



CALIFORNIA
ASSOCIATION
OF REALTORS®

ADDENDUM

(C.A.R. Form ADM, Revised 12/15)

No. 1

The following terms and conditions are hereby incorporated in and made a part of the: ☒ Purchase Agreement, ☐ Residential Lease or Month-to-Month Rental Agreement, ☐ Transfer Disclosure Statement (Note: An amendment to the TDS may give the Buyer a right to rescind), ☐ Other _____,

dated September 23, 2021, on property known as 4020 Royal Vista Circle
Corona, CA 92881

in which _____ is referred to as ("Buyer/Tenant")
and Joel S. Napalan, Successor co-Trustee, Joseph J. Agins, Successor co-Trustee is referred to as ("Seller/Landlord").

1. This is a Trust Sale and the property is being sold "as is" with no representation or warranties implied or expressed made by Seller or Seller's agents and /or representatives.
2. Buyer's exact vesting shall be as follows (including marital status along with type of ownership)
3. Structural pest control and repair work is not a condition of this sale. If Buyer elects to make repairs, the same shall be completed at Buyer's expense after close of escrow.
4. All retrofitting required prior to Close of Escrow by any local ordinance or state law shall be at the Buyer's expense.
5. If buyer elects to purchase a home protection plan or warranty it shall be at Buyer's expense with coverage and company to be selected by Buyer.
6. The Title company to be Old Republic Title, Lucy Krappman. Escrow Company to be Golden West Escrow - Carlos Hernandez.
7. CAR Trust Advisory to be included with the Purchase Agreement.
8. All appliances to be included without any warranty or guaranty.

The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date _____

Date 09/22/2021 

Buyer/Tenant _____

Seller/Landlord Joel S. Napalan, Successor co-Trustee

Buyer/Tenant _____

Seller/Landlord Joseph J. Agins, Successor co-Trustee
Joseph J. Agins, Successor co-Trustee

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ADDENDUM (ADM PAGE 1 OF 1)





CALIFORNIA
ASSOCIATION
OF REALTORS®

TRUST ADVISORY
For Properties Being Sold by the Trustee of a Trust
(C.A.R. Form TA, Revised 6/19)

Property Address: 4020 Royal Vista Circle, Corona, CA 92881 ("Property").

Property is being held in a revocable or irrevocable trust for the benefit of those persons or entities named as beneficiaries in the trust. For the purpose of the sale of Property, the trustee of the trust is treated as the Seller. Even if Seller is exempt from some obligations, Seller must still comply with many others. This Advisory is intended to inform Buyer and Seller of their rights and obligations independent of those established by the contract between them. **If Property is placed in a trust, a trustee must complete a TDS and other disclosures that would be required of other owners if: (i) the trustee is a natural person AND (ii) the trust is a revocable trust, AND (iii) the trustee either is the former owner of Property or was an occupant in possession of Property within the preceding year. The disclosures are required of any trustee who meets the above requirements even if other trustees do not.**

1. SELLER MUST COMPLY WITH THE FOLLOWING:

- A. Known Material Fact Disclosures:** Seller is obligated to disclose known material facts affecting the value and desirability of the Property even if the specific Real Estate Transfer Disclosure Statement Form is not required to be completed.
- B. Hazard Zones:** Seller is not exempt from applicable statutory obligations to disclose earthquake fault zones, seismic hazard zones, state fire responsibility areas, very high fire hazard severity zones, special flood hazard areas and flood hazard zones pursuant to the Public Resources Code, Government Code and United States.
- C. Smoke Detectors:** The sale is not exempt from the State requirements that, for single family residences, operable smoke detectors be in place. It is negotiable between Buyer and Seller who is to pay for the cost of compliance.
- D. Water Heaters:** The sale is not exempt from the State requirement that water heaters be properly anchored, braced or strapped and that Seller provide a written statement of compliance to Buyer.
- E. Lead-based Paint:** The Seller is not exempt from the federal obligation to: (i) disclose known lead-based paint and lead-based paint hazards; (ii) provide Buyer copies of reports or studies covering lead-based paint and hazards on the Property; (iii) provide Buyer with the pamphlet "Protect Your Family From Lead In Your Home;" and (iv) give Buyer a 10-day opportunity to inspect for lead-based paint and hazards, if the Property contains residential dwelling units and was constructed prior to 1978.
- F. Carbon Monoxide Devices:** The sale is not exempt from the State requirement that on or before July 1, 2011, for all existing single family dwelling units, and on or before January 1, 2013, for all other existing dwelling units, the owner must install a carbon monoxide device approved and listed by the State Fire Marshall in the dwelling unit if the dwelling unit has a fossil fuel burning heater or appliance, fireplace, or an attached garage.
- G. Water Conserving Plumbing Fixtures:** The Sale is not exempt from the State requirement that (i) single family residences built before January 1, 1994 be equipped with water conserving plumbing fixtures by January 1, 2017 and multi-family and commercial properties be equipped with water conserving plumbing fixtures by January 1, 2019; (ii) Sellers disclose to Buyers the requirements of the law; and (iii) sellers disclose to Buyers whether the Property contains any non-compliant plumbing fixtures. See C.A.R. Form WCMD for further information.
- H. Tax Withholding:** The sale is not exempt from providing information pertaining to the withholding obligation under either the federal "FIRPTA" or the California withholding requirements upon the sale of real property. Federal: For federal purposes, a non-resident alien includes a fiduciary. A trustee is treated as a non-resident even if all beneficiaries are citizens or residents of the United States. State: The trust may be exempt from withholding (but not the completion of the real estate withholding certificate) if: (i) the trust was revocable prior to the decedent's death; (ii) the Property was last used as the decedent's principal residence; and (iii) the trustee is electing to treat the trust as part of the decedent's estate under IRC § 645 (see Instructions for FTB Form 593-C).
- I. Megan's Law Database Disclosure:** The sale is not exempt from the requirement that residential sales contracts contain the following notice regarding the availability of information about registered sex offenders: "Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at

(With Listing) Broker's Initials () [SEA]

(With RPA) Buyer's Initials () ()
Seller's Initials [JSN] [JJA]



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TRUST ADVISORY (TA PAGE 1 OF 2)

www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides." (Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)

2. SELLER MAY BE EXEMPT FROM THE FOLLOWING:

- A. (i) Disclosure Statements:** Seller, unless specified in 2A(ii), does not have to complete, sign and provide Buyer with a Real Estate Transfer Disclosure Statement or Natural Hazard Disclosure Statement (C.A.R. Forms TDS and NHD). **Seller remains obligated to make the disclosures and comply with the items specified in Paragraph 1.**
- (ii)** If Property has been placed in a trust, the trustee(s) of the trust is considered the Seller for the purpose of complying with disclosure laws. Seller must complete, sign and provide Buyer with a TDS if (1) the Seller is a natural person, AND (2) the trust is a revocable trust, AND (3) the trustee is either a former owner of the Property or was an occupant in possession of the Property within the preceding year.
- B. Other Exemptions:** Unless paragraph 2A(ii) applies, Seller is exempt from providing Buyer with a Mello-Roos district lien disclosure, an Improvement Bond Act of 1915 notice, a Supplemental Property Tax notice, a Notice of Private Transfer Fee pursuant to California Civil Code §§ 1102 et seq. and either a Homeowner's or Commercial Property Owners Guide to Earthquake Safety
- C. Exempt Seller Disclosures:** Even exempt Sellers have statutory or contractual obligations to make certain disclosures and may, or are required by contract to, use an Exempt Seller Disclosure (C.A.R. Form ESD) and is strongly encouraged to do so.

3. OTHER CONSIDERATIONS:

- A. Local Law:** Local law may impose obligations on the transfer of real property (such as the installation of low flow toilets or shower heads, emergency gas shut-off valves or installation of smoke detectors). Local law should be consulted to determine if sales by a trustee of a trust are exempt from such requirements.
- B. Death:** If the Property is being sold because of the death of an occupant of the Property, and if Buyer has concerns about the manner, location or details of the death, then Buyer should direct any specific questions to Seller.

4. BROKERS:

- A. Inspection:** The sale is not exempt from the Broker's obligation to conduct a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose to Buyer material facts revealed by such an inspection in the sale of residential property containing one-to-four dwelling units. Brokers may do so on C.A.R. Form AVID.
- B. Agency:** The sale is not exempt from the obligation to provide agency relationship disclosure and confirmation forms in the sale of residential property containing one-to-four dwelling units, commercial Property and vacant land.

By signing below, the undersigned acknowledge that each has read, understands and has received a copy of this Trust Advisory.

Seller Joel S. Napalan, Successor co-Trustee Date 09/22/2021
 Seller Joseph J. Agins, Successor co-Trustee Date 09/21/2021

AT TIME OF LISTING
 Real Estate Broker Re/Max Tri City Realty /Coldwell Banker Realty
 By Pretam K. Fuqua Sonia E. Amin Date _____
Pretam K. Fuqua Sonia E. Amin

AT TIME OF SALE
 Buyer _____ Date _____
 Buyer _____ Date _____

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 525 South Virgil Avenue, Los Angeles, California 90020



Tax Search



Riverside, California
Searched: 114-190-013
Non-Order Search

Tax Year: 2020-2021
Tax Cover: 06/25/2021
Searched By: TOM DEBRULER
Searched On: 6/30/2021 4:50 PM

Company: OLD REPUBLIC TITLE COMPANY | GLENDALE | 11 | CRN: 00070-00021

Customer Service Request Only

Information is sourced from public records and is deemed reliable, but is not guaranteed.

APN:	114-190-013
Described As:	.93 ACRES IN LOT 16 MB 301/081 TR 29505
Address:	4020 ROYAL VISTA
City:	CORONA
Billing Address:	4020 ROYAL VISTA CI CORONA CA 92881
Assessed Owner(s):	AGINS ALBERT
Search As:	Lot 16 Map 301/81 (Tr 29505)

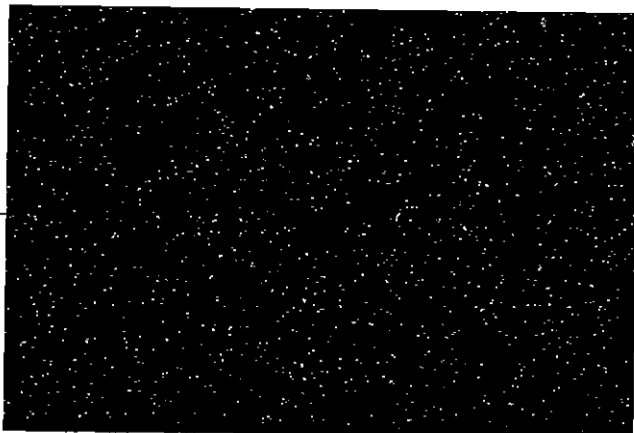
Tax Rate Area:	004-000	Value	Conveyance Date:	AUG 2003
Use Code:	424	Land:	Conveying Instrument:	2003-0669337
SINGLE FAMILY DWELLING		Improvements:	Date Transfer Acquired:	
Region Code:		Personal Property:	Vesting:	
Flood Zone:		Fixtures:	Year Built:	
Zoning Code:		Inventory:	Year Last Modified:	
Taxability Code:		Exemptions		
Tax Rate:	1.116380 %	Homeowner:	Square Footage	
Bill #:	2020001691198	Inventory:	Land:	40511
Issue Date:		Personal Property:	Improvements:	
		Religious:	Tax Defaulted:	
		All Other:	Total Tax:	14,174.56
		Net Taxable Value:		

Installment	Amount	Penalty	Due Date	Status	Payment Date	Balance
1st	7,087.28	708.73	12/10/2020	PAID	11/24/2020	0.00
2nd	7,087.28	746.79	04/10/2021	PAID	03/25/2021	0.00
Total Balance:						0.00

Account	Special Lien Description	Amount
01-0000	GENERAL PURPOSE	10,470.61
03-1701	CORONA NORCO UNIFIED SCHOOL B & I	1,028.00
03-9101	RIVERSIDE COMMUNITY COLLEGE B & I	153.92
04-5351	METRO WATER DISTRICT WEST 1302999	36.65
68-1377	FLOOD CONTROL STORMWATER / CLEANWATER/SANTA ANA	4.02
68-1854	CSA #152 CITY OF CORONA NPDES	10.00
68-2311	CORONA LIGHTING MAINT DISTRICT 84-1	80.30
68-2337	CITY OF CORONA CFD 97-1 LDS MELLO-ROOS	179.68
68-3151	CORONA-NORCO USD CFD 01-1 AREA A MELLO-ROOS	2,191.56
68-4571	NORTHWEST MOSQUITO & VECTOR CONTROL DISTRICT	10.60

THE INFORMATION PROVIDED IS A SUMMARIZED SEARCH OF OUR RECORDS. BLACK KNIGHT DOES NOT WARRANT NOR GUARANTEE THE ACCURACY NOR COMPLETENESS OF THE INFORMATION SHOWN. A FULL/EXTENDED TAX SEARCH IS RECOMMENDED.

***** END OF REPORT *****



DOC # 2001-318217

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Recorded in Official Records

County of Riverside

Gary L. Orso

Assessor, County Clerk & Recorder

**RECORDING REQUESTED BY AND
WHEN RECORDED, RETURN TO:**

**Superintendent
CORONA-NORCO UNIFIED SCHOOL DISTRICT
2820 CLARK AVENUE
NORCO, CALIFORNIA 91760**



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NOTICE OF SPECIAL TAX LIEN

Pursuant to the requirements of section 3114.5 of the Streets and Highways Code and section 53328.3 of the Government Code, the undersigned SECRETARY of the legislative body of the CORONA-NORCO UNIFIED SCHOOL DISTRICT, COMMUNITY FACILITIES DISTRICT No. 01-1, STATE OF CALIFORNIA, HEREBY GIVES NOTICE that a lien is hereby imposed to secure payment of a special tax which the Board of Education of the Corona-Norco Unified School District, County of Riverside, State of California, is authorized to annually levy for the following purpose: the cost of the acquisition of school sites and the acquisition, design, construction, lease, equipping and/or improvement thereon of school facilities (the "Facilities") and to finance the incidental expenses to be incurred in connection therewith.

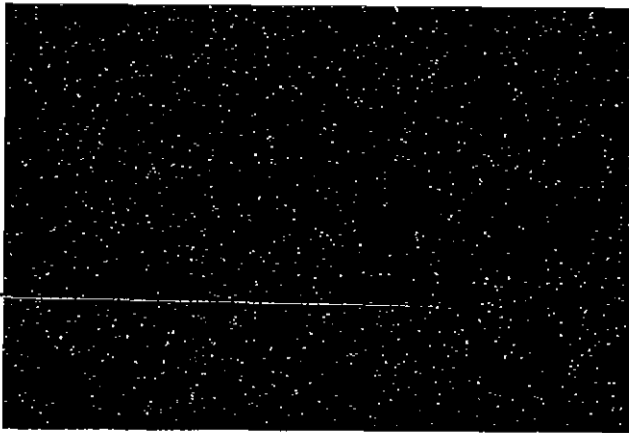
The special tax is authorized to be levied within Community Facilities District No. 01-1 which has now been officially formed, and the lien of the special tax is a continuing lien which shall secure each annual levy of the special tax and which shall continue in force and effect until the special tax obligation is prepaid, permanently satisfied and canceled in accordance with law or until the special tax ceases to be levied and a notice of cessation of special tax is recorded in accordance with section 53330.5 of the Government Code.

The rate and method of apportionment of the authorized special tax is as shown on the attached, referenced and incorporated Exhibits "A-1" and "A-2" and the special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for ad valorem taxes. Conditions under which the obligation to pay the special tax may be prepaid and permanently satisfied and the lien of the special tax canceled are provided in Exhibits "A-1" and "A-2" attached hereto.

Notice is further given that upon the recording of this notice in the Office of the County Recorder, the obligation to pay the special tax levy shall become a lien upon all non-exempt real property within CFD No. 01-1 in accordance with section 3115.5 of the Streets and Highways Code.

As required by section 27288.1 of the Government Code of the State

**C
YS**



of California, the names of the owner(s) of the real property included within this CFD No. 01-1 as they appear on the last secured assessment roll as of the date of recording of this Notice and the Assessor's tax parcel(s) numbers of all parcels or any portion thereof which are included within this CFD No. 01-1 are as set forth on the attached, referenced and incorporated Exhibit "B."

Reference is made to the boundary map of CFD No. 01-1 recorded on May 22, 2001 as Instrument No. 225154, at Book 49 of Maps, Pages 51-53 of Assessment and Community Facilities Districts in the Office of the County Recorder for the County of Riverside, State of California, which map is now the final map of CFD No. 01-1.

The imposition of the special tax satisfies and supersedes the obligations secured by the agreements between the District and various landowners.

For further information concerning the current and estimated future tax lien, interested persons should contact the following designated person:

SUPERINTENDENT
CORONA-NORCO UNIFIED SCHOOL DISTRICT
2820 CLARK AVENUE
NORCO, CALIFORNIA 91760
(909) 736-5045

DATED: July 9, 2001



SECRETARY,
CORONA-NORCO UNIFIED SCHOOL DISTRICT
STATE OF CALIFORNIA



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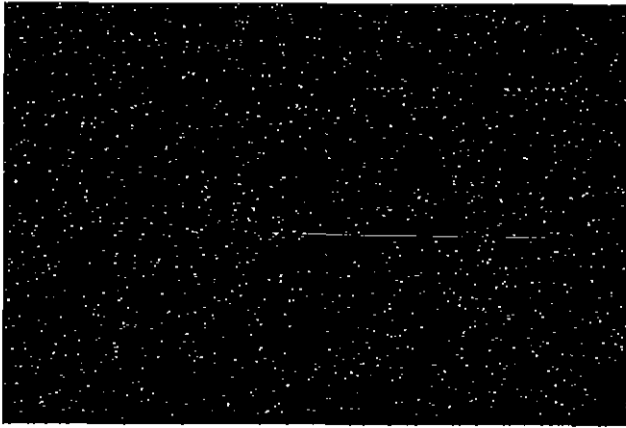


Exhibit "A-1"

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 01-1
CORONA-NORCO UNIFIED SCHOOL DISTRICT**

(IMPROVEMENT AREA A)

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in Improvement Area A of Community Facilities District No. 01-1 of the Corona-Norco Unified School District ("CFD No. 01-1") and collected each Fiscal Year, in an amount determined by the Board of Education of the Corona-Norco Unified School District (the "Board" or the "District") through the application of the appropriate Special Tax for "Developed Property," "Undeveloped Property," "Taxable Association Property," and "Taxable Public Property" as described below. All of the real property within Improvement Area A of CFD No. 01-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

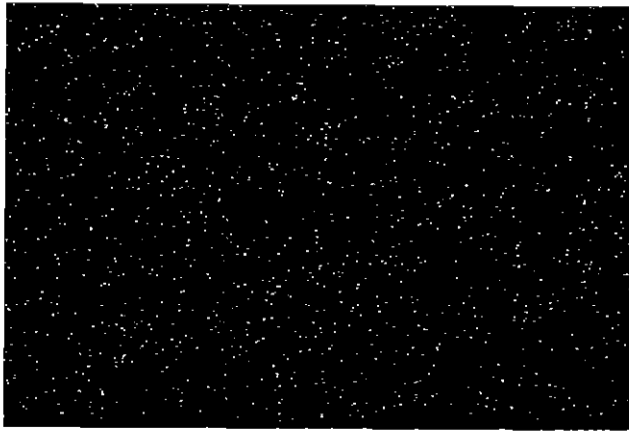
A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

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

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1 of Division 2 of Title 5 of the California Government Code of the State of California.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 01-1 and allocable to Improvement Area A: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the District, CFD No. 01-1, or a designee thereof); the costs of collecting the Special Taxes (whether by the District or otherwise); the costs of remitting the Special Taxes to the fiscal agent or trustee; the costs of the fiscal agent or trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the District, CFD No. 01-1 or any designee thereof of complying with arbitrage rebate requirements; the costs to the District, CFD No. 01-1 or any designee thereof of complying with District, CFD No. 01-1 or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the District, CFD No. 01-1 or any designee thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account. Administrative Expenses shall also include amounts advanced by the District or CFD No. 01-1 for any other administrative purposes of CFD No. 01-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent



Special Taxes.

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

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

"Association Property" means any property owned by, irrevocably offered or dedicated to, or for which an easement for purposes of right of way has been granted to a property owner association, including any master or sub-association.

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

"Backup Special Tax" means the Special Tax amount set forth in Section C.1.b. below.

"Bonds" means any bonds or other indebtedness (as defined in the Act) secured by the levy of Special Taxes within Improvement Area A of CFD No. 01-1.

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

"Developed Property" means all Assessor's Parcels, exclusive of Taxable Association Property and Taxable Public Property, for which a building permit has been issued as of June 30 of the Fiscal Year preceding the Fiscal Year for which Special Taxes are being levied.

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

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

"Improvement Area A" means Improvement Area A as depicted on the boundary map of CFD No. 01-1

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Land Use Category" means any of the categories listed in Table 1.

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





"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit was issued for a non-residential use.

"Occupied Property" means Assessor's Parcels of Residential Property which have been sold to the initial occupant.

"Public Property" means property owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public right-of-way has been granted to the federal government, the State of California, the County of Riverside, or the City of Corona or any local government or other public agency, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

"Proportionately" means for Developed Property that the ratio of the actual Special Tax levy to the Assigned Special Tax is the same for all Assessors' Parcels of Developed Property. For Undeveloped Property, "Proportionately" means that the ratio of the actual Special Tax levy per acre to the Maximum Special Tax per acre is the same for all Assessor's Parcels of Undeveloped Property.

"Residential Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for purposes of constructing one or more residential dwelling units.

"Special Tax" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement.

"Special Tax Requirement" means for Improvement Area A that amount required in any Fiscal Year for CFD No. 01-1 to: (i) pay debt service on all outstanding Bonds; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay Administrative Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for the outstanding Bonds; (v) pay directly or accumulate funds for the acquisition or construction of facilities to the extent that the inclusion of such amount does not increase the special tax levy on Undeveloped Property; less (vi) a credit for funds available to reduce the annual Special Tax levy as determined pursuant to the Indenture.

"Taxable Property" means all of the Assessor's Parcels within Improvement Area A of CFD No. 01-1 which are not exempt from the Special Tax pursuant to law or Section E below.

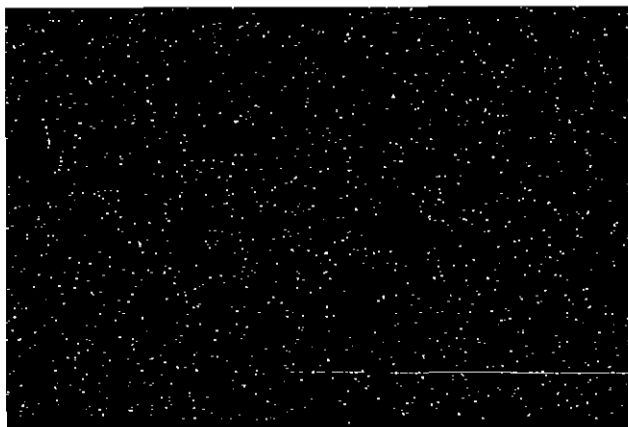
"Taxable Association Property" means all Association Property which is not exempt from the Special Tax pursuant to Section E below.

"Taxable Public Property" means all Public Property which is not exempt from the Special Tax pursuant to Section E below.

"Tax Zone" means Tax Zone 1 or Tax Zone 2 within Improvement Area A of CFD No. 01-1.

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"Tax Zone 1" means the area within Improvement Area A which corresponds to tract map nos. 29505 and 29375 as depicted on the boundary map of CFD No. 01-1.

"Tax Zone 2" means the area within Improvement Area A which corresponds to tentative tract map nos. 29482, 29482-1, 29483, 29483-1 and 29483-2 as depicted on the boundary map of CFD No. 01-1.

"Undeveloped Property" means all Taxable Property not classified as Developed Property, exclusive of Taxable Association Property and Taxable Public Property.

B. ASSIGNMENT TO CLASS AND LAND USE CATEGORY

Each Fiscal Year, all Taxable Property within each Tax Zone shall be classified as Developed Property, Undeveloped Property, Association Property, or Public Property and shall be subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment as determined pursuant to Sections C and D below. Developed Property which satisfies the criteria for Residential Property and Non-Residential Property shall be assigned thereto. Association Property and Public Property which is not exempt from the Special Tax shall be assigned to Taxable Association Property and Taxable Public Property, respectively.

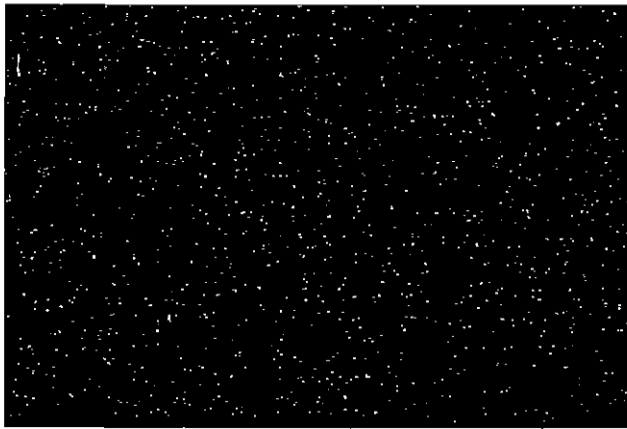
For purposes of determining the applicable Table 1 Assigned Special Tax for Developed Property within Tax Zone 1, each Assessor's Parcel of Residential Property shall be assigned to Land Use Category 1 and each Assessor's Parcel of Non-Residential Property shall be assigned to Land Use Category 2.

For purposes of determining the applicable Table 1 Assigned Special Tax for Developed Property within Tax Zone 2, each Assessor's Parcel of Residential Property shall be assigned to one of the categories in Land Use Category 1 through 5 based upon the house square footage of improvements constructed or to be constructed on such Assessor's Parcel and each Assessor's Parcel of Non-Residential Property shall be assigned to Land Use Category 6. Furthermore, with respect to Residential Property, the square footage of improvements shall be determined from the most recent building permit issued prior to the Assessor's Parcel being classified as Occupied Property, and shall be exclusive of garages and other structures which are not used as living space.

C. MAXIMUM SPECIAL TAX RATE

1. Developed Property

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the applicable Table 1 Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax.



a. **Assigned Special Tax**

The Assigned Special Tax for each Land Use Category within the applicable Tax Zone of Improvement Area A of CFD No. 01-1 is shown in Table 1 below.

TABLE 1

Assigned Special Taxes for Developed Property
Community Facilities District No. 01-1

Tax Zone	Land Use Category	Taxable Unit	quare Feet of Dwelling Unit	Assigned Special Tax Per Taxable Unit
1	1 - Residential	D/U	N/A	\$2,541
	2 - Non-Residential	Acre	N/A	\$3,513
2	1 - Residential	D/U	3,801 or greater	\$2,812
	2 - Residential	D/U	3,401-3,800	\$2,689
	3 - Residential	D/U	3,151-3,400	\$2,361
	4 - Residential	D/U	3,001-3,150	\$2,238
	5 - Residential	D/U	3,000 or less	\$2,115
	6 - Non-Residential	Acre	N/A	\$7,595

b. **Backup Special Tax**

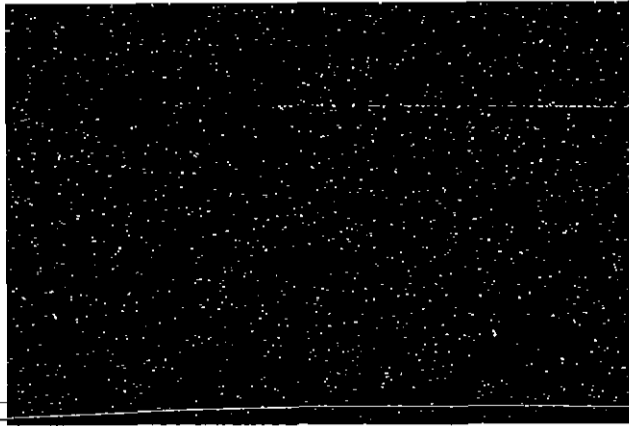
The Backup Special Tax attributable to each Acre of a Final Subdivision within each applicable Tax Zone is equal to the applicable amount shown in Table 2.

TABLE 2

Backup Special Tax for
Community Facilities District No. 01-1

Tax Zone	Project Name	Tentative Subdivision Tract No.	Backup Special Tax Per Acre
1	Seven Oaks & Summit Grove	29375 & 29505	\$3,513
2	Chase Ranch East	29482 & 29483	\$7,595

The Backup Special Tax attributable to a Final Subdivision within each applicable Tax Zone is equal to the Backup Special Tax per Acre shown in Table 2 multiplied by the Acreage of all Taxable Property, exclusive of any Taxable Association Property and Taxable Public Property, within such Final Subdivision. If a Final Subdivision within each applicable Tax Zone includes Assessor's Parcels of Taxable Property for which building permits for both residential and non-residential construction may be issued, exclusive of Taxable Association Property and Taxable Public Property, then the Backup Special Tax for each Assessor's Parcel of Residential Property within such Tax Zone shall be computed exclusive of the



Acreage and Assessor's Parcels of property for which building permits for non-residential construction may be issued.

The Backup Special Tax for each Assessor's Parcel of Residential Property in a Final Subdivision, shall be computed by dividing the aggregate Backup Special Tax attributable to the Assessor's Parcels of Taxable Property for which building permits for residential construction have or may be issued as determined in the preceding paragraph, by the number of such Assessor's Parcels (i.e., the number of residential lots) within such Final Subdivision.

The Backup Special Tax for each Assessor's Parcel of Non-Residential Property in a Final Subdivision shall be equal to the applicable Backup Tax Per Acre shown in Table 2 multiplied by the Acreage of such Assessor's Parcel within such Final Subdivision.

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

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

c. Release of Obligation to Pay and Disclose Backup Special Tax

All Assessors' Parcels within Improvement Area A will be relieved simultaneously and permanently from the obligation to pay and disclose the Backup Special Tax if the CFD Administrator determines that the annual debt service required for the outstanding Bonds, when compared to the Table 1 Special Taxes that may be levied against all Assessors' Parcels of Developed Property within Improvement Area A securing such outstanding Bonds result in 110% debt service coverage (i.e., the Table 1 Special Taxes that may be levied against all Developed Property in each remaining Fiscal Year based on then existing development in Improvement Area A securing such outstanding Bonds

is at least equal to the sum of 1.10 times maximum annual debt service, in each remaining Fiscal Year on the outstanding Bonds).

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

The Maximum Special Tax for Undeveloped Property, Taxable Association Property and Taxable Public Property shall be \$3,513 per Acre for Tax Zone 1 and \$7,595 per Acre for Tax Zone 2.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2001-2002 and for each following Fiscal Year, the Board shall determine the Special Tax Requirement and shall levy the Special Tax until the amount of Special Taxes equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax as needed to satisfy the Special Tax Requirement;

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

Third: If additional moneys are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax to be levied on each Assessor's Parcel of Developed Property whose Maximum Special Tax is derived by the application of the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such Assessor's Parcel;

Fourth: If additional moneys are needed to satisfy the Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Association Property and Taxable Public Property up to the applicable Maximum Special Tax.

Notwithstanding the above, under no circumstances will the Special Taxes levied against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) per Fiscal Year as a consequence of delinquency or default by the owner of any other Assessor's Parcel within Improvement Area A.

E. EXEMPTIONS

No Special Tax shall be levied on up to 12.56 Acres in Tax Zone 1 and 5.31 in Tax Zone 2 of: (i) Public Property or (ii) Association Property. If the total Acres of Public Property and Association Property exceeds 12.56 Acres in Tax Zone 1 and 15.20 in Tax Zone 2, then the

Acres exceeding such total shall be taxed as set forth in Section D. The CFD Administrator will irrevocably assign tax-exempt status for these Acres in the chronological order in which property becomes Public Property or Association Property.

No special tax shall be levied on Assessor Parcels in a Final Subdivision that lie within Community Facilities District No. 90-1 of the City of Corona.

F. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 01-1 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels having delinquent Special Taxes as permitted by the Act.

G. APPEALS

Any landowner or resident who feels that the amount of the Special Tax levied on their Assessor's Parcel is in error may submit a written appeal to CFD No. 01-1. The CFD Administrator shall review the appeal and if the CFD Administrator concurs, the amount of the Special Tax levied shall be appropriately modified.

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

H. PREPAYMENT OF SPECIAL TAX

The Special Tax levied against Developed Property, Taxable Public Property, and Taxable Association Property may be prepaid. The prepayment amount for an Assessor's Parcel will be equal to the present value of the Maximum Special Tax applicable to such Assessor's Parcel, using a discount rate that is equal to the yield on the Bonds and the remaining term of the Bonds. For any prepayment that occurs prior to the issuance of Bonds, the discount rate used in this calculation shall be 6.15% and the term shall be over which the Special Tax may be levied as provided for in Section I.

Any unpaid Special Taxes, interest, and penalties which have been entered on the Assessor's tax roll that apply to an Assessor's Parcel for which prepayment is sought, shall be paid in addition to the amount determined in the preceding paragraph at the date of prepayment.

I. TERM OF THE SPECIAL TAX

For each year that any Bonds are outstanding the Special Tax shall be levied on all Assessor's Parcels subject to the Special Tax. If any delinquent Special Taxes remain uncollected prior to or after all Bonds are retired, the Special Tax may be levied to the extent necessary to reimburse Improvement Area A of CFD No. 01-1 for uncollected Special Taxes associated with the levy of such Special Taxes, but not later than the 2035-36 Fiscal Year.

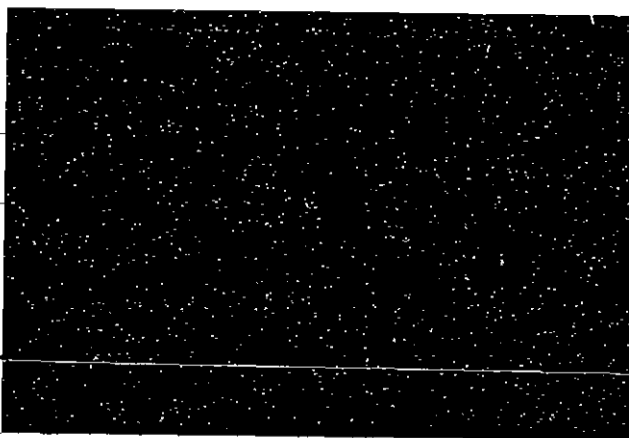


Exhibit "A-2"

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 01-1
CORONA-NORCO UNIFIED SCHOOL DISTRICT**

(IMPROVEMENT AREA B)

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in Improvement Area B of Community Facilities District No. 01-1 of the Corona-Norco Unified School District ("CFD No. 01-1") and collected each Fiscal Year, in an amount determined by the Board of Education of the Corona-Norco Unified School District (the "Board" or the "District") through the application of the appropriate Special Tax for "Developed Property," "Undeveloped Property," "Taxable Association Property," and "Taxable Public Property" as described below. All of the real property within Improvement Area B of CFD No. 01-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

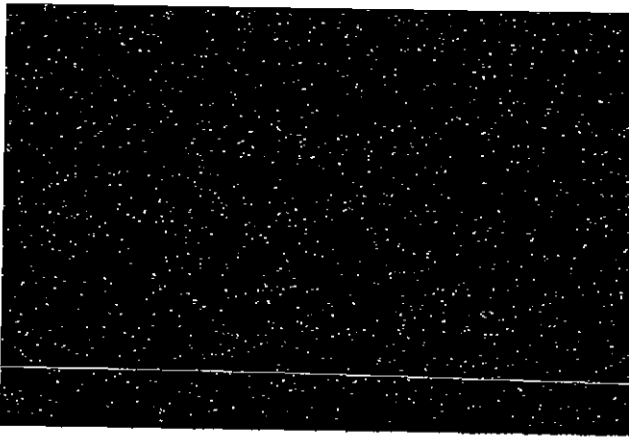
A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

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

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1 of Division 2 of Title 5 of the California Government Code of the State of California.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 01-1 and allocable to Improvement Area B: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the District, CFD No. 01-1, or a designee thereof); the costs of collecting the Special Taxes (whether by the District or otherwise); the costs of remitting the Special Taxes to the fiscal agent or trustee; the costs of the fiscal agent or trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the District, CFD No. 01-1 or any designee thereof of complying with arbitrage rebate requirements; the costs to the District, CFD No. 01-1 or any designee thereof of complying with District, CFD No. 01-1 or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the District, CFD No. 01-1 or any designee thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account. Administrative Expenses shall also include amounts advanced by the District or CFD No. 01-1 for any other administrative purposes of CFD No. 01-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent



Special Taxes.

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

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

"Association Property" means any property owned by, irrevocably offered or dedicated to, or for which an easement for purposes of right of way has been granted to a property owner association, including any master or sub-association.

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

"Backup Special Tax" means the Special Tax amount set forth in Section C.1.b. below.

"Bonds" means any bonds or other indebtedness (as defined in the Act) secured by the levy of Special Taxes within Improvement Area B of CFD No. 01-1.

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

"Development Phase of Tract 29000" means the specific geographic boundaries or phase areas as identified on Tract Map No. 29000.

"Developed Property" means all Assessor's Parcels, exclusive of Taxable Association Property and Taxable Public Property, for which a building permit has been issued as of June 30 of the Fiscal Year preceding the Fiscal Year for which Special Taxes are being levied.

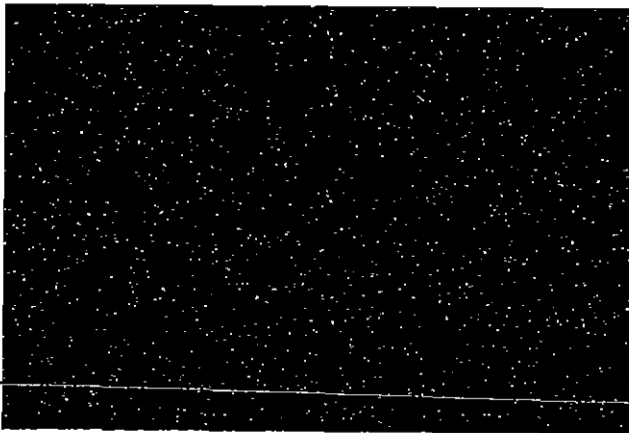
"Final Subdivision" means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual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

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

"Improvement Area B" means Improvement Area B as depicted on the boundary map of CFD No. 01-1

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Land Use Category" means any of the categories listed in Table 1.



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

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit was issued for a non-residential use.

"Public Property" means property owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public right-of-way has been granted to the federal government, the State of California, the County of Riverside, or the City of Corona or any local government or other public agency, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

"Proportionately" means for Developed Property that the ratio of the actual Special Tax levy to the Assigned Special Tax is the same for all Assessors' Parcels of Developed Property. For Undeveloped Property, "Proportionately" means that the ratio of the actual Special Tax levy per acre to the Maximum Special Tax per acre is the same for all Assessor's Parcels of Undeveloped Property.

"Residential Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for purposes of constructing one or more residential dwelling units.

"Special Tax" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement.

"Special Tax Requirement" means for Improvement Area B that amount required in any Fiscal Year for CFD No. 01-1 to: (i) pay debt service on all outstanding Bonds; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay Administrative Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for the outstanding Bonds; (v) pay directly or accumulate funds for the acquisition or construction of facilities to the extent that the inclusion of such amount does not increase the special tax levy on Undeveloped Property; less (vi) a credit for funds available to reduce the annual Special Tax levy as determined pursuant to the Indenture.

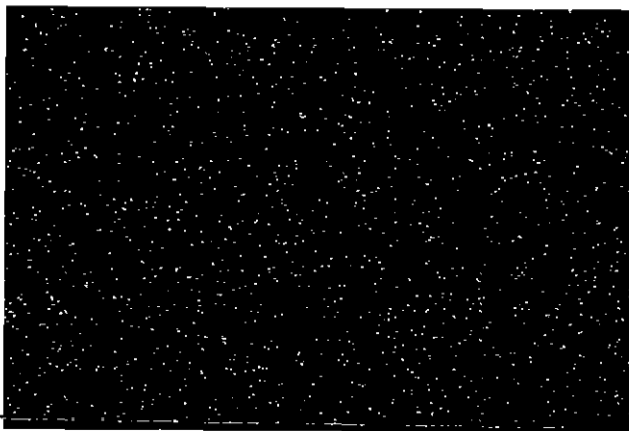
"Taxable Property" means all of the Assessor's Parcels within Improvement Area B of CFD No. 01-1 which are not exempt from the Special Tax pursuant to law or Section E below.

"Taxable Association Property" means all Association Property which is not exempt from the Special Tax pursuant to Section E below.

"Taxable Public Property" means all Public Property which is not exempt from the Special Tax pursuant to Section E below.

"Tax Zone" means Tax Zone 1 or Tax Zone 2 within Improvement Area B of CFD No. 01-

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1.

"Tax Zone 1" means the area within Improvement Area B which corresponds to tract map no. 29000 as depicted on the boundary map of CFD No. 01-1.

"Tax Zone 2" means the area within Improvement Area B which corresponds to tract map no. 27916 and 29580 as depicted on the boundary map of CFD No. 01-1.

"Undeveloped Property" means all Taxable Property not classified as Developed Property, exclusive of Taxable Association Property and Taxable Public Property.

B. ASSIGNMENT TO CLASS AND LAND USE CATEGORY

Each Fiscal Year, all Taxable Property within each Tax Zone shall be classified as Developed Property, Undeveloped Property, Association Property, or Public Property and shall be subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment as determined pursuant to Sections C and D below. Developed Property which satisfies the criteria for Residential Property and Non-Residential Property shall be assigned thereto. Association Property and Public Property which is not exempt from the Special Tax shall be assigned to Taxable Association Property and Taxable Public Property, respectively.

For purposes of determining the applicable Table 1 Assigned Special Tax for Developed Property within Tax Zone 1, each Assessor's Parcel of Residential Property shall be assigned to one of the categories in Land Use Category 1 through 3 based on its location within the Development Phase of Tract 29000 and each Assessor's Parcel of Non-Residential Property shall be assigned to the Land Use Category 4.

For purposes of determining the applicable Table 1 Assigned Special Tax for Developed Property within Tax Zone 2, each Assessor's Parcel of Residential Property shall be assigned to Land Use Category 1 and each Assessor's Parcel of Non-Residential Property shall be assigned to Land Use Category 2.

C. MAXIMUM SPECIAL TAX RATE

1. Developed Property

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the applicable Table 1 Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax.

a. Assigned Special Tax

The Assigned Special Tax for each Land Use Category within the applicable Tax Zone of Improvement Area B of CFD No. 01-1 is shown in Table 1 below.

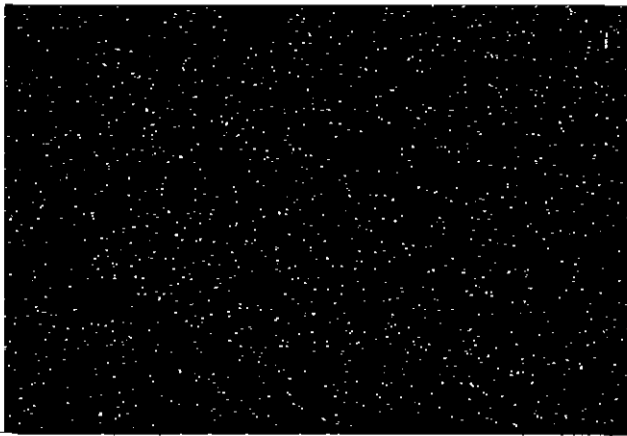


TABLE 1

**Assigned Special Taxes for Developed Property
Community Facilities District No. 01-1**

Tax Zone	Land Use Category	Taxable Unit	Development Phase of Tract 29000	Assigned Special Tax Per Taxable Unit
1	1 - Residential	D/U	Phase 5	\$3,200
	2 - Residential	D/U	Phases 3 & 4	\$2,400
	3 - Residential	D/U	Phases 1 & 2	\$2,240
	4 - Non-Residential	Acre	N/A	\$7,828
2	1 - Residential	D/U	N/A	\$1,800
	2 - Non-Residential	Acre	N/A	\$9,948

b. Backup Special Tax

The Backup Special Tax attributable to each Acre of a Final Subdivision within each applicable Tax Zone is equal to the applicable amount shown in Table 2.

TABLE 2

**Backup Special Tax for
Community Facilities District No. 01-1**

Tax Zone	Project Name	Tentative Subdivision Tract No.	Backup Special Tax Per Acre
1	Triple M	29000	\$7,828
2	Triple M & Blackmon Homes	27916 & 29580	\$9,948

The Backup Special Tax attributable to a Final Subdivision within each applicable Tax Zone is equal to the Backup Special Tax per Acre shown in Table 2 multiplied by the Acreage of all Taxable Property, exclusive of any Taxable Association Property and Taxable Public Property, within such Final Subdivision. If a Final Subdivision within each applicable Tax Zone includes Assessor's Parcels of Taxable Property for which building permits for both residential and non-residential construction may be issued, exclusive of Taxable Association Property and Taxable Public Property, then the Backup Special Tax for each Assessor's Parcel of Residential Property within such Tax Zone shall be computed exclusive of the Acreage and Assessor's Parcels of property for which building permits for non-residential construction may be issued.

The Backup Special Tax for each Assessor's Parcel of Residential Property in a Final Subdivision, shall be computed by dividing the aggregate Backup Special Tax attributable to the Assessor's Parcels of Taxable Property for which building



permits for residential construction have or may be issued as determined in the preceding paragraph, by the number of such Assessor's Parcels (i.e., the number of residential lots) within such Final Subdivision.

The Backup Special Tax for each Assessor's Parcel of Non-Residential Property in a Final Subdivision shall be equal to the applicable Backup Tax Per Acre shown in Table 2 multiplied by the Acreage of such Assessor's Parcel within such Final Subdivision.

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

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

c. Release of Obligation to Pay and Disclose Backup Special Tax

All Assessors' Parcels within Improvement Area B will be relieved simultaneously and permanently from the obligation to pay and disclose the Backup Special Tax if the CFD Administrator determines that the annual debt service required for the outstanding Bonds, when compared to the Table 1 Special Taxes that may be levied against all Assessors' Parcels of Developed Property within Improvement Area B securing such outstanding Bonds result in 110% debt service coverage (i.e., the Table 1 Special Taxes that may be levied against all Developed Property in each remaining Fiscal Year based on then existing development in Improvement Area B securing such outstanding Bonds is at least equal to the sum of 1.10 times maximum annual debt service, in each remaining Fiscal Year on the outstanding Bonds).

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

The Maximum Special Tax for Undeveloped Property, Taxable Association Property and Taxable Public Property shall be \$7,828 per Acre for Tax Zone 1, and \$9,948 per Acre

for Tax Zone 2.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2001-2002 and for each following Fiscal Year, the Board shall determine the Special Tax Requirement and shall levy the Special Tax until the amount of Special Taxes equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax as needed to satisfy the Special Tax Requirement;

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

Third: If additional moneys are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax to be levied on each Assessor's Parcel of Developed Property whose Maximum Special Tax is derived by the application of the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such Assessor's Parcel;

Fourth: If additional moneys are needed to satisfy the Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Association Property and Taxable Public Property up to the applicable Maximum Special Tax.

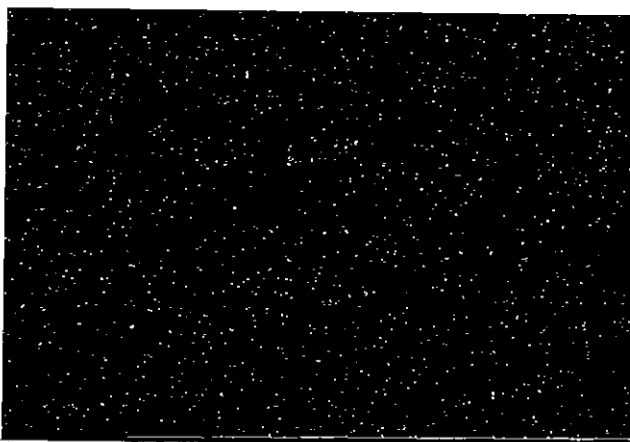
Notwithstanding the above, under no circumstances will the Special Taxes levied against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent (10%) per Fiscal Year as a consequence of delinquency or default by the owner of any other Assessor's Parcel within Improvement Area B.

E. EXEMPTIONS

No Special Tax shall be levied on up to 117.06 Acres in Tax Zone 1, and 1.29 Acres in Tax Zone 2 of: (i) Public Property or (ii) Association Property. If the total Acres of Public Property and Association Property exceeds 117.06 Acres in Tax Zone 1, and 1.29 Acres in Tax Zone 2, then the Acres exceeding such total shall be taxed as set forth in Section D. The CFD Administrator will irrevocably assign tax-exempt status for these Acres in the chronological order in which property becomes Public Property or Association Property.

F. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 01-1 may directly bill the Special



Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels having delinquent Special Taxes as permitted by the Act.

G. APPEALS

Any landowner or resident who feels that the amount of the Special Tax levied on their Assessor's Parcel is in error may submit a written appeal to CFD No. 01-1. The CFD Administrator shall review the appeal and if the CFD Administrator concurs, the amount of the Special Tax levied shall be appropriately modified.

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

H. PREPAYMENT OF SPECIAL TAX

The Special Tax levied against Developed Property, Taxable Public Property, and Taxable Association Property may be prepaid. The prepayment amount for an Assessor's Parcel will be equal to the present value of the Maximum Special Tax applicable to such Assessor's Parcel, using a discount rate that is equal to the yield on the Bonds and the remaining term of the Bonds. For any prepayment that occurs prior to the issuance of Bonds, the discount rate used in this calculation shall be 6.15% and the term shall be over which the Special Tax may be levied as provided for in Section I.

Any unpaid Special Taxes, interest, and penalties which have been entered on the Assessor's tax roll that apply to an Assessor's Parcel for which prepayment is sought, shall be paid in addition to the amount determined in the preceding paragraph at the date of prepayment.

I. TERM OF THE SPECIAL TAX

For each year that any Bonds are outstanding the Special Tax shall be levied on all Assessor's Parcels subject to the Special Tax. If any delinquent Special Taxes remain uncollected prior to or after all Bonds are retired, the Special Tax may be levied to the extent necessary to reimburse Improvement Area B of CFD No. 01-1 for uncollected Special Taxes associated with the levy of such Special Taxes, but not later than the 2035-36 Fiscal Year.

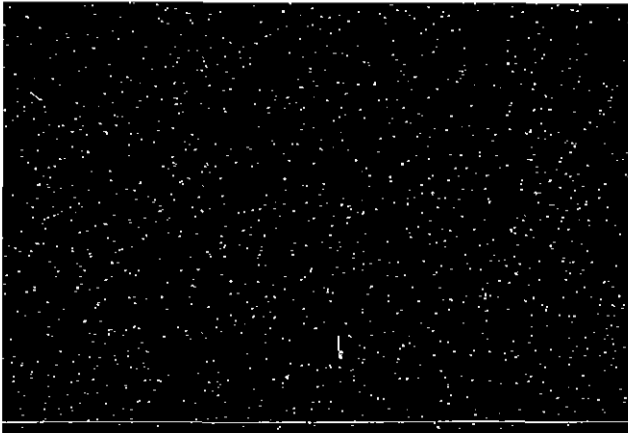


EXHIBIT "B"

DESCRIPTION OF LANDOWNER

<u>LANDOWNER</u>	<u>APN</u>
Summit Grove Estates, LLC c/o Woodbridge Development 27285 Las Ramblas, Suite 230 Mission Viejo, CA 92691-6325	114-190-001-1 114-190-007-7
Woodbridge Corona Estates, LLC c/o Woodbridge Development 27285 Las Ramblas, Suite 230 Mission Viejo, CA 92691-6325	116-090-001-6 116-040-051-6
Woodbridge Somerset Estates, LLC c/o Woodbridge Development 27285 Las Ramblas, Suite 230 Mission Viejo, CA 92691-6325	Recorded Lot Nos. 8, 9, 10, 14, 15, 16
Triple M Property 75 Malaga Cove, #11 Palos Verdes, CA 90274	279-220-005-1 279-220-004-0 279-220-002-8 116-090-005-0 116-090-009-4 116-090-003-8
Corona Taber, LLC c/o Blackmon Homes, Inc. 2900 Adams Street, Suite C-13 Riverside, CA 92504	120-390-012-4
Blackmon Homes, Inc. 2900 Adams Street, Suite C-13 Riverside, CA 92504	113-202-021-8 113-202-022-9 113-202-023-0 113-202-024-1 113-202-025-2 113-202-026-3 113-203-001-3 113-203-002-4 113-203-003-5 113-203-004-6 113-204-001-6 113-204-002-7 113-204-003-8 113-204-004-9 113-204-005-0 113-204-006-1



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