,921,196.68 |
| San Diego County Water Authority Standby Charge | STANDBY | 367,599 | \$3,849,695.94 | 0.32368% | 1,154 | \$12,460.70 |
| WRCOG HERO Financing Program (County of San Diego) (1) | 1915 | 9,283 | \$35,289,501.68 | 0.01179% | 1 | \$4,160.44 |
| 2017-2018 TOTAL PROPERTY TAX LIABILITY | | | | | | \$17,462,636.62 |

TOTAL PROPERTY TAX LIABILITY AS A PERCENTAGE OF 2017-2018 ASSESSED VALUATION

1.98%

III. Land Secured Bond Indebtedness

| Outstanding Direct and Overlapping Bonded Debt | Type | Issued | Outstanding | % Applicable | Parcels | Amount |
|--|------|--------------|--------------|--------------|---------|--------------|
| Poway Unified School District CFD No. 14 | CFD | \$51,515,000 | \$42,105,000 | 100.00000% | 1,146 | \$42,105,000 |
| Poway Unified School District CFD No. 14 Impv Area A | CFD | \$51,495,000 | \$42,245,000 | 100.00000% | 1,148 | \$42,245,000 |
| TOTAL LAND SECURED BOND INDEBTEDNESS (2) | | | | | | \$84,350,000 |
| TOTAL OUTSTANDING LAND SECURED BOND INDEBTEDNESS (2) | | | | | | \$84,350,000 |

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 | \$74,905,000 | 0.18423% | 1,154 | \$137,997 |
| Palomar Community College District GOB 2006 | GOB | \$693,998,901 | \$640,814,437 | 0.78258% | 1,154 | \$5,014,863 |
| Palomar Pomerado Health GOB 2004 | GOB | \$495,999,997 | \$433,358,739 | 1.14688% | 1,154 | \$4,970,111 |
| TOTAL GENERAL OBLIGATION BOND INDEBTEDNESS (2) | | | | | | \$10,122,972 |
| TOTAL OUTSTANDING GENERAL OBLIGATION BOND INDEBTEDNESS (2) | | | | | | \$10,122,972 |

| | |
|---|-----------------|
| TOTAL OF ALL OUTSTANDING AND OVERLAPPING BONDED DEBT | \$94,472,972.08 |
| VALUE TO ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT | 9.35:1 |

(1) Does not include PACE program liens due to the variable nature of each lien.

(2) 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: California Tax Data

EXHIBIT L

Assessed Value-to-Lien Ratio Summary Tables

Fiscal Year 2017/2018 Assessed Value-to-Lien Ratio Summary Tables

Poway Unified School District
Public Financing Authority
Special Tax Revenue Refunding Bonds
Series 2015A

Community Facilities District No. 14

| Tax Class (Land Use) | Total Assessed Value ^[1] | 2015 Special Tax Refunding Bonds | | Other ^[2] | | Total Lien | Value-to-Lien Ratio |
|--|-------------------------------------|----------------------------------|---------------------|------------------------|-------------------------|------------------------|---------------------|
| | | Principal Amount Outstanding | Value-to-Lien Ratio | Overlapping Debt | General Obligation Debt | | |
| Tax Class 1 (< 1,800) | \$48,291,405.00 | \$2,030,909.04 | 23.78:1 | \$2,106,267.54 | \$553,173.74 | \$4,690,350.32 | 10.30:1 |
| Tax Class 2 (1,800 - 2,000) | \$101,251,024.00 | \$4,509,215.31 | 22.45:1 | \$4,660,794.43 | \$1,159,821.45 | \$10,329,831.19 | 9.80:1 |
| Tax Class 3 (2,001 – 2,200) | \$46,728,253.00 | \$2,455,649.83 | 19.03:1 | \$2,438,712.44 | \$535,267.97 | \$5,429,630.25 | 8.61:1 |
| Tax Class 4 (2,201 – 2,400) | \$38,499,533.00 | \$1,915,025.94 | 20.10:1 | \$1,946,146.01 | \$441,008.72 | \$4,302,180.67 | 8.95:1 |
| Tax Class 5 (2,401 – 2,600) | \$85,789,765.00 | \$3,767,208.80 | 22.77:1 | \$3,956,401.01 | \$982,714.10 | \$8,706,323.92 | 9.85:1 |
| Tax Class 6 (2,601 – 2,800) | \$69,269,384.00 | \$3,036,273.41 | 22.81:1 | \$3,065,908.58 | \$793,474.61 | \$6,895,656.61 | 10.05:1 |
| Tax Class 7 (2,801 – 3,000) | \$78,749,436.00 | \$3,762,679.41 | 20.93:1 | \$3,769,903.38 | \$902,067.76 | \$8,434,650.55 | 9.34:1 |
| Tax Class 8 (3,001 – 3,200) | \$96,953,582.00 | \$4,973,033.46 | 19.50:1 | \$5,017,657.03 | \$1,110,594.63 | \$11,101,285.12 | 8.73:1 |
| Tax Class 9 (3,201 – 3,450) | \$77,082,289.00 | \$3,920,598.33 | 19.66:1 | \$3,725,882.44 | \$882,970.74 | \$8,529,451.51 | 9.04:1 |
| Tax Class 10 (> 3,450) | \$125,595,653.00 | \$6,422,149.43 | 19.56:1 | \$6,111,016.13 | \$1,438,687.00 | \$13,971,852.56 | 8.99:1 |
| Tax Class 11 (< 1,900) | \$35,748,610.00 | \$1,628,602.91 | 21.95:1 | \$1,592,836.73 | \$409,497.14 | \$3,630,936.78 | 9.85:1 |
| Tax Class 12 (1,900 – 2,100) | \$6,579,322.00 | \$266,742.96 | 24.67:1 | \$285,198.16 | \$75,365.55 | \$627,306.67 | 10.49:1 |
| Tax Class 13 (> 2,100) | \$70,428,516.00 | \$3,416,911.16 | 20.61:1 | \$3,476,256.21 | \$806,752.37 | \$7,699,919.74 | 9.15:1 |
| Subtotal for Taxable Parcels ^[3] | \$880,966,772.00 | \$42,105,000.00 | 20.92:1 | \$42,152,980.12 | \$10,091,395.77 | \$94,349,375.89 | 9.34:1 |
| Tax Class E (Exempt) | \$475,883.00 | \$0.00 | N/A | \$0.00 | \$5,451.20 | \$5,451.20 | N/A |
| Tax Class P (Prepaid) | \$2,280,684.00 | \$0.00 | N/A | \$92,019.88 | \$26,125.03 | \$118,144.92 | 19.30:1 |
| Total ^[3] | \$883,723,339.00 | \$42,105,000.00 | 20.99:1 | \$42,245,000.00 | \$10,122,972.00 | \$94,472,972.00 | 9.35:1 |

[1] Total Assessed Value as reported on the Fiscal Year 2017/2018 equalized tax roll of the County of San Diego.

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

[3] Totals may not sum due to rounding.

Improvement Area A of Community Facilities District No. 14

| Tax Class (Land Use) | Total Assessed Value ^[1] | 2015 Special Tax Refunding Bonds | | Other ^[2] | | Total Lien | Value-to-Lien Ratio |
|--|-------------------------------------|----------------------------------|---------------------|------------------------|-------------------------|------------------------|---------------------|
| | | Principal Amount Outstanding | Value-to-Lien Ratio | Overlapping Debt | General Obligation Debt | | |
| Tax Class 1 (< 1,800) | \$48,291,405.00 | \$2,106,267.54 | 22.93:1 | \$2,030,909.04 | \$553,173.74 | \$4,690,350.32 | 10.30:1 |
| Tax Class 2 (1,800 - 2,000) | \$101,251,024.00 | \$4,660,794.43 | 21.72:1 | \$4,509,215.31 | \$1,159,821.45 | \$10,329,831.19 | 9.80:1 |
| Tax Class 3 (2,001 – 2,200) | \$46,728,253.00 | \$2,438,712.44 | 19.16:1 | \$2,455,649.83 | \$535,267.97 | \$5,429,630.25 | 8.61:1 |
| Tax Class 4 (2,201 – 2,400) | \$38,499,533.00 | \$1,946,146.01 | 19.78:1 | \$1,915,025.94 | \$441,008.72 | \$4,302,180.67 | 8.95:1 |
| Tax Class 5 (2,401 – 2,600) | \$85,789,765.00 | \$3,956,401.01 | 21.68:1 | \$3,767,208.80 | \$982,714.10 | \$8,706,323.92 | 9.85:1 |
| Tax Class 6 (2,601 – 2,800) | \$69,269,384.00 | \$3,065,908.58 | 22.59:1 | \$3,036,273.41 | \$793,474.61 | \$6,895,656.61 | 10.05:1 |
| Tax Class 7 (2,801 – 3,000) | \$78,749,436.00 | \$3,769,903.38 | 20.89:1 | \$3,762,679.41 | \$902,067.76 | \$8,434,650.55 | 9.34:1 |
| Tax Class 8 (3,001 – 3,200) | \$98,210,744.00 | \$5,061,288.83 | 19.40:1 | \$4,973,033.46 | \$1,124,995.31 | \$11,159,317.60 | 8.80:1 |
| Tax Class 9 (3,201 – 3,450) | \$78,105,811.00 | \$3,774,270.53 | 20.69:1 | \$3,920,598.33 | \$894,695.10 | \$8,589,563.95 | 9.09:1 |
| Tax Class 10 (> 3,450) | \$125,595,653.00 | \$6,111,016.13 | 20.55:1 | \$6,422,149.43 | \$1,438,687.00 | \$13,971,852.56 | 8.99:1 |
| Tax Class 11 (< 1,900) | \$35,748,610.00 | \$1,592,836.73 | 22.44:1 | \$1,628,602.91 | \$409,497.14 | \$3,630,936.78 | 9.85:1 |
| Tax Class 12 (1,900 – 2,100) | \$6,579,322.00 | \$285,198.16 | 23.07:1 | \$266,742.96 | \$75,365.55 | \$627,306.67 | 10.49:1 |
| Tax Class 13 (> 2,100) | \$70,428,516.00 | \$3,476,256.21 | 20.26:1 | \$3,416,911.16 | \$806,752.37 | \$7,699,919.74 | 9.15:1 |
| Subtotal for Taxable Parcels ^[3] | \$883,247,456.00 | \$42,245,000.00 | 20.91:1 | \$42,105,000.00 | \$10,117,520.80 | \$94,467,520.80 | 9.35:1 |
| Tax Class E (Exempt) | \$475,883.00 | \$0.00 | N/A | \$0.00 | \$5,451.20 | \$5,451.20 | N/A |
| Total ^[3] | \$883,723,339.00 | \$42,245,000.00 | 20.92:1 | \$42,105,000.00 | \$10,122,972.00 | \$94,472,972.00 | 9.35:1 |

[1] Total Assessed Value as reported on the Fiscal Year 2017/2018 equalized tax roll of the County of San Diego.

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

[3] Totals may not sum due to rounding.

EXHIBIT M

Reports to the California Debt and Investment Advisory Commission

Submitted:
Monday, October 30, 2017
11:04:47AM
CDIAC #: 2015-0748

**STATE OF CALIFORNIA
MARKS-ROOS YEARLY FISCAL STATUS REPORT
FOR AUTHORITY ISSUE**

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 _____ |

California Government Code Section 6599.1 requires that all issuers selling Marks-Roos bonds, which is part of the Marks-Roos Local Bond Pooling Act of 1985, after January 1, 1996 are required to report specific information to the Commission by October 30th of the current year and each year thereafter, until maturity.

I. GENERAL INFORMATION

A. Authority Issuer Poway Unified School District Public Financing Authority

B. Name/ Title/ Series of Bond Issue 2015 Special Tax Revenue Refunding Bonds

Senior Issue Yes ☐ No ☒ Subordinate Issue Yes ☐ No ☒

C. Project Name CFD No 14 IA A Series A

D. Date of Bond Issue 3/26/2015

E. Original Principal Amount of Bonds \$89,405,000.00

F. Reserve Fund Minimum Balance Required Yes ☒ Amount \$8,457,750.00 No ☐

G. Total Issuance Costs \$0.00
(Report Issuance Costs only at initial filing)

II. FUND BALANCE FISCAL STATUS

Balances Reported as of: 6/30/2017

A. Principal Amount of Bonds Outstanding \$86,020,000.00

B. Total Bond Reserve Fund \$8,464,707.87

Bond Reserve Cash \$8,464,707.87 Bond Reserve Surety Bond \$0.00

C. Capitalized Interest Fund \$0.00

III. AUTHORITY FINANCIAL INFORMATION

A. Fees Paid for Professional Services (Annual Totals)

| 1. Type of Services | 2. Amount of Fees |
|---------------------|-------------------|
| | \$0.00 |
| | \$0.00 |
| | \$0.00 |
| | \$0.00 |
| | \$0.00 |

(Attach additional sheets if necessary.)

B. Local Obligor

| 1. Issuer/Borrower | 2. Bond Purchase (BP) or Loan (L) | 3. Original Amount of Purchase/Loan (from Authority Issue) | 4. Administration Fee (Charged to LOB) this FY |
|---|-----------------------------------|--|--|
| Community Facilities District No. 14 Improvement Area A of Community Facilities District No. 14 | BP BP | \$44,630,000.00 \$44,775,000.00 | \$0.00 \$0.00 |
| M-1 | | | |

Submitted:
Monday, October 30, 2017
11:04:47AM
CDIAC #: 2015-0748

**STATE OF CALIFORNIA
MARKS-ROOS YEARLY FISCAL STATUS REPORT
FOR AUTHORITY ISSUE**

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 _____ |

C. Investment Contracts

1. Terms of Investment Contracts

a. Final Maturity

b. Other (see Guidelines for explanation)

2. Commission/Fee for Contract Total \$0.00

3. Interest Earnings on Contract Current \$0.00

D. Does this Agency participate in the County's Teeter Plan?

Yes ☐

No ☒

IV. ISSUE RETIRED

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

Matured ☐ Redeemed Entirely ☐ Other ☐

If Matured, indicate final maturity date:

If Redeemed Entirely, state refunding bond title & CDIAC #:

and redemption date:

If Other:

and date:

V. NAME OF PARTY COMPLETING THIS FORM

Name Benjamin Dolinka

Title Partner/CEO

Firm/ Agency Cooperative Strategies, LLC

Address 8955 Research Drive

City/ State/ Zip Irvine, CA 92618

Phone Number (949) 250-8300

E-Mail taxinfo@coopstrategies.com

Date of Report 10/30/2017

VI. COMMENTS:

Submitted:
Monday, October 30, 2017
11:04:47AM
CDIAC #: 2015-0748

**STATE OF CALIFORNIA
MARKS-ROOS YEARLY FISCAL STATUS REPORT
FOR AUTHORITY ISSUE**

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 _____ |

Local Obligor (continued)

| 1. Issuer/Borrower | 2. Bond Purchase (BP) or Loan (L) | 3. Original Amount of Purchase/Loan (from Authority Issue) | 4. Administration Fee (Charged to LOB) this FY |
|--------------------|--------------------------------------|--|---|
| | | | |

Submitted:

Monday, October 30, 2017

11:14:18AM

CDIAC #: 2015-0752

STATE OF CALIFORNIA
MARKS-ROOS YEARLY FISCAL STATUS REPORT
FOR LOCAL OBLIGORS

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

For Office Use Only

Fiscal Year _____

California Government Code Section 6599.1 requires that all issuers selling Marks-Roos bonds, which is part of the Marks-Roos Local Bond Pooling Act of 1985, after January 1, 1996 are required to report specific information to the Commission by October 30th of the current year and each year thereafter, until maturity.

I. GENERAL INFORMATION

A. Local Obligor Issuer Poway Unified School District CFD No 14

B. Name/ Title/ Series of Bond Issue 2015 Special Tax Refunding Bonds

C. Project Name Del Sur

D. Date of Bond Issue/Loan 3/26/2015

E. Original Principal Amount of Bonds/Loan \$44,630,000.00

F. Reserve Fund Minimum Balance Required Yes ☐ Amount: \$0.00

No ☒

Part of Authority Reserve Fund Yes ☒ Percent of Reserve fund: 49.92%

No ☐

G. Name of Authority that purchased debt Poway Unified School District Public Financing Authority

H. Date of Authority Bond(s) Issuance 3/26/2015

II. FUND BALANCE FISCAL STATUS

Balances Reported as of : 6/30/2017

A. Principal Amount of Bonds/Loan Outstanding \$42,940,000.00

B. Bond Reserve Fund \$0.00

C. Capitalized Interest Fund \$0.00

D. Administrative Fee Charged by Authority \$0.00

III. DELINQUENT REPORTING INFORMATION

Have delinquent Taxes been reported: Yes ☒ No ☐

Delinquent Parcel Information Reported as of Equalized Tax Roll of: 6/30/2017

A. Delinquency Rate 1.57%

B. Does this Agency participate in the County's Teeter Plan: Yes ☐ No ☒

C. Taxes Due \$4,195,381.28

D. Taxes Unpaid \$65,805.41

IV. ISSUE RETIRED

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

Matured ☐ Redeemed/Repaid Entirely ☐ Other ☐

If Matured, indicate final maturity date:

If Redeemed/Repaid Entirely, state refunding bond title/ Loan, and CDIAC#:

and redemption/repayment date:

If Other:

and date:

V. NAME OF PARTY COMPLETING THIS FORM

Name Benjamin Dolinka

Title Partner/CEO

Firm/ Agency Cooperative Strategies, LLC

Address 8955 Research Drive

City/ State/ Zip Irvine, CA 92618

Submitted:

Monday, October 30, 2017

11:14:18AM

CDIAC #: 2015-0752

STATE OF CALIFORNIA
MARKS-ROOS YEARLY FISCAL STATUS REPORT
FOR LOCAL OBLIGORS

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

For Office Use Only

Fiscal Year _____

Phone Number (949) 250-8300

Date of Report 10/30/2017

E-Mail taxinfo@coopstrategies.com

VI. COMMENTS:

Submitted:
Monday, October 30, 2017
11:09:49AM
CDIAC #: 2015-0752

**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 14

B. Project Name Del Sur

C. Name/ Title/ Series of Bond Issue 2015 Special Tax Refunding Bonds

D. Date of Bond Issue 3/26/2015

E. Original Principal Amount of Bonds \$44,630,000.00

F. Reserve Fund Minimum Balance Required Yes ☐ Amount \$0.00 No ☒

II. FUND BALANCE FISCAL STATUS

Balances Reported as of: 6/30/2017

A. Principal Amount of Bonds Outstanding \$42,940,000.00

B. Bond Reserve Fund \$0.00

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 or Appraised Value Reported as of: 7/1/2017

☒ From Equalized Tax Roll

☐ From Appraisal of Property
(Use only in first year or before annual tax roll billing commences)

B. Total Assessed Value of All Parcels \$880,966,772.00

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due Annually \$4,195,381.28

B. Total Amount of Unpaid Special Taxes Annually \$65,805.41

C. Does this agency participate in the County's Teeter Plan? N

V. DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of Equalized Tax Roll of: 6/30/2017

A. Total Number of Delinquent Parcels: 54

B. Total Amount of Taxes Due on Delinquent Parcels: \$170,249.27
(Do not include penalties, penalty interest, etc.)

VI. FORECLOSURE INFORMATION FOR FISCAL YEAR

(Aggregate totals, if foreclosure commenced on same date)

(Attach additional sheets if necessary.)

| Date Foreclosure Commenced | Total Number of Foreclosure Parcels | Total Amount of Tax Due on Foreclosure Parcels |
|----------------------------|--|---|
| | | \$0.00 |
| | | \$0.00 |
| | | \$0.00 |
| | | \$0.00 |
| | M-6 | \$0.00 |

Submitted:
Monday, October 30, 2017
11:09:49AM
CDIAC #: 2015-0752

**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 _____ |

VII. ISSUE RETIRED

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

Matured ☐ Redeemed Entirely ☐ Other ☐

If Matured, indicate final maturity date:

If Redeemed Entirely, state refunding bond title & CDIAC #:

and redemption date:

If Other:

and date:

VIII. NAME OF PARTY COMPLETING THIS FORM

| | | | |
|------------------|-----------------------------|----------------|------------|
| Name | Benjamin Dolinka | | |
| Title | Partner/CEO | | |
| Firm/ Agency | Cooperative Strategies, LLC | | |
| Address | 8955 research Drive | | |
| City/ State/ Zip | Irvine, CA 92618 | | |
| Phone Number | (949) 250-8300 | Date of Report | 10/30/2017 |
| E-Mail | taxinfo@coopstrategies.com | | |

IX. ADDITIONAL 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.

Submitted:

Monday, October 30, 2017

11:22:11AM

CDIAC #: 2015-0753

STATE OF CALIFORNIA
MARKS-ROOS YEARLY FISCAL STATUS REPORT
FOR LOCAL OBLIGORS

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

For Office Use Only

Fiscal Year _____

California Government Code Section 6599.1 requires that all issuers selling Marks-Roos bonds, which is part of the Marks-Roos Local Bond Pooling Act of 1985, after January 1, 1996 are required to report specific information to the Commission by October 30th of the current year and each year thereafter, until maturity.

I. GENERAL INFORMATION

A. Local Obligor Issuer Poway Unified School District CFD No 14

B. Name/ Title/ Series of Bond Issue 2015 Special Tax Refunding Bonds

C. Project Name Del Sur IA A

D. Date of Bond Issue/Loan 3/26/2015

E. Original Principal Amount of Bonds/Loan \$44,775,000.00

F. Reserve Fund Minimum Balance Required Yes ☐ Amount: \$0.00

No ☒

Part of Authority Reserve Fund Yes ☒ Percent of Reserve fund: 50.08%

No ☐

G. Name of Authority that purchased debt Poway Unified School District Public Financing Authority

H. Date of Authority Bond(s) Issuance 3/26/2015

II. FUND BALANCE FISCAL STATUS

Balances Reported as of : 6/30/2017

A. Principal Amount of Bonds/Loan Outstanding \$43,080,000.00

B. Bond Reserve Fund \$0.00

C. Capitalized Interest Fund \$0.00

D. Administrative Fee Charged by Authority \$0.00

III. DELINQUENT REPORTING INFORMATION

Have delinquent Taxes been reported: Yes ☒ No ☐

Delinquent Parcel Information Reported as of Equalized Tax Roll of: 6/30/2017

A. Delinquency Rate 1.59%

B. Does this Agency participate in the County's Teeter Plan: Yes ☐ No ☒

C. Taxes Due \$3,844,311.64

D. Taxes Unpaid \$61,083.38

IV. ISSUE RETIRED

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

Matured ☐ Redeemed/Repaid Entirely ☐ Other ☐

If Matured, indicate final maturity date:

If Redeemed/Repaid Entirely, state refunding bond title/ Loan, and CDIAC#:

and redemption/repayment date:

If Other:

and date:

V. NAME OF PARTY COMPLETING THIS FORM

Name Benjamin Dolinka

Title Partner/CEO

Firm/ Agency Cooperative Strategies, LLC

Address 8955 Research Drive

City/ State/ Zip Irvine, CA 92618

Submitted:

Monday, October 30, 2017

11:22:11AM

CDIAC #: 2015-0753

STATE OF CALIFORNIA
MARKS-ROOS YEARLY FISCAL STATUS REPORT
FOR LOCAL OBLIGORS

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

For Office Use Only

Fiscal Year _____

Phone Number (949) 250-8300

Date of Report 10/30/2017

E-Mail taxinfo@coopstrategies.com

VI. COMMENTS:

Submitted:
Monday, October 30, 2017
11:18:53AM
CDIAC #: 2015-0753

**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 14

B. Project Name Del Sur IA A

C. Name/ Title/ Series of Bond Issue 2015 Special Tax Refunding Bonds

D. Date of Bond Issue 3/26/2015

E. Original Principal Amount of Bonds \$44,775,000.00

F. Reserve Fund Minimum Balance Required Yes ☐ Amount \$0.00 No ☒

II. FUND BALANCE FISCAL STATUS

Balances Reported as of: 6/30/2017

A. Principal Amount of Bonds Outstanding \$43,080,000.00

B. Bond Reserve Fund \$0.00

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 or Appraised Value Reported as of: 7/1/2017

☒ From Equalized Tax Roll

☐ From Appraisal of Property
(Use only in first year or before annual tax roll billing commences)

B. Total Assessed Value of All Parcels \$883,247,456.00

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due Annually \$3,844,311.64

B. Total Amount of Unpaid Special Taxes Annually \$61,083.38

C. Does this agency participate in the County's Teeter Plan? N

V. DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of Equalized Tax Roll of: 6/30/2017

A. Total Number of Delinquent Parcels: 54

B. Total Amount of Taxes Due on Delinquent Parcels: \$153,855.05
(Do not include penalties, penalty interest, etc.)

VI. FORECLOSURE INFORMATION FOR FISCAL YEAR

(Aggregate totals, if foreclosure commenced on same date)

(Attach additional sheets if necessary.)

| Date Foreclosure Commenced | Total Number of Foreclosure Parcels | Total Amount of Tax Due on Foreclosure Parcels |
|----------------------------|--|---|
| | | \$0.00 |
| | | \$0.00 |
| | | \$0.00 |
| | | \$0.00 |
| | M-10 | \$0.00 |

Submitted:
Monday, October 30, 2017
11:18:53AM
CDIAC #: 2015-0753

**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 _____ |

VII. ISSUE RETIRED

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

Matured ☐ Redeemed Entirely ☐ Other ☐

If Matured, indicate final maturity date:

If Redeemed Entirely, state refunding bond title & CDIAC #:

and redemption date:

If Other:

and date:

VIII. NAME OF PARTY COMPLETING THIS FORM

| | | | |
|------------------|-----------------------------|----------------|------------|
| Name | Benjamin Dolinka | | |
| Title | Partner/CEO | | |
| Firm/ Agency | Cooperative Strategies, LLC | | |
| Address | 8955 Research Drive | | |
| City/ State/ Zip | Irvine, CA 92618 | | |
| Phone Number | (949) 250-8300 | Date of Report | 10/30/2017 |
| E-Mail | taxinfo@coopstrategies.com | | |

IX. ADDITIONAL 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.