
**FIRST AMENDED AND RESTATED
JOINT COMMUNITY FACILITIES AGREEMENT**

among

**CAPISTRANO UNIFIED SCHOOL DISTRICT,
COMMUNITY FACILITIES DISTRICT NO. 2005-1 OF
CAPISTRANO UNIFIED SCHOOL DISTRICT (WHISPERING HILLS),
CITY OF SAN JUAN CAPISTRANO,
RANCHO SAN JUAN DEVELOPMENT LLC**

and

WHISPERING HILLS, LLC

**FIRST AMENDED AND RESTATED
JOINT COMMUNITY FACILITIES AGREEMENT
AMONG CAPISTRANO UNIFIED SCHOOL DISTRICT,
COMMUNITY FACILITIES DISTRICT NO. 2005-1 OF
CAPISTRANO UNIFIED SCHOOL DISTRICT (WHISPERING
HILLS), CITY OF SAN JUAN CAPISTRANO, RANCHO SAN JUAN
DEVELOPMENT LLC AND WHISPERING HILLS, LLC**

THIS FIRST AMENDED AND RESTATED JOINT COMMUNITY FACILITIES AGREEMENT AMONG CAPISTRANO UNIFIED SCHOOL DISTRICT, COMMUNITY FACILITIES DISTRICT NO. 2005-1 OF CAPISTRANO UNIFIED SCHOOL DISTRICT (WHISPERING HILLS), CITY OF SAN JUAN CAPISTRANO, RANCHO SAN JUAN DEVELOPMENT LLC AND WHISPERING HILLS, LLC. ("F/A JCFA") is entered into effective as of the ____ day of _____, 2011 ("Effective Date"), by and among the CAPISTRANO UNIFIED SCHOOL DISTRICT, of Orange County, California, a school district organized under the laws of the State of California ("School District" and "State"), COMMUNITY FACILITIES DISTRICT NO. 2005-1 (WHISPERING HILLS), a community facilities district formed and operating pursuant to State laws including the Act (as defined below) ("CFD No. 2005-1"), the CITY OF SAN JUAN CAPISTRANO, a general law city ("City"), RANCHO SAN JUAN DEVELOPMENT LLC, a Delaware limited liability company ("Landowner") and WHISPERING HILLS, LLC, a Delaware limited liability company ("Prior Owner"), individually "Party" and in some instances referred to herein collectively as the "Parties."

R E C I T A L S

A. The City, School District and Landowner's predecessor-in-interest, Prior Owner, entered into that certain Joint Community Facilities Agreement among Capistrano Unified School District and City of San Juan Capistrano and Whispering Hills, LLC relating to Community Facilities District No. 2005-1 of the Capistrano Unified School District (Whispering Hills) as of July 1, 2005 ("JCFA"), with respect to proposed CFD No. 2005-1. CFD No. 2005-1 has now been formed, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Government Code Section 53311 *et seq.* ("Act"), as to the property described on Exhibit "A," and is added hereto as a Party. Prior Owner has assigned the JCFA to Landowner and conveyed to Landowner all of the property listed in Exhibit A hereto ("Property") and the Property is included in CFD No. 2005-1.

B. Landowner has requested that CFD No. 2005--1 conduct proceedings to consider reducing the "Special Taxes" of CFD No. 2005.1, pursuant to the Act, which proceedings were terminated by CFD No. 2005-1 as required by applicable law, but concurrently were reinitiated by CFD No. 2005-1 and are now pending ("S/T Revision Proceedings"), which if completed as proposed by Landowner, will reduce the Special Taxes and the amount of bonds to be issued by CFD No. 2005-1. In conjunction with the S/T Revision Proceedings, the School District, CFD No. 2005-1, Landowner, and Prior Owner expect to enter into a First Amended Impact Mitigation Agreement related to the Whispering Hills Project and Community Facilities District No. 2005-1 ("F/A Agreement"), which will, among other matters, specify the parameters for issuance of two series of bonds of CFD No. 2005-1 ("Bonds") to finance School Facilities as described and defined in the F/A Agreement, payment of the "Incremental Payment Obligation" provided for in the F/A Agreement and City Facilities (defined below). The City, School District, CFD No. 2005-1, Prior

Owner and Landowner intend to enter into this F/A JCFA to supersede the JCFA concurrent with the execution of the F/A Agreement. This F/A JCFA shall become effective ("Effective Date") on the same conditions and date as the F/A Agreement.

C. Landowner is the owner and developer of the Property and has obtained the necessary development approvals ("City Entitlements") to construct approximately 155 residential "Dwelling Units" on the Property ("Project"), and to provide the required infrastructure for such Dwelling Units, as described in Exhibit "B" prepared by David Taussig & Associates ("Special Tax Administrator for CFD No. 2005-1") based on information provided by Landowner. CFD No. 2005-1 has been authorized, pursuant to the Act, to finance School Facilities as described in the F/A Agreement, certain roadway, water, sewer, storm drain and other public improvements that are included in City fee programs described in Exhibit "C" hereto ("City Fee Facilities") and other improvements, described on Exhibit "C" that have been constructed by the Prior Owner, or in the future may be constructed by Landowner and acquired by City, to be owned and operated by the City ("Acquisition Facility(ies)"). The City Fee Facilities are to be provided in lieu of the payment of certain fees imposed by the City as a condition of development of the Project ("City Fees"). Additional capital improvements of the City that are to be constructed by the City and that relate to needs created by development of the Project may also be financed through CFD No. 2005-1 ("Additional City Facilities"). The Additional City Facilities, together with the Acquisition Facility(ies) and City Fee Facilities, are collectively referred to herein as the "City Facilities." Proceeds of Special Taxes and Bonds to be provided to City for City Facilities shall be provided pursuant to this F/A JCFA, so long as consistent with applicable law, including the Act, federal law relating to use of proceeds of tax-exempt bonds for capital facilities, not services, maintenance or repair, and Landowner shall comply with the applicable provisions of Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code ("Labor Compliance Requirements" and "LCR").

D. The cost of the School Facilities were determined at the time of formation of CFD No. 2005-1 to be funded by a larger share of the proceeds of the Special Taxes and Bonds of CFD No. 2005-1 than the City Facilities. Such is determined to be the case as to this F/A JCFA, therefore the School District was determined, and is hereby determined, to be the governing body for the administration, levy of Special Taxes, and issuance of Bonds of CFD No. 2005-1.

E. The provision of the School Facilities and the City Facilities is necessitated by the development of the Project within CFD No. 2005-1 and the Parties hereto find and determine that the residents of the City, the School District, and CFD No. 2005-1 will be benefited by the construction and/or acquisition of the City Facilities and the School Facilities, and as such, this F/A JCFA is beneficial to the interests of such residents of the City and the School District.

F. The Parties hereto intend to have CFD No. 2005-1, to the extent provided in the F/A Agreement and this F/A JCFA, assist in funding the City Facilities based on amounts which will vary depending on the interest rate at which the Bonds are issued as shown on Exhibit "B" and as provided in the F/A Agreement and applicable law, including the Act and federal law pertaining to use of proceeds of the Bonds.

G. The City is authorized by Section 53313.5 of the Act to assist in the financing of the acquisition and/or construction of the City Facilities and the School District is authorized to assist in the financing of the School Facilities. This Agreement constitutes an amended joint community

facilities agreement, within the meaning of Section 53316.2 of the Act, by and among the City, Prior Owner, Landowner, CFD No. 2005-1, and the School District, pursuant to which CFD No. 2005-1 was and is authorized to finance the construction and/or acquisition of the City Facilities to the extent and as provided in this F/A JCFA and the F/A Agreement. As authorized by Section 53316.6 of the Act, responsibility for constructing, providing and operating the School Facilities is agreed to be the function of the School District and responsibility for constructing, providing for and operating the City Facilities is agreed to be the function of the City.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties hereto agree as follows:

1. Recitals. Each of the above recitals is incorporated herein and is true and correct.
2. S/T Revision Proceedings. At the request of Landowner, CFD No. 2005-1 has initiated proceedings to consider reducing the Special Taxes of CFD No. 2005-1.

3. Sale of Bonds and Use of Proceeds.

(a) (a) The issuance and sale of Bonds and allocation of proceeds of the Special Taxes of CFD No. 2005-1 and proceeds of the Bonds shall be as set forth in the F/A Agreement and this F/A JCFA. CFD No. 2005-1 shall maintain records consistent with generally accepted accounting procedures as determined by CFD No. 2005-1 relating to the disbursements of proceeds of the Special Taxes and the proceeds of the sale of each series of the Bonds.

(b) (b) Pursuant to the F/A Agreement, Special Taxes shall be levied on property within CFD No. 2005-1 prior to the issuance of all Bonds of CFD No. 2005-1 to finance School Facilities and City Facilities. Of the amount of such Special Taxes collected by CFD No. 2005-1 and deposited in the "Special Fund" established pursuant to the F/A Agreement, 60% shall be disbursed to finance School Facilities and 40% shall be disbursed to finance City Facilities. On the first business day following each March 1 and September 1, CFD No. 2005-1 shall disburse to City an amount equal to 40% of the amount then on deposit in the Special Fund. Of such amount disbursed to the City, 88% shall be disbursed by City in the priority specified in Section 4(c) below and 12% shall be used by the City to fund Additional City Facilities.

(c) (c) Each series of Bonds shall be issued pursuant to a fiscal agent agreement, trust indenture or similar document ("Indenture"). The Indenture shall establish a City Facilities Account ("City Facilities Account") into which the proceeds of each series of Bonds (to the extent provided in the F/A Agreement) shall be deposited to finance all or a portion of the City Facilities listed in Exhibit C, in the amounts and to the extent provided in the F/A Agreement. Landowner acknowledges that City shall not be liable for CFD No. 2005-1's failure to issue Bonds or the failure to issue Bonds in an amount sufficient to pay for all or any part of the School Facilities and City Facilities. In no event will an act, or an omission or failure to act, excepting only an event of willful misconduct, by the City with respect to the disbursement or nondisbursement of funds pursuant to this F/A JCFA or by CFD No. 2005-1 with respect to the provision of any other funding for the School Facilities or the City Facilities subject the City to liability hereunder.

4. Disbursements.

(a) Landowner acknowledges that neither the City, School District nor CFD No. 2005-1 has any obligation to pay any amount with respect to City Facilities except as to the amount available in the Special Fund and City Facilities Account from time to time, regardless of the cost of the City Facilities, nor will the unavailability of such funds reduce the amounts owed by Landowner to City with respect to City Facilities. The proceeds of the Bonds designated for the City Facilities, to the extent provided in the F/A Agreement and this F/A JCFA, shall be held by the fiscal agent or trustee for the Bonds ("Fiscal Agent") in the City Facilities Account, which shall be a separate account. Funds in the City Facilities Account shall be invested by the Fiscal Agent, as determined by the Fiscal Agent, and earn and accumulate interest thereon as provided in the applicable Indenture. Funds in the City Facilities Account shall be available to finance the City Facilities, as provided for in this F/A JCFA, except to the extent CFD No. 2005-1 determines interest earnings must be rebated to the United States in accordance with the Internal Revenue Code of 1986, as amended. Landowner agrees that City shall be entitled to receive an amount equal to 12% of the total amount deposited in the City Facilities Account with respect to each series of Bonds for Additional City Facilities ("Additional City Facilities Amount"). City agrees that the provisions of this F/A JCFA with respect to the funding to be provided from the Special Fund and City Facilities Account for Additional City Facilities shall fully satisfy the provisions of Section 6.7 of that certain "Amended Development Agreement for Whispering Hills Estates" by and between the City and Landowner dated July 16, 2009. The foregoing has no applicability to School District nor CFD No. 2005-1.

(b) The Fiscal Agent shall make disbursements to City from the City Facilities Account in accordance with the terms of this F/A JCFA and the Indenture. Neither the School District nor CFD No. 2005-1 shall be responsible to the City for costs incurred by the City as a result of withheld or delayed payments.

(c) The City agrees that prior to requesting payment from CFD No. 2005-1 relating to City Fee Facilities and Additional City Facilities it shall review, verify, and approve all costs included in its request and (a) will have already paid such costs of City Fee Facilities and Additional City Facilities from its own funds or shall have prepared a check for disbursement which will be mailed or hand delivered within 48 hours of receipt of CFD No. 2005-1 funds, (b) or will have already encumbered the funds requested and will trace and remit to CFD No. 2005-1 all earnings, if any, by the City in excess of the yield on the applicable Bonds accruing from the investment of the proceeds of the Bonds requested, from the date of receipt of such proceeds by the City to the date of expenditure by the City of such proceeds for verified legitimate capital costs of the City Fee Facilities or Additional City Facilities as herein described, and (c) City Fee Facilities and Additional City Facilities for which payment is requested, pursuant thereto were or will be constructed in accordance with applicable law, including the LCR. Such remittance, if any, shall occur on the earlier of the date of expenditure of such proceeds or each anniversary date of the transfer of such proceeds from CFD No. 2005-1 to the City. The City agrees that in processing the above disbursements it will comply with all applicable law for the expenditure of Bond proceeds including the Act, as amended, the Internal Revenue Code of 1986, and any amendments thereto. Prior Owner and Landowner have advanced to the City amounts for certain City Fee Facilities pursuant to the JCFA, as specified in Exhibit "C." Consequently, as between Landowner and City, the first priority for the disbursement of funds received from the Special Fund in accordance with Section 3(b) above and from the City Facilities Account shall be those amounts previously

advanced, amounts attributable to the Additional City Facilities as provided herein, and upon City's receipt of the disbursement of funds from the City Facilities Account and the Special Fund, Landowner shall be reimbursed and repaid for its prior advances by the City in an amount equal to 88% of such disbursements and City shall retain 12% of such disbursement for Additional City Facilities. If Landowner or its designee is required to advance additional funds to the City for City Fee Facilities to the extent herein provided prior to the availability of sufficient funds in the Special Fund or the City Facilities Account, such advances shall be reimbursed by City to Landowner at the time, and only to the extent, funds in an equal amount are disbursed to the City for City Fee Facilities in satisfaction of the corresponding City Fees from the Special Fund or City Facilities Account. City and Prior Owner acknowledge that the City has no obligation to reimburse the Prior Owner for any amounts provided for in this F/A JCFA.

(d) The City agrees to maintain adequate internal controls over its payment function and to maintain accounting records in accordance with generally accepted accounting procedures. The City will, upon request, provide to CFD No. 2005-1 its annual financial report certified by an independent certified public accountant for purposes of calculating CFD No. 2005-1's arbitrage rebate obligations, if any. CFD No. 2005-1 shall have the right to conduct its own audit of the City's records at reasonable times and during normal business hours.

(e) The City shall submit a request for payment for City Fee Facilities to CFD No. 2005-1 to send to the Fiscal Agent, which shall be in the form attached hereto as Exhibit "D", shall be signed on behalf of CFD No. 2005-1 by the Deputy Superintendent, Business Support Services of School District or written authorized designee and by the City Manager or written authorized designee of City, and shall be for the exact amount paid or encumbered or to be disbursed as provided in paragraph (c) above by the City for City Fee Facilities costs. At the same time as the City submits a payment request to CFD No. 2005-1 pursuant to this Section 4(e) or a payment request pursuant to Section 5(d) below, it may also submit a payment request for Additional City Facilities to the extent, and as limited by this F/A JCFA, including not by way of limitation, Recital C above and Exhibit "C," in an amount equal to 25% of the amount in such other payment request, but only until the amount disbursed to the City with respect to the applicable series of Bonds equals the Additional City Facilities Amount. Upon receipt of an approved payment request by CFD No. 2005-1 and City completed in accordance with the terms of this F/A JCFA, the Fiscal Agent shall wire transfer such portion of requested funds as are then available for release from the City Facilities Account pursuant to the Indenture to the City's bank account, as directed by the City. If there are insufficient funds available in the City Facilities Account to pay the entire amount requested, the unfunded amount shall be paid as soon as possible following the deposit of additional funds in the City Facilities Account. If more than one payment request has been submitted, the Fiscal Agent shall make payment on all payment requests from available funds in proportion to the total amount submitted.

(f) The provisions of this F/A JCFA shall in no way relieve the Landowner from the payment of any fees charged by the City. If the City Fees which would otherwise be due to the City from the Project ultimately are determined to be less than the amounts, if any, deposited in the City Facilities Account, the Landowner shall not be entitled to any rebate or other credit or consideration, it being intended that the amount deposited in the City Facilities Account be applied solely as a credit up to the amount of the total City Fees otherwise due with respect to the Project, and the Landowner bears the risk that the total of such City Fees are less than the amount deposited in the City Facilities Account. Any deposit to the City Facilities Account shall in no way fix the

amount of the City Fees due with respect to the Project, and any increase in City Fees from and after the date of this F/A JCFA shall be taken into account in determining the amount of the credit to be given pursuant to this F/A JCFA, except as may have otherwise been agreed to by the City and the Landowner. If the total City Fees due with respect to the Project are greater than the amounts, if any, deposited to the City Facilities Account, the excess shall be charged to the Landowner in the same manner that such City Fees would be charged by the City in the absence of this F/A JCFA. This F/A JCFA shall in no way be construed as a deferral of any City Fee otherwise due with respect to the Project and amounts remaining in the City Facilities Account when it is closed, if any, shall be transferred as provided in Section 8.4 of the F/A Agreement.

5. City Acquisition of Acquisition Facility(ies).

(a) Plans and Specifications. Landowner shall be responsible for the preparation of the plans and specifications (“Plans and Specifications”) for each Acquisition Facility(ies) described in Exhibit C, which shall relate to the need created by development of the Project. The Plans and Specifications shall conform to the requirements of the City for the Acquisition Facility(ies) and shall be subject to the review and approval by the City.

(b) Construction and Inspection of the Acquisition Facility(ies). Each Acquisition Facility(ies) shall be constructed in accordance with the Plans and Specifications as approved by the City. Landowner shall be solely responsible for the bidding, contracting and construction of the Acquisition Facility(ies) and each Acquisition Facility that is acquired with the proceeds of the Bonds shall be bid, contracted and constructed in accordance with the requirements set forth in this Section 5. Neither School District nor CFD No. 2005-1 shall have any responsibility whatsoever for the bidding, contracting and/or construction of the Acquisition Facility(ies). The construction of each Acquisition Facility shall be subject to inspection by the City. Upon the request of Landowner, the City shall notify CFD No. 2005-1 and Landowner in writing when the Acquisition Facility(ies) has been substantially completed in accordance with the Plans and Specifications and when the Acquisition Facility(ies) has been finally completed and is ready for acceptance by the City Engineer. In order for Acquisition Facility(ies) to be eligible to be financed with the proceeds of the Bonds, Prior Owner and Landowner shall have complied with and shall prospectively comply with the following conditions precedent: (i) City shall approve the Plans and Specifications and the construction bid documents, (ii) the contractor to whom the construction contract is awarded shall comply with the LCR and pay not less than the prevailing rates of wages for all construction work pursuant to Labor Code Sections 1770, 1773 and 1773.1, and (iii) the construction contract shall be awarded, on the basis of competitive bids, to the lowest, responsible bidder. City, Prior Owner and/or Landowner shall affirm and warrant that Landowner’s compliance with all provisions of this Section 5(b) ensures that the Acquisition Facility(ies) to be acquired with the proceeds of the Bonds is consistent with the Act, the LCR, and shall be constructed as if it had been constructed by the City.

For purposes of this Agreement, an Acquisition Facility(ies) shall be deemed “substantially completed” when Landowner has notified the City that the Acquisition Facility(ies) has been completed in accordance with its Plans and Specifications, the City’s inspector has inspected the facility, prepared a final “punch list” and has determined that the punch list items required to be completed are items not required for the safe operation of the Acquisition Facility(ies) and can therefore be completed after the Acquisition Facility(ies) has been accepted by the City, and provision has been made to the City’s satisfaction for completion of such items.

For purposes of this Agreement, “final completion” of the Acquisition Facility(ies) shall be deemed to have occurred, when all punch list items have been completed to the satisfaction of the City and all contractors and subcontractors constructing the grading improvements shall have provided lien and material releases.

(c) Acquisition and Ownership of the Acquisition Facility(ies). Upon receipt by CFD No. 2005-1 of notification by the City that an Acquisition Facility(ies) has been completed in accordance with the provisions hereof, the Acquisition Facility(ies) shall be deemed eligible for acquisition by the City. Simultaneously upon acquisition of the Acquisition Facility(ies) by the City, title to the land or, if acceptable to the City, an irrevocable offer of dedication of the land, underlying the Acquisition Facility(ies) shall be conveyed to the City if such title or irrevocable offer of dedication has not previously been conveyed to the City.

Neither the School District, CFD No. 2005-1 nor the City is directly or indirectly obligated, indebted or otherwise liable for the payment of the “Acquisition Price,” or any portion thereof, of the Acquisition Facility(ies).

Upon acceptance of the Acquisition Facility(ies) by the City, the City shall incorporate the Acquisition Facility(ies) in the City’s public works system. Following the expiration of any warranty period applicable to the construction of the Acquisition Facility(ies) during which warranty period Landowner shall be responsible for the maintenance of the Acquisition Facility(ies), the City shall thereafter be responsible for the maintenance of the Acquisition Facility(ies) in accordance with all applicable City maintenance procedures and practices.

(d) Payment Requests. The form of payment request to be submitted by Landowner to City and by City to CFD No. 2005-1 in requesting payment by the District of the Acquisition Price with respect to an Acquisition Facility(ies) shall be substantially in the form of Exhibit D-1 hereto. The Acquisition Price of an Acquisition Facility(ies) shall include all actual costs and expenses relating to the planning, design, engineering, construction and inspection of the Acquisition Facility(ies) substantiated to the reasonable satisfaction of City. Within ten (10) business days of Landowner’s submission to City of a payment request, City shall determine if the Acquisition Facility(ies) has been finally completed and shall either deny or approve the payment request and send it to CFD No. 2005-1, which approval shall not be unreasonably withheld. If City denies any payment request it shall provide Landowner a detailed written explanation describing the reasons or rational for such denial. All denied payment requests may be resubmitted for approval. Landowner shall reimburse City for its actual costs incurred in connection with the processing of such payment requests, including the inspection of the Acquisition Facility(ies) and such amounts shall be included in the Acquisition Price paid from the City Facilities Account. The City shall send approved payment requests to CFD No. 2005--1, which within ten (10) business days will forward such request to the Fiscal Agent. The Fiscal Agent shall wire transfer the amount of the approved Acquisition Price to the City as designated by City. City will in turn make payment to Landowner as specified in the payment request. The sole source of funds for payment of the Acquisition Price of an approved Acquisition Facility(ies) shall be the funds on deposit in the City Facilities Account and funds disbursed to the City from the Special Fund.

6. Tax Matters. In connection with the issuance of any Bonds, where a portion of the proceeds will be deposited in the City Facilities Account for the payment of City Facilities, City

agrees to execute and deliver such certifications and agreements as may be reasonably required in order for Bond Counsel for CFD No. 2005-1 to conclude that interest on such Bonds will be excluded from gross income under Section 103 of the Internal Revenue Code of 1986. City agrees that it shall not use proceeds of Bonds provided to pay for City Facilities in any manner that would cause interest on the Bonds to become included in gross income for federal income tax purposes. City represents the following with respect to the use of the proceeds of the Bonds provided to fund City Facilities:

(a) City expressly acknowledges that the Bonds are subject to Federal tax requirements applicable to the tax-exempt securities;

(b) City expressly confirms and warrants to CFD No. 2005-1 that the City Facilities financed hereunder have not been previously financed with the proceeds of other tax-exempt securities or bonds; and

(c) City agrees to promptly provide written notice to CFD No. 2005-1 of any such financing of City Facilities financed hereunder until the issuance of the Bonds.

City reasonably expects to expend the proceeds of the Bonds on City Facilities as identified in Exhibit "C," attached hereto, and by this reference herein incorporated, within three (3) years from the date of issuance of the Bonds. City further agrees to maintain proceeds of the Bonds provided to pay for City Facilities in a separate accounting, apart from all other accountings of City. City shall maintain adequate controls over its payments, and of proceeds of the Bonds provided to pay for City Facilities accounting records, in accordance with generally accepted accounting principles as to its receipt and expenditure of proceeds of Bonds provided to pay for City Facilities. City will, upon request, provide CFD No. 2005-1 and/or Landowner with access to City records related to the City Facilities and will provide to CFD No. 2005-1 and/or Landowner, its annual financial report certified by an independent certified public accountant upon either Party's request and payment of applicable copying charges, if any, in accordance with the City's Public Record Act guidelines.

CFD No. 2005-1 agrees to maintain full and accurate records of all amounts, and investment earnings, if any, expended for such Projects. CFD No. 2005-1 will, upon request, provide City and/or the Landowner with access to CFD No. 2005-1's records relating to the City Facilities Account.

7. Indemnification. Landowner shall assume the defense of, indemnify and save harmless, School District, CFD No. 2005-1 and the City, their respective officers, employees and agents, and each and every one of them, from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of or resulting from, any act or omission of Landowner with respect to Landowner's obligations under this F/A JCFA. This shall include any and all claims, actions, damages, losses, or expense of every type or description relating to the failure of Prior Owner or Landowner to comply with the LCR as to any City Fee Facilities, Acquisition Facilities, or privately-funded public improvements required by City Entitlements of the Project; provided, however, that Landowner shall not be required to indemnify any person or entity as to damages resulting from willful misconduct of such person or entity or their officers, agents or employees.

8. Allocation of Special Taxes. The Board of Trustees of School District, as the governing body of CFD No. 2005-1, shall annually levy a Special Tax, subject to completion of the S/T Revision Proceedings, as provided for in the S/T Revision Proceedings. The entire amount of any Special Tax levied by CFD No. 2005-1, as provided in the F/A Agreement, shall be allocated to CFD No. 2005-1, as provided in the F/A Agreement.

9. Amendment. This F/A JCFA may be amended at any time but only in writing signed by each Party hereto.

10. Entire Agreement. This F/A JCFA contains the entire agreement between the parties with respect to the matters provided for herein and supersedes the JCFA.

11. Notices. Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to either party shall be deemed to have been received when personally delivered or seventy-two hours following deposit of the same in any United States Post Office in California, registered or certified, postage prepaid, addressed as follows:

School District: Capistrano Unified School District
32972 Calle Perfecto
San Juan Capistrano, California 92675
Attention: Deputy Superintendent, Business Services

CFD No. 2005-1 Capistrano Unified School District
32972 Calle Perfecto
San Juan Capistrano, California 92675
Attention: Deputy Superintendent, Business Services

With copy to: Bowie, Arneson, Wiles & Giannone
4920 Campus Dr.,
Newport Beach, CA 92660
Attention: Alexander Bowie, Esq.

City of San Juan Capistrano: City of San Juan Capistrano
32400 Paseo Adelanto
San Juan Capistrano, California 92675
Attention: City Manager

Landowner: Rancho San Juan Development LLC
27285 Los Rambles, Suite 260
Mission Viejo, CA 92691
Attention: Todd Cunningham, Manager

With a copy to: O'Neil LLP
19900 MacArthur Blvd., Suite 1050

Irvine, CA 92612
Attention: John Yeager, Esq.

With a copy to:

IHP Capital Partners
19800 MacArthur Blvd., Suite 700
Irvine, CA 92612
Attention: Jay W. Pruitt, Partner/Senior Vice
President

Prior Owner:

Whispering Hills, LLC

c/o IHP Capital Partners
19800 MacArthur Blvd., Suite 700
Irvine, CA 92612
Attention: Jay W. Pruitt, Partner/Senior Vice
President

Each Party may change its address for delivery of notice by delivering written notice of such change of address to the other parties hereto.

12. Exhibits. All exhibits attached hereto are incorporated into this F/A JCFA by reference.

13. Severability. If any non-material part of this F/A JCFA is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this F/A JCFA shall be given effect to the fullest extent reasonably possible.

14. Governing Law. This F/A JCFA and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

15. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this F/A JCFA by the other parties hereto, or the failure by a party to exercise its rights upon the default of another party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other parties with the terms of this Agreement thereafter.

16. No Third Party Beneficiaries. No person or entity shall be deemed to be a third party beneficiary hereof, and nothing in this F/A JCFA (either express or implied) is intended to confer upon any person or entity, other than the City, the School District, the District, Prior Owner and Landowner (and their respective successors and assigns), any rights, remedies, obligations or liabilities under or by reason of this F/A JCFA.

17. Singular, Plural and Gender. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

18. Counterparts. This F/A JCFA may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

CITY OF SAN JUAN CAPISTRANO

By:
Name:
City Manager

Approved as to form:

By:
Name:
City Attorney

CAPISTRANO UNIFIED SCHOOL DISTRICT

COMMUNITY FACILITIES DISTRICT NO. 2001-1 of the Capistrano Unified School District

By:
Name: _____
Title: _____

By:
Name: _____
Title: _____

Approved as to form:

By: _____
Alexander Bowie
Counsel to Capistrano Unified School District

and Community Facilities District
No. 2005-1

RANCHO SAN JUAN DEVELOPMENT LLC, a Delaware limited liability company

By: Woodbridge Builders, LLC,
a Delaware limited liability company,
Its: Managing Member

By: Woodbridge Communities II, LLC,
a Delaware limited liability company,
Its: Member

By:
Todd Cunningham, Manager

WHISPERING HILLS, LLC, a Delaware
limited liability company

By:

Name: _____

Title: _____

EXHIBIT A

DESCRIPTION OF PROPERTY

The real property within Community Facilities District No. 2005-1 of the Capistrano Unified School District (Whispering Hills):

Those certain parcels of land situated in the City of San Juan Capistrano, County of Orange, State of California described as follows:

LOTS 1 THROUGH 155, INCLUSIVE AND LETTERED LOTS A THROUGH P, INCLUSIVE, LETTERED LOTS R, S AND U AND THE "REMAINDER PARCEL" OF TRACT NO. 16634, IN THE CITY OF SAN JUAN CAPISTRANO, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 884, PAGES 33 THROUGH 50, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT B
ALTERNATIVE BOND SALE AMOUNTS AND PROCEEDS
PREPARED BY DAVID TAUSSIG & ASSOCIATES

Scenario 1: 6.0% Average Coupon Rate (Taxspread #52)

	Sale #1 (70 DU/6.0%)	Sale #2 (85 DU/6.0%)
	Sep 2014	Jan 2017
Bond Amount	\$7,160,000	\$12,895,000
Bond Proceeds	\$5,431,893	\$10,231,455
Total Pay-As-You-Go Funds to City through Sale #1	\$108,044	
Total Pay-As-You-Go Funds to City from Sale #1 through Sale #2	\$712,644	

	Sale #1 (70 DU/6.0%) Bond Proceeds split 60/40	Percentage	Pay-As-You-Go to City Through Sale #1 split 60/40	Actual Amount Sale #1 (70 DU/6.0%) Allocated to CUSD and City
CUSD K-12 School Facilities	\$0	0%	NA	\$0
CUSD Incremental Payment of Purchase Price Re: SJH/HS/Site	\$3,259,136	60%	NA	\$1,367,180
Subtotal to CUSD	\$3,259,136	60%	NA	\$3,367,180
City of San Juan Capistrano Public Facilities & Fees (88% of total allocated to City)	\$1,912,026	35%	(\$95,079)	\$1,816,948
City of San Juan Capistrano Other City Facilities (12% of total allocated to City)	\$260,731	2%	(\$12,965)	\$247,766
Subtotal to City	\$2,172,757	40%	(\$108,044)	\$2,064,713
Total	\$5,431,893	100%	(\$108,044)	\$5,431,893

	Sale #2 (85 DU/6.0%) Bond Proceeds split 60/40	Percentage	Pay-As-You-Go to City Through Sale #2 split 60/40	Actual Amount Sale #2 (85 DU/6.0%) Allocated to CUSD and City
CUSD K-12 School Facilities	\$4,209,921	41%	NA	\$4,922,565
CUSD Incremental Payment of Purchase Price Re: SJH/HS/Site	\$1,928,952	19%	NA	\$1,928,952
Subtotal to CUSD	\$6,138,873	60%	NA	\$6,851,517
City of San Juan Capistrano Public Facilities & Fees (88% of total allocated to City)	\$3,601,472	35%	(\$627,127)	\$2,974,345
City of San Juan Capistrano Other City Facilities (12% of total allocated to City)	\$491,110	2%	(\$85,517)	\$405,593
Subtotal to City	\$4,092,582	40%	(\$712,644)	\$3,379,938
Total	\$10,231,455	100%	(\$712,644)	\$10,231,455

SUMMARY OF PROCEEDS	Bond Proceeds	Pay-As-You-Go	Total	Amount per DU (135 DUs)
CUSD Proceeds K-12 School Facilities	\$4,922,565	\$9,332,387	\$14,454,952	\$93,258
CUSD Proceeds for Incremental Payment of Purchase Price Re: SJH/HS/Site	\$5,296,132	\$703,868	\$6,000,000	\$37,710
Subtotal to CUSD	\$10,218,697	\$10,236,255	\$20,454,952	\$131,967
City of San Juan Capistrano Proceeds Public Facilities & Fees	\$4,791,293	\$722,205	\$5,513,498	\$35,571
City of San Juan Capistrano Proceeds Other City Facilities	\$653,358	\$28,483	\$751,841	\$4,851
Subtotal to City	\$5,444,651	\$820,688	\$6,265,339	\$40,422
Total	\$15,663,348	\$11,056,943	\$26,720,291	\$172,389

NPV OF SUMMARY OF PROCEEDS (AT 4% DISCOUNT RATE)	Bond Proceeds	Pay-As-You-Go	Total	Amount per DU (135 DUs)
CUSD Proceeds K-12 School Facilities	\$3,890,374	\$3,982,307	\$7,872,681	\$50,791
CUSD Proceeds for Incremental Payment of Purchase Price Re: SJH/HS/Site	\$4,517,889	\$600,048	\$5,117,937	\$33,019
Subtotal to CUSD	\$8,408,263	\$4,582,355	\$12,990,618	\$83,810
City of San Juan Capistrano Proceeds Public Facilities & Fees	\$3,965,928	\$596,448	\$4,562,376	\$29,435
City of San Juan Capistrano Proceeds Other City Facilities	\$540,808	\$81,374	\$622,182	\$4,014
Subtotal to City	\$4,506,736	\$677,822	\$5,184,558	\$33,449
Total	\$12,914,999	\$5,260,177	\$18,175,136	\$117,259

TAX SPREAD: \$2
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 04-Apr-11 01:29 PM

PROPOSED SPECIAL TAXES AND BONDED INDEBTEDNESS
 COMMUNITY FACILITIES DISTRICT NO. 2005-1 (WHISPERING HILLS)
 CAPISTRANO UNIFIED SCHOOL DISTRICT

DRAFT

Bond Proceeds and Pay-As-You-Go split 60/40 to CUSD and City. Fund Incremental Payment of Purchase Price re: SJR/HS/HSite first up to \$6 million.
 City receives 40% of bond proceeds less amount received through pay-as-you-go. Assumes average coupon of 6.00%
 1st bond sold at closing of 70th unit and based on coverage from minimum of 70 permitted units

LAND USE ASSUMPTIONS BULDOZ PERIOD (YEARS) FROM 2011 [3]	4	BOND ASSUMPTIONS		SERIES 2011		SERIES 2012		EXISTING FY 2010-11 TAX RATES [2]
		AVERAGE COUPON	6.00%	6.00%	6.00%	6.00%	6.00%	
TOTAL RESIDENTIAL UNITS [4]	155	BOND TERM (YEARS)	30	30	30	30	30	1.0000%
CLASS 1 CUSTOM HOMES	15	COUPON OF DISCOUNT / DISCOUNT	6.49%	5.00%	5.00%	5.00%	5.00%	0.0367%
CLASS 2 RESIDENTIAL (P 4,600 SF)	11	RESERVE FOR CAPITALIZED INTEREST (12 MONTHS)	10.00%	5.86%	5.86%	5.86%	5.86%	0.0370%
CLASS 3 RESIDENTIAL (3,201 - 4,300 SF)	30	OTHER ASSUMPTIONS						0.0110%
CLASS 4 RESIDENTIAL (3,201 - 4,300 SF)	12	REINVESTMENT INTEREST RATE	2.50%					\$5.02
CLASS 5 RESIDENTIAL (3,201 - 4,300 SF)	27	DISCOUNT RATE FOR NPV ANALYSIS	4.00%					\$1.82
CLASS 6 RESIDENTIAL (3,201 - 4,300 SF)	20	PROPERTY INFLATION RATE	2.00%					\$10.08
CLASS 7 RESIDENTIAL (3,201 - 4,300 SF)	30	ADMINISTRATION EXPENSE INFLATION RATE	2.00%					
CLASS 8 RESIDENTIAL (2,801 - 3,400 SF)	10	SPECIAL TAX ASSUMPTIONS (FY 2011-2012)						
NON-RESIDENTIAL ACREAGE	0.00	DEVELOPED EQUIVALENT DWELLING UNIT	NA					110.07%
		NON-DEVELOPED ACRE	\$21,308					111.40%
ACREAGE SUMMARY	310.20	BACK UP TAX PER RESIDENTIAL ACRE (EXCLUDES CUSTOM LOTS)	\$23,271					
GROSS ACREAGE [1]	250.36	CUSTOM LOT BACK UP TAX PER LOT	\$13,902					
ASSOCIATION AND PUBLIC PROPERTY ACREAGE	58.84	% SPECIAL TAX INCREASE PRIOR TO BUILDING PERMIT	2.00%					
NET TAXABLE ACREAGE [4]	11.55	% SPECIAL TAX INCREASE AFTER BUILDING PERMIT	2.00%					
CUSTOM LOT NET TAXABLE ACREAGE [4]	48.29	% LEVY OF MAXIMUM TAX	100%					
ALL OTHER RESIDENTIAL PROPERTY [4]								

SUMMARY OF TAX COMPUTATIONS

SPECIAL TAX CLASS	2011 MINIMUM BASE PRICE [4]	PROJECTED SPECIAL TAX (FISCAL YEAR 2011-2012)		ONED SPECIAL TAX FISCAL YEAR 2011-2012	
		SPECIAL TAX	E.T.R.	SPECIAL TAX	E.T.R.
CLASS 1 CUSTOM HOMES	\$1,800,000	\$0	0.0000%	\$13,902	0.7723%
CLASS 2 RESIDENTIAL (P 4,600 SF)	\$1,115,000	\$0	0.0000%	\$4,605	0.4139%
CLASS 3 RESIDENTIAL (3,201 - 4,300 SF)	\$990,000	\$0	0.0000%	\$7,855	0.7718%
CLASS 4 RESIDENTIAL (3,201 - 4,300 SF)	\$821,000	\$0	0.0000%	\$7,855	0.9544%
CLASS 5 RESIDENTIAL (3,201 - 4,300 SF)	\$805,000	\$0	0.0000%	\$7,855	0.7718%
CLASS 6 RESIDENTIAL (3,401 - 3,708 SF)	\$801,000	\$0	0.0000%	\$7,855	0.7718%
CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)	\$801,000	\$0	0.0000%	\$6,641	0.8256%
CLASS 8 RESIDENTIAL (2,901 - 3,400 SF)	\$801,000	\$0	0.0000%	\$6,177	0.7719%
CLASS 9 RESIDENTIAL (2,901 - 3,400 SF)	\$801,000	\$0	0.0000%	\$6,177	0.8256%

FISCAL YEAR - COLLECTION OF TAXES	
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS	
<u>LOCAL BONDED INDEBTEDNESS</u>	
CUSD	
CUSD	
OTHER FACILITIES	
INCREMENTAL PAYMENT OF PURCHASE PRICE RE: SJMHS/SITE	
CITY OF SAN JUAN CAPISTRANO	
PUBLIC FACILITIES & FEES	
OTHER CITY FACILITIES	
<u>TOTAL FINANCED PUBLIC FACILITIES</u>	
<u>TOTAL BONDED INDEBTEDNESS</u>	

	2011-12 2012	2012-13 2013	2013-14 2014	2014-15 2015	2015-16 2016	2016-17 2017	2017-18 2018	2018-19 2019	2019-20 2020	2020-21 2021
"SEP 2014"	\$0	\$0	\$0	\$0	\$0	\$4,922,565	\$0	\$0	\$0	\$0
	\$0	\$0	\$3,367,179	\$0	\$0	\$1,928,952	\$0	\$0	\$0	\$0
	\$0	\$0	\$1,816,948	\$0	\$0	\$2,974,345	\$0	\$0	\$0	\$0
	\$0	\$0	\$247,766	\$0	\$0	\$405,563	\$0	\$0	\$0	\$0
	\$0	\$0	\$5,431,893	\$0	\$0	\$10,231,455	\$0	\$0	\$0	\$0
	\$0	\$0	\$7,160,000	\$0	\$0	\$12,895,000	\$0	\$0	\$0	\$0

II. ABSORPTION - BUILDING PERMITS (25 of 141) •

UNDEVELOPED PROPERTY					
	REMAINING UNDEVELOPED ACREAGE			(0.0)	(0.0)
DEVELOPED NON-RESIDENTIAL PROPERTY					
CUMULATIVE NON-RESIDENTIAL ACREAGE					
55.2	44.8	31.7	17.0	(0.0)	(0.0)
0.0	0.0	0.0	0.0	0.0	0.0
DEVELOPED RESIDENTIAL PROPERTY					
CLASS 1 CUSTOM HOMES					
0	0	0	0	15	15
CLASS 2 RESIDENTIAL (> 4,600 SF)					
0	2	5	8	11	11
CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)					
0	6	13	21	30	30
CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)					
0	2	5	8	12	12
CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)					
3	8	15	23	27	27
CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)					
8	8	13	18	20	20
CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)					
3	9	16	24	30	30
CLASS 8 RESIDENTIAL (= 2,900 SF)					
2	4	6	9	10	10
12	39	73	111	155	155
CUMULATIVE RESIDENTIAL UNITS					
				155	155
Customers based upon land sales, rather than building permits.					

- Custom homes based upon land sales, rather than building permits.

III. MELLO-ROOS SPECIAL TAXES

UNDEVELOPED PROPERTY SPECIAL TAXES											
NON-RESIDENTIAL PROPERTY SPECIAL TAXES											
RESIDENTIAL PROPERTY SPECIAL TAXES											
RESIDENTIAL PROPERTY SPECIAL TAXES											
CLASS 1	CUSTOM HOMES										
CLASS 2	RESIDENTIAL (> 4,600 SF)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CLASS 3	RESIDENTIAL (4,301 - 4,600 SF)	\$0	\$0	\$17,905	\$45,659	\$0	\$234,234	\$104,507	\$238,536	\$244,326	\$240,213
CLASS 4	RESIDENTIAL (3,901 - 4,300 SF)	\$0	\$0	\$49,034	\$108,365	\$74,515	\$106,998	\$276,176	\$270,729	\$110,904	\$113,122
CLASS 5	RESIDENTIAL (3,601 - 3,900 SF)	\$0	\$0	\$15,694	\$66,145	\$66,145	\$265,379	\$260,867	\$276,100	\$281,623	\$281,623
CLASS 6	RESIDENTIAL (3,301 - 3,600 SF)	\$0	\$0	\$11,094	\$40,530	\$11,094	\$103,226	\$101,202	\$107,396	\$109,544	\$109,544
CLASS 7	RESIDENTIAL (3,001 - 3,300 SF)	\$0	\$0	\$59,135	\$113,098	\$176,863	\$216,024	\$221,788	\$220,355	\$224,762	\$229,257
CLASS 8	RESIDENTIAL (2,701 - 3,000 SF)	\$0	\$0	\$38,483	\$58,106	\$98,310	\$157,238	\$154,155	\$160,363	\$163,581	\$168,063
CLASS 9	RESIDENTIAL (2,401 - 2,700 SF)	\$0	\$0	\$20,321	\$112,758	\$172,520	\$224,363	\$228,650	\$233,437	\$238,095	\$238,095
CLASS 10	RESIDENTIAL (<= 2,400 SF)	\$0	\$0	\$25,708	\$39,330	\$60,175	\$69,565	\$72,954	\$72,954	\$73,620	\$73,620
TOTAL SPECIAL TAXES		\$0	\$0	\$297,043	\$626,845	\$884,284	\$4,377,284	\$4,380,284	\$4,380,284	\$4,380,284	\$4,380,284

IV. SPECIAL TAX REQUIREMENT

[illegible]

FISCAL YEAR - COLLECTION OF TAXES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS

V. AVERAGE ANNUAL SPECIAL TAX
UNDEVELOPED PROPERTY, PER ACRE

NON-RESIDENTIAL PROPERTY, PER ACRE																		
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RESIDENTIAL PROPERTY, PER UNIT																		
CUSTOM HOMES																		
CLASS 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,349	\$15,656	\$15,069	\$16,288	\$16,614	\$16,614	\$16,614	\$16,614
CLASS 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,534	\$9,691	\$9,884	\$10,082	\$10,284	\$10,284	\$10,284	\$10,284
CLASS 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,536	\$8,646	\$8,793	\$8,944	\$9,097	\$9,254	\$9,414	\$9,577
CLASS 4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,947	\$8,106	\$8,268	\$8,433	\$8,596	\$8,761	\$8,926	\$9,091
CLASS 5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,392	\$7,547	\$7,691	\$7,844	\$8,001	\$8,156	\$8,313	\$8,471
CLASS 6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,247	\$7,392	\$7,537	\$7,682	\$7,829	\$7,976	\$8,124	\$8,273
CLASS 7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,121	\$7,267	\$7,413	\$7,560	\$7,707	\$7,855	\$8,003	\$8,152
CLASS 8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,909	\$7,047	\$7,188	\$7,332	\$7,477	\$7,623	\$7,770	\$7,917
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,427	\$6,555	\$6,686	\$6,820	\$6,956	\$7,095	\$7,237	\$7,382

VI. MAXIMUM SPECIAL TAXES
UNDEVELOPED PROPERTY

NON-RESIDENTIAL PROPERTY									
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RESIDENTIAL PROPERTY									
CLASS 1 CUSTOM HOMES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CLASS 2 RESIDENTIAL (> 4,600 SF)	\$0	\$0	\$17,905	\$0	\$0	\$0	\$0	\$0	\$0
CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)	\$0	\$0	\$49,034	\$445,659	\$74,515	\$104,507	\$106,596	\$108,729	\$110,904
CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)	\$0	\$0	\$0	\$108,365	\$178,532	\$260,176	\$265,379	\$270,687	\$276,100
CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)	\$0	\$21,741	\$0	\$40,530	\$68,145	\$103,226	\$105,290	\$107,396	\$109,544
CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)	\$0	\$28,445	\$58,135	\$113,096	\$176,883	\$271,798	\$276,034	\$282,762	\$289,335
CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)	\$0	\$20,321	\$58,310	\$96,310	\$136,019	\$216,043	\$228,257	\$239,581	\$251,963
CLASS 8 RESIDENTIAL (<= 2,900 SF)	\$0	\$12,601	\$23,706	\$122,756	\$172,550	\$281,953	\$289,653	\$298,854	\$307,054
TOTAL MAXIMUM SPECIAL TAXES	\$1,512,236	\$1,506,209	\$1,465,423	\$1,405,038	\$1,329,476	\$1,250,234	\$1,177,229	\$1,104,784	\$1,032,879

VII. DEBT SERVICE COVERAGE
GROSS DEBT SERVICE COVERAGE FROM 1ST BOND AND 70 UNITS*
GROSS DEBT SERVICE COVERAGE *
NET DEBT SERVICE COVERAGE **

* MAXIMUM SPECIAL TAXES LESS CIP ADMINISTRATION EXPENSES
** MAXIMUM SPECIAL TAXES LESS CIP ADMINISTRATION PLUS RESERVE EXPENSES, ENTERED BY COUNCIL DEBT SERVICE

FISCAL YEAR - COLLECTION OF TAXES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS

V. AVERAGE ANNUAL SPECIAL TAX

UNDEVELOPED PROPERTY, PER ACRE

NON-RESIDENTIAL PROPERTY, PER ACRE

RESIDENTIAL PROPERTY, PER UNIT

CLASS	2021-22 2022	2022-23 2023	2023-24 2024	2024-25 2025	2025-26 2026	2026-27 2027	2027-28 2028	2028-29 2029	2029-30 2030	2030-31 2031
CLASS 1 CUSTOM HOMES										
CLASS 2 RESIDENTIAL (> 4,600 SF)	\$16,946	\$17,285	\$17,631	\$17,984	\$18,343	\$18,710	\$19,084	\$19,466	\$19,856	\$20,253
CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)	\$10,490	\$10,699	\$10,913	\$11,132	\$11,354	\$11,581	\$11,813	\$12,049	\$12,290	\$12,536
CLASS 4 RESIDENTIAL (4,301 - 4,300 SF)	\$9,575	\$9,767	\$9,962	\$10,161	\$10,364	\$10,572	\$10,783	\$10,999	\$11,219	\$11,443
CLASS 5 RESIDENTIAL (3,701 - 4,300 SF)	\$9,311	\$9,497	\$9,687	\$9,881	\$10,078	\$10,280	\$10,486	\$10,696	\$10,910	\$11,128
CLASS 6 RESIDENTIAL (3,701 - 3,700 SF)	\$8,661	\$8,834	\$9,011	\$9,191	\$9,375	\$9,562	\$9,753	\$9,949	\$10,148	\$10,350
CLASS 7 RESIDENTIAL (2,801 - 3,700 SF)	\$8,510	\$8,680	\$8,854	\$9,031	\$9,211	\$9,396	\$9,584	\$9,775	\$9,971	\$10,170
CLASS 8 RESIDENTIAL (2,801 - 3,400 SF)	\$8,066	\$8,237	\$8,412	\$8,591	\$8,763	\$8,938	\$9,117	\$9,299	\$9,485	\$9,675
CLASS 9 RESIDENTIAL (< 2,800 SF)	\$7,530	\$7,680	\$7,834	\$7,991	\$8,150	\$8,313	\$8,480	\$8,649	\$8,822	\$8,999

VI. MAXIMUM SPECIAL TAXES

UNDEVELOPED PROPERTY

NON-RESIDENTIAL PROPERTY

RESIDENTIAL PROPERTY

CLASS	2021-22 2022	2022-23 2023	2023-24 2024	2024-25 2025	2025-26 2026	2026-27 2027	2027-28 2028	2028-29 2029	2029-30 2030	2030-31 2031
CLASS 1 CUSTOM HOMES										
CLASS 2 RESIDENTIAL (> 4,600 SF)	\$254,197	\$259,281	\$264,467	\$269,756	\$275,151	\$280,654	\$286,267	\$291,903	\$297,633	\$303,769
CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)	\$115,385	\$117,682	\$120,046	\$122,447	\$124,896	\$127,394	\$129,942	\$132,541	\$135,191	\$137,895
CLASS 4 RESIDENTIAL (4,301 - 4,300 SF)	\$287,255	\$293,000	\$298,860	\$304,837	\$310,934	\$317,153	\$323,486	\$329,966	\$336,565	\$343,296
CLASS 5 RESIDENTIAL (3,701 - 4,300 SF)	\$111,735	\$113,969	\$116,249	\$118,574	\$120,945	\$123,364	\$125,831	\$128,348	\$130,915	\$133,533
CLASS 6 RESIDENTIAL (3,701 - 3,700 SF)	\$233,842	\$238,518	\$243,289	\$248,155	\$253,118	\$258,181	\$263,344	\$268,611	\$273,983	\$279,463
CLASS 7 RESIDENTIAL (2,801 - 3,700 SF)	\$170,200	\$173,604	\$177,076	\$180,618	\$184,230	\$187,915	\$191,673	\$195,506	\$199,416	\$203,405
CLASS 8 RESIDENTIAL (2,801 - 3,400 SF)	\$242,857	\$247,715	\$252,669	\$257,722	\$262,877	\$268,134	\$273,497	\$278,967	\$284,548	\$290,237
CLASS 9 RESIDENTIAL (< 2,800 SF)	\$75,297	\$76,803	\$78,339	\$79,905	\$81,504	\$83,134	\$84,796	\$86,492	\$88,223	\$89,987
TOTAL MAXIMUM SPECIAL TAXES	\$1,490,786	\$1,530,583	\$1,569,965	\$1,609,016	\$1,647,855	\$1,686,528	\$1,725,047	\$1,763,424	\$1,801,672	\$1,839,806

VII. DEBT SERVICE COVERAGE

GROSS DEBT SERVICE COVERAGE FROM 1ST BOND AND 70 UNITS*

GROSS DEBT SERVICE COVERAGE *

NET DEBT SERVICE COVERAGE **

CLASS	2021-22 2022	2022-23 2023	2023-24 2024	2024-25 2025	2025-26 2026	2026-27 2027	2027-28 2028	2028-29 2029	2029-30 2030	2030-31 2031
GROSS DEBT SERVICE COVERAGE FROM 1ST BOND AND 70 UNITS*	113.27%	113.27%	113.27%	113.27%	113.27%	113.27%	113.27%	113.27%	113.27%	113.27%
GROSS DEBT SERVICE COVERAGE *	110.64%	110.64%	110.64%	110.64%	110.64%	110.64%	110.64%	110.64%	110.64%	110.64%
NET DEBT SERVICE COVERAGE **	114.29%	114.22%	114.15%	114.08%	114.01%	113.94%	113.86%	113.82%	113.75%	113.69%

* MAXIMUM SPECIAL TAXES LESS CUSD ADMINISTRATION PLUS RESERVE FUNDING, DIVIDED BY GROSS DEBT SERVICE

** MAXIMUM SPECIAL TAXES LESS CUSD ADMINISTRATION PLUS RESERVE FUNDING, DIVIDED BY GROSS DEBT SERVICE

[illegible]

II. ABSORPTION - BUILDING PERMITS (as of 1/1)

[illegible]

- Custom harnes based upon band scales, rather than building patterns

III. MELLO-ROOS SPECIAL TAXES

[illegible]

IV. SPECIAL TAX REQUIREMENT

[illegible]

CUMULATIVE BOND PROCEEDS/PAY-AS-YOU-GO FOR
INCREMENTAL PAYMENT OF PURCHASE PRICE RE: SJWHS/SITE

ANNUAL SURPLUS/(DEFICIT)
CUMULATIVE SURPLUS/(DEFICIT)

- DENT SERVICE MEDICALS DAY / MONTH SERVICES PROVIDED -
- ELDERLY AND / OR OTHERS DAY / MONTH SERVICES PROVIDED -

FISCAL YEAR - COLLECTION OF TAXES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS

V. AVERAGE ANNUAL SPECIAL TAX
UNDEVELOPED PROPERTY, PER ACRE

[illegible]

VI. MAXIMUM SPECIAL TAXES

NON-RESIDENTIAL PROPERTY										
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
RESIDENTIAL PROPERTY										
CLASS 1 CUSTOM HOMES	\$308,865	\$316,052	\$322,384	\$328,831	\$335,408	\$342,116	\$348,858	\$355,938	\$363,056	\$370,317
CLASS 2 RESIDENTIAL (> 4,600 SF)	\$140,653	\$143,466	\$146,336	\$149,262	\$152,248	\$155,282	\$158,368	\$161,506	\$164,798	\$168,094
CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)	\$350,162	\$357,165	\$364,309	\$371,595	\$378,927	\$386,307	\$393,738	\$401,226	\$410,271	\$418,476
CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)	\$138,528	\$141,707	\$141,707	\$144,541	\$147,432	\$150,380	\$153,388	\$156,456	\$159,565	\$162,776
CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)	\$285,052	\$290,753	\$296,568	\$302,500	\$308,550	\$314,721	\$321,015	\$327,435	\$333,984	\$340,664
CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)	\$207,473	\$215,655	\$220,172	\$224,575	\$229,067	\$233,648	\$238,311	\$243,069	\$247,949	\$252,949
CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)	\$296,042	\$301,963	\$308,002	\$314,162	\$320,454	\$326,854	\$333,381	\$340,059	\$346,860	\$353,787
CLASS 8 RESIDENTIAL (< 2,900 SF)	\$91,786	\$93,622	\$95,494	\$97,404	\$99,352	\$101,338	\$103,368	\$105,434	\$107,542	\$109,693
TOTAL MAXIMUM SPECIAL TAXES										
	\$1,517,238	\$1,853,582	\$1,890,654	\$1,528,467	\$1,967,036	\$2,006,377	\$2,046,505	\$2,087,435	\$2,128,184	\$2,171,767

VII. DEBT SERVICE COVERAGE

VUL DEBT SERVICE COVERAGE
GROSS DEBT SERVICE COVERAGE FROM 1ST BOND AND 70 UNITS*
GROSS DEBT SERVICE COVERAGE *
NET DEBT SERVICE COVERAGE **

* MATHEMATICAL SPECIAL TAXES LESS CFD ADMINISTRATION, DIVIDED BY GROSS DEBT SERVICE

FISCAL YEAR - COLLECTION OF TAXES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS

LGED BONDED INDEBTEDNESS

CUSD	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	TOTAL
OTHER FACILITIES	\$0	\$0	\$0	\$0	\$0	\$0	\$4,922,565
INCREMENTAL PAYMENT OF PURCHASE PRICE RE: SJHHS/SITE	\$0	\$0	\$0	\$0	\$0	\$0	\$5,296,132
CITY OF SAN JUAN CAPISTRANO							
PUBLIC FACILITIES & FEES	\$0	\$0	\$0	\$0	\$0	\$0	\$4,791,293
OTHER CITY FACILITIES	\$0	\$0	\$0	\$0	\$0	\$0	\$653,359
TOTAL FINANCED PUBLIC FACILITIES	\$0	\$0	\$0	\$0	\$0	\$0	\$15,663,348
TOTAL BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0	\$0	\$20,655,000

ILABSORPTION - BUILDING PERMITS (as of 3/1/11)

REMAINING UNDEVELOPED PROPERTY	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	NA
DEVELOPED NON-RESIDENTIAL PROPERTY	0.0	0.0	0.0	0.0	0.0	0.0	NA
CUMULATIVE NON-RESIDENTIAL ACREAGE							
DEVELOPED RESIDENTIAL PROPERTY							
CLASS 1 CUSTOM HOMES	15	15	15	15	15	15	NA
CLASS 2 RESIDENTIAL (> 4,600 SF)	11	11	11	11	11	11	NA
CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)	30	30	30	30	30	30	NA
CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)	12	12	12	12	12	12	NA
CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)	27	27	27	27	27	27	NA
CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)	20	20	20	20	20	20	NA
CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)	30	30	30	30	30	30	NA
CLASS 8 RESIDENTIAL (<= 2,900 SF)	10	10	10	10	10	10	NA
CUMULATIVE RESIDENTIAL UNITS	155	155	155	155	155	155	NA

* Custom homes based upon land sales, rather than building permits.

III. MELLO-ROOS SPECIAL TAXES

UNDEVELOPED PROPERTY SPECIAL TAXES

NON-RESIDENTIAL PROPERTY SPECIAL TAXES

RESIDENTIAL PROPERTY SPECIAL TAXES							
CLASS 1 CUSTOM HOMES	\$377,724	\$395,278	\$270,886	\$400,843	\$408,860	\$187,159	\$9,415,234
CLASS 2 RESIDENTIAL (> 4,600 SF)	\$171,455	\$174,865	\$122,954	\$181,950	\$185,599	\$68,494	\$4,411,820
CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)	\$426,846	\$435,393	\$306,125	\$452,972	\$462,032	\$222,790	\$10,875,811
CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)	\$188,032	\$198,353	\$119,075	\$178,194	\$179,718	\$86,653	\$4,281,122
CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)	\$247,477	\$254,427	\$249,203	\$368,745	\$376,120	\$181,372	\$9,023,154
CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)	\$232,908	\$257,968	\$181,380	\$268,368	\$273,756	\$132,010	\$6,622,871
CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)	\$360,873	\$368,081	\$258,811	\$382,982	\$390,021	\$188,364	\$9,382,987
CLASS 8 RESIDENTIAL (<= 2,900 SF)	\$111,687	\$114,125	\$80,243	\$116,735	\$121,110	\$56,401	\$2,526,734
TOTAL SPECIAL TAXES	\$2,215,203	\$2,285,507	\$1,588,887	\$2,350,791	\$2,387,806	\$1,186,263	\$87,008,644

IV. SPECIAL TAX REQUIREMENT

NEW BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0	\$0	\$20,655,000
NEW RESERVE FUND	\$0	\$0	\$0	\$0	\$0	\$0	\$2,005,500
ANNUAL DEBT SERVICE - SERIES A	\$172,568	\$176,819	\$141,356	\$183,319	\$186,112	\$88,034	\$16,951,732
ANNUAL DEBT SERVICE - SERIES B	\$1,208,300	\$1,233,486	\$1,258,156	\$1,283,319	\$1,306,965	\$1,335,165	\$31,045,490
ANNUAL GROSS DEBT SERVICE	\$1,821,868	\$1,960,305	\$1,999,511	\$1,283,319	\$1,208,965	\$1,335,165	\$47,997,222
CFD ADMINISTRATION	\$88,792	\$90,568	\$82,379	\$94,227	\$96,112	\$98,034	\$2,498,724
RESERVE FUND INTEREST (9% DELINQUENCY)	\$47,129	\$47,129	\$47,129	\$30,303	\$30,303	\$30,303	\$1,338,445
CAPITALIZED INTEREST	\$0	\$0	\$0	\$0	\$0	\$0	\$1,203,300
PAY-AS-YOU-GO FUNDS (INCREMENTAL PAYMENT OF PURCHASE PRICE RE: SJHHS/SITE)	\$0	\$0	\$0	\$0	\$0	\$0	\$703,868
PAY-AS-YOU-GO FUNDS (CITY OF SAN JUAN CAPISTRANO PUBLIC FACILITIES AND FEES)	\$0	\$0	\$0	\$0	\$0	\$0	\$722,205
PAY-AS-YOU-GO FUNDS (CITY OF SAN JUAN CAPISTRANO OTHER CITY FACILITIES)	\$0	\$0	\$0	\$0	\$0	\$0	\$98,483
REMAINING PAY-AS-YOU-GO FUNDS TO CUSD	\$251,672	\$255,762	\$259,835	\$1,003,548	\$1,023,013	\$1,042,867	\$9,332,387
NET ANNUAL DEBT SERVICE	\$2,215,203	\$2,285,507	\$1,588,887	\$2,350,791	\$2,387,806	\$1,186,263	\$87,008,644
CUMULATIVE BOND PROCEEDS/PAY-AS-YOU-GO FOR	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	NA
INCREMENTAL PAYMENT OF PURCHASE PRICE RE: SJHHS/SITE							
ANNUAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0	\$0	NA
CUMULATIVE SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0	\$0	NA

- DEBT SERVICE REQUIREMENT ASSUMES JANUARY 1 AND SEPTEMBER 1 BOND PAYMENTS -

Draft - Unaudited

FISCAL YEAR - COLLECTION OF TAXES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS

TOTAL

V. AVERAGE ANNUAL SPECIAL TAX

UNDEVELOPED PROPERTY, PER ACRE

NON-RESIDENTIAL PROPERTY, PER ACRE

RESIDENTIAL PROPERTY, PER UNIT

CLASS 1 CUSTOM HOMES

CLASS 2 RESIDENTIAL (> 4,600 SF)

CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)

CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)

CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)

CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)

CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)

CLASS 8 RESIDENTIAL (<= 2,900 SF)

VI. MAXIMUM SPECIAL TAXES

UNDEVELOPED PROPERTY

NON-RESIDENTIAL PROPERTY

RESIDENTIAL PROPERTY

CLASS 1 CUSTOM HOMES

CLASS 2 RESIDENTIAL (> 4,600 SF)

CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)

CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)

CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)

CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)

CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)

CLASS 8 RESIDENTIAL (<= 2,900 SF)

TOTAL MAXIMUM SPECIAL TAXES

VII. DEBT SERVICE COVERAGE

GROSS DEBT SERVICE COVERAGE FROM 1ST BOND AND 70 UNITS*

GROSS DEBT SERVICE COVERAGE**

NET DEBT SERVICE COVERAGE**

2041-42 2042	2042-43 2043	2043-44 2044	2044-45 2045	2045-46 2046	2046-47 2047	TOTAL
\$-0	\$-0	\$-0	\$-0	\$-0	\$0	NA
\$0	\$0	\$0	\$0	\$0	\$0	NA
\$25,182	\$25,685	\$18,060	\$26,723	\$27,257	\$13,144	NA
\$15,587	\$15,899	\$11,179	\$16,541	\$16,872	\$8,136	NA
\$14,228	\$14,513	\$10,204	\$15,098	\$15,401	\$7,427	NA
\$13,836	\$14,113	\$9,923	\$14,653	\$14,977	\$7,222	NA
\$12,870	\$13,127	\$9,230	\$13,657	\$13,930	\$6,717	NA
\$12,645	\$12,898	\$8,069	\$13,419	\$13,688	\$6,600	NA
\$12,029	\$12,270	\$6,627	\$12,765	\$13,021	\$6,279	NA
\$11,189	\$11,412	\$6,024	\$11,874	\$12,111	\$5,840	NA
(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	\$0,382,511
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$377,724	\$385,278	\$382,584	\$400,843	\$408,860	\$417,038	\$8,757,201
\$171,455	\$174,665	\$178,382	\$181,850	\$185,569	\$189,301	\$4,567,044
\$426,846	\$435,383	\$444,090	\$452,972	\$462,032	\$471,272	\$11,382,050
\$168,032	\$169,353	\$172,740	\$176,194	\$179,718	\$183,313	\$4,411,437
\$347,477	\$354,427	\$361,515	\$368,745	\$376,120	\$383,643	\$9,346,738
\$252,908	\$257,966	\$263,126	\$268,368	\$273,756	\$279,231	\$6,851,837
\$390,873	\$398,091	\$375,453	\$382,962	\$390,621	\$398,433	\$8,688,709
\$111,887	\$114,125	\$116,407	\$118,735	\$121,110	\$123,532	\$3,028,029
\$2,215,203	\$2,259,507	\$2,304,897	\$2,350,791	\$2,397,806	\$2,445,783	\$67,376,655

113.27%	113.27%	113.27%	NA	NA	NA	NA
110.64%	110.64%	110.64%	175.84%	175.84%	175.84%	NA
113.10%	113.05%	113.00%	178.20%	178.15%	178.11%	NA

* MAXIMUM SPECIAL TAXES LESS CFD ADMINISTRATION, ENTERED BY GROSS DEBT SERVICE
 ** MAXIMUM SPECIAL TAXES LESS CFD ADMINISTRATION PLUS RESIDENT EARNINGS, ENTERED BY GROSS DEBT SERVICE

Scenario 2: 8.0% Average Coupon Rate (Taxspread #53)

	Sale #1 (70 DU/8.0%) Sep 2014	Sale #2 (85 DU/8.0%) Jan 2017
Bond Amount	\$5,370,000	\$9,950,000
Bond Proceeds	\$3,906,000	\$7,699,029
Total Pay-As-You-Go Funds to City through Sale #1	\$108,044	
Total Pay-As-You-Go Funds to City from Sale #1 through Sale #2	\$711,172	

	Sale #1 (70 DU/8.0%) Bond Proceeds split 60/40	Percentage	Pay-As-You-Go to City Through Sale #1 split 60/40	Actual Amount Sale #1 (70 DU/8.0%) Allocated to CUSD and City
CUSD K-12 School Facilities	\$0	0%	NA	\$0
CUSD Incremental Payment of Purchase Price Re: SJH/HS/Site	\$2,343,600	60%	NA	\$2,451,644
Subtotal to CUSD	\$2,343,600	60%	NA	\$2,451,644
City of San Juan Capistrano Public Facilities & Fees (88% of total allocated to City)	\$1,374,912	35%	(\$95,079)	\$1,279,833
City of San Juan Capistrano Other City Facilities (12% of total allocated to City)	\$187,488	2%	(\$12,965)	\$174,523
Subtotal to City	\$1,562,400	40%	(\$108,044)	\$1,454,356
Total	\$3,906,000	100%	(\$108,044)	\$3,906,000

	Sale #2 (85 DU/8.0%) Bond Proceeds split 60/40	Percentage	Pay-As-You-Go to City Through Sale #2 split 60/40	Actual Amount Sale #2 (85 DU/8.0%) Allocated to CUSD and City
CUSD K-12 School Facilities	\$1,172,405	23%	NA	\$2,483,577
CUSD Incremental Payment of Purchase Price Re: SJH/HS/Site	\$2,847,012	37%	NA	\$2,847,012
Subtotal to CUSD	\$4,619,417	60%	NA	\$5,330,589
City of San Juan Capistrano Public Facilities & Fees (88% of total allocated to City)	\$2,710,058	35%	(\$625,831)	\$2,084,227
City of San Juan Capistrano Other City Facilities (12% of total allocated to City)	\$169,553	2%	(\$85,341)	\$284,212
Subtotal to City	\$3,079,612	40%	(\$711,172)	\$2,368,440
Total	\$7,699,029	100%	(\$711,172)	\$7,699,029

SUMMARY OF PROCEEDS	Bond Proceeds	Pay-As-You-Go	Total	Amount per DU (155 DU's)
CUSD Proceeds K-12 School Facilities	\$2,483,577	\$11,864,189	\$14,347,766	\$92,566
CUSD Proceeds for Incremental Payment of Purchase Price Re: SJH/HS/Site	\$5,298,656	\$701,344	\$6,000,000	\$18,710
Subtotal to CUSD	\$7,782,233	\$12,565,533	\$20,347,766	\$131,276
City of San Juan Capistrano Proceeds Public Facilities & Fees	\$3,364,060	\$720,910	\$4,084,970	\$26,355
City of San Juan Capistrano Proceeds Other City Facilities	\$458,735	\$98,306	\$557,041	\$3,594
Subtotal to City	\$3,822,796	\$819,216	\$4,642,012	\$29,948
Total	\$11,605,029	\$13,384,749	\$24,989,778	\$161,224

NPV OF SUMMARY OF PROCEEDS (AT 4% DISCOUNT RATE)	Bond Proceeds	Pay-As-You-Go	Total	Amount per DU (155 DU's)
CUSD Proceeds K-12 School Facilities	\$1,962,807	\$4,931,427	\$6,894,234	\$44,479
CUSD Proceeds for Incremental Payment of Purchase Price Re: SJH/HS/Site	\$4,429,537	\$597,973	\$5,027,510	\$32,436
Subtotal to CUSD	\$6,392,344	\$5,529,400	\$11,921,744	\$76,914
City of San Juan Capistrano Proceeds Public Facilities & Fees	\$2,784,962	\$595,377	\$3,380,339	\$21,809
City of San Juan Capistrano Proceeds Other City Facilities	\$179,768	\$81,188	\$260,956	\$2,974
Subtotal to City	\$3,164,730	\$676,565	\$3,841,295	\$24,783
Total	\$9,557,074	\$6,205,965	\$15,763,039	\$101,697

FISCAL YEAR - COLLECTION OF TAXES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS**V. AVERAGE ANNUAL SPECIAL TAX**

UNDEVELOPED PROPERTY, PER ACRE

NON-RESIDENTIAL PROPERTY, PER ACRE

RESIDENTIAL PROPERTY, PER UNIT

CLASS 1 CUSTOM HOMES

CLASS 2 RESIDENTIAL (> 4,600 SF)

CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)

CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)

CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)

CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)

CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)

CLASS 8 RESIDENTIAL (<= 2,900 SF)

VI. MAXIMUM SPECIAL TAXES

UNDEVELOPED PROPERTY

NON-RESIDENTIAL PROPERTY

RESIDENTIAL PROPERTY

CLASS 1 CUSTOM HOMES

CLASS 2 RESIDENTIAL (> 4,600 SF)

CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)

CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)

CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)

CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)

CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)

CLASS 8 RESIDENTIAL (<= 2,900 SF)

TOTAL MAXIMUM SPECIAL TAXES

VII. DEBT SERVICE COVERAGE

GROSS DEBT SERVICE COVERAGE FROM 1ST BOND AND 70 UNITS*

GROSS DEBT SERVICE COVERAGE *

NET DEBT SERVICE COVERAGE **

	2011-12 2012	2012-13 2013	2013-14 2014	2014-15 2015	2015-16 2016	2016-17 2017	2017-18 2018	2018-19 2019	2019-20 2020	2020-21 2021
UNDEVELOPED PROPERTY, PER ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY, PER ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RESIDENTIAL PROPERTY, PER UNIT	\$0	\$0	\$0	\$0	\$0	\$15,349	\$15,656	\$15,969	\$16,286	\$16,614
CLASS 1 CUSTOM HOMES	\$0	\$0	\$0	\$0	\$0	\$9,501	\$9,891	\$9,891	\$10,284	\$10,684
CLASS 2 RESIDENTIAL (> 4,600 SF)	\$0	\$0	\$8,863	\$9,132	\$9,314	\$9,501	\$9,691	\$9,884	\$10,072	\$10,264
CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)	\$0	\$0	\$8,172	\$8,336	\$8,502	\$8,673	\$8,846	\$9,023	\$9,203	\$9,387
CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)	\$0	\$0	\$7,947	\$8,106	\$8,268	\$8,433	\$8,602	\$8,774	\$8,950	\$9,129
CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)	\$0	\$7,247	\$7,540	\$7,840	\$8,140	\$8,440	\$8,740	\$9,040	\$9,340	\$9,640
CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)	\$0	\$7,121	\$7,263	\$7,408	\$7,557	\$7,708	\$7,862	\$8,019	\$8,180	\$8,343
CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)	\$0	\$6,774	\$6,869	\$7,047	\$7,186	\$7,332	\$7,479	\$7,628	\$7,781	\$7,937
CLASS 8 RESIDENTIAL (<= 2,900 SF)	\$0	\$6,300	\$6,427	\$6,555	\$6,686	\$6,820	\$6,956	\$7,095	\$7,237	\$7,382
UNDEVELOPED PROPERTY	\$1,512,236	\$1,423,062	\$1,177,460	\$648,989	\$464,666	\$0	\$0	\$0	\$0	\$0
NON-RESIDENTIAL PROPERTY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RESIDENTIAL PROPERTY	\$0	\$0	\$0	\$0	\$0	\$230,234	\$234,839	\$239,536	\$244,326	\$249,213
CLASS 1 CUSTOM HOMES	\$0	\$0	\$17,905	\$45,659	\$74,515	\$104,507	\$108,568	\$108,729	\$110,804	\$113,122
CLASS 2 RESIDENTIAL (> 4,600 SF)	\$0	\$0	\$49,034	\$108,365	\$178,352	\$260,176	\$365,379	\$470,687	\$576,100	\$681,623
CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)	\$0	\$0	\$15,694	\$40,530	\$66,145	\$101,202	\$103,226	\$105,290	\$107,398	\$109,544
CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)	\$0	\$21,741	\$59,135	\$113,086	\$176,863	\$211,798	\$216,034	\$220,355	\$224,762	\$229,257
CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)	\$0	\$28,403	\$58,106	\$98,310	\$136,019	\$194,155	\$157,238	\$160,383	\$163,591	\$166,863
CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)	\$0	\$20,321	\$62,183	\$112,756	\$172,520	\$219,983	\$224,363	\$228,650	\$233,427	\$238,065
CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)	\$0	\$12,601	\$25,706	\$39,330	\$50,175	\$68,189	\$69,563	\$70,954	\$72,373	\$73,820
CLASS 8 RESIDENTIAL (<= 2,900 SF)	\$0	\$12,601	\$25,706	\$39,330	\$50,175	\$68,189	\$69,563	\$70,954	\$72,373	\$73,820
TOTAL MAXIMUM SPECIAL TAXES	\$1,512,236	\$1,506,309	\$1,465,423	\$1,405,038	\$1,328,476	\$1,350,234	\$1,377,239	\$1,404,784	\$1,432,879	\$1,461,507

VII. DEBT SERVICE COVERAGE

GROSS DEBT SERVICE COVERAGE FROM 1ST BOND AND 70 UNITS*

GROSS DEBT SERVICE COVERAGE *

NET DEBT SERVICE COVERAGE **

* ALL CUMULATIVE SPECIAL TAXES LESS CFD ADMINISTRATION, PAYMENTS BY CREDIT DEBIT SERVICE
 ** ALL CUMULATIVE SPECIAL TAXES LESS CFD ADMINISTRATION PLUS RESERVE EARNINGS, DIVIDED BY GROSS DEBT SERVICE

	2011-12 2012	2012-13 2013	2013-14 2014	2014-15 2015	2015-16 2016	2016-17 2017	2017-18 2018	2018-19 2019	2019-20 2020	2020-21 2021
GROSS DEBT SERVICE COVERAGE FROM 1ST BOND AND 70 UNITS*	NA	NA	NA	110.07%	112.27%	114.52%	116.81%	119.14%	123.22%	123.22%
GROSS DEBT SERVICE COVERAGE *	NA	NA	NA	NA	NA	NA	NA	110.03%	112.77%	114.23%
NET DEBT SERVICE COVERAGE **	NA	NA	NA	NA	NA	NA	NA	111.06%	115.72%	117.16%

FISCAL YEAR - COLLECTION OF TAXES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS

I. CFD BONDED INDEBTEDNESS

CUSD
OTHER FACILITIES
INCREMENTAL PAYMENT OF PURCHASE PRICE RE. SJMHS/SITE
CITY OF SAN JUAN CAPISTRANO
PUBLIC FACILITIES & FEES
OTHER CITY FACILITIES
TOTAL FINANCED PUBLIC FACILITIES
TOTAL BONDED INCENTIVENESS

[illegible]

II. ABSORPTION - BUILDING PERMITS (as of 1/1).

UNDEVELOPED PROPERTY	
REMAINING UNDEVELOPED ACREAGE	
DEVELOPED NON-RESIDENTIAL PROPERTY	
CUMULATIVE NON-RESIDENTIAL ACREAGE	
DEVELOPED RESIDENTIAL PROPERTY	
CLASS 1	CUSTOM HOMES
CLASS 2	RESIDENTIAL (> 4,600 SF)
CLASS 3	RESIDENTIAL (4,301 - 4,600 SF)
CLASS 4	RESIDENTIAL (3,901 - 4,300 SF)
CLASS 5	RESIDENTIAL (3,701 - 3,900 SF)
CLASS 6	RESIDENTIAL (2,401 - 3,700 SF)
CLASS 7	RESIDENTIAL (2,401 - 3,400 SF)
CLASS 8	RESIDENTIAL (<= 2,400 SF)
CUMULATIVE RESIDENTIAL UNITS	

[illegible]

* Custom homes based upon land sales, rather than building permits.

III. ~~MELLO-ROOS SPECIAL TAXES~~

UNDEVELOPED PROPERTY SPECIAL TAXES	
NON-RESIDENTIAL PROPERTY SPECIAL TAXES	
RESIDENTIAL PROPERTY SPECIAL TAXES	
CLASS 1	CUSTOM HOMES
CLASS 2	RESIDENTIAL (> 4,000 SF)
CLASS 3	RESIDENTIAL (4,301 - 4,600 SF)
CLASS 4	RESIDENTIAL (3,901 - 4,300 SF)
CLASS 5	RESIDENTIAL (3,701 - 3,900 SF)
CLASS 6	RESIDENTIAL (3,401 - 3,700 SF)
CLASS 7	RESIDENTIAL (2,901 - 3,400 SF)
CLASS 8	RESIDENTIAL (<= 2,900 SF)
TOTAL SPECIAL TAXES	

[illegible]

IV. SPECIAL TAX REQUIREMENT

NEW BONDED INDEBTEDNESS	
NEW RESERVE FUND	
<hr/>	
ANNUAL DEBT SERVICE - SERIES A	
ANNUAL DEBT SERVICE - SERIES B	
<hr/>	
ANNUAL GROSS DEBT SERVICE	
CFD ADMINISTRATION	
RESERVE FUND INTEREST (6% DELINQUENCY)	
CAPITALIZED INTEREST	
PAY-AS-YO-GO FUNDS (INCREMENTAL PAYMENT OF PURCHASE	
PAY-AS-YO-GO FUNDS (CITY OF SAN JUAN CAPISTRANO PUBLIC	
PAY-AS-YO-GO FUNDS (CITY OF SAN JUAN CAPISTRANO OTHER	
REMAINING PAY-AS-YO-GO FUNDS TO CLSD	
<hr/>	
NET ANNUAL DEBT SERVICE	

[illegible]

CUMULATIVE BOND PROCEEDS/PAY-AS-YOU-GO FOR
INCREMENTAL PAYMENT OF PURCHASE PRICE RE. SJPHS/SITE

[illegible]

- DEPT SPORTS MEDICAL ASSISTANT MARCH / AND SEPTEMBER / WANT PATIENT -

Draft - Unaudited

FISCAL YEAR - COLLECTION OF TAXES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS

2020-21
2021

V. AVERAGE ANNUAL SPECIAL TAX
UNDEVELOPED PROPERTY, PER ACRE

NON-RESIDENTIAL PROPERTY, PER ACRE

2020-21
2021

RESIDENTIAL PROPERTY, PER UNIT

- CLASS 1 CUSTOM HOMES
- CLASS 2 RESIDENTIAL (> 4,600 SF)
- CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)
- CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)
- CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)
- CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)
- CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)
- CLASS 8 RESIDENTIAL (<= 2,900 SF)

2020-21
2021

VI. MAXIMUM SPECIAL TAXES
UNDEVELOPED PROPERTY

NON-RESIDENTIAL PROPERTY

RESIDENTIAL PROPERTY

- CLASS 1 CUSTOM HOMES
- CLASS 2 RESIDENTIAL (> 4,600 SF)
- CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)
- CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)
- CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)
- CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)
- CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)
- CLASS 8 RESIDENTIAL (<= 2,900 SF)

2020-21
2021

VII. DEBT SERVICE COVERAGE
GROSS DEBT SERVICE COVERAGE FROM 1ST BOND AND 70 UNITS*

GROSS DEBT SERVICE COVERAGE *

NET DEBT SERVICE COVERAGE **

2020-21
2021

* MAXIMUM SPECIAL TAXES BASED ON 70 UNITS OF DEVELOPMENT, 100% OF GROSS DEBT SERVICE
** MAXIMUM SPECIAL TAXES BASED ON 70 UNITS OF DEVELOPMENT, 100% OF GROSS DEBT SERVICE

FISCAL YEAR - COLLECTION OF TAXES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS

**FIGURE 1: COLLECTION OF PAGES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS**

1. CFD BONDED INDEBTEDNESS

[illegible]

II. ABSORPTION - BUILDING PERMITS (as of 1/1/10)

[illegible]

- Custom homes based upon land sales, rather than building interest.

III. HELLO-ROOS SPECIAL TAXES

[illegible]

IV. SPECIAL TAX REQUIREMENT

[illegible]

- DONT BRING SCHEDULES AND GETTING MARCH 1 AND GETTING MARCH 1 MOND PAIN QTS -

FISCAL YEAR - COLLECTION OF TAXES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS**V. AVERAGE ANNUAL SPECIAL TAX**

UNDEVELOPED PROPERTY, PER ACRE

NON-RESIDENTIAL PROPERTY, PER ACRE

RESIDENTIAL PROPERTY, PER UNIT

CLASS 1 CUSTOM HOMES

CLASS 2 RESIDENTIAL (> 4,600 SF)

CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)

CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)

CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)

CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)

CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)

CLASS 8 RESIDENTIAL (<= 2,900 SF)

VI. MAXIMUM SPECIAL TAXES

UNDEVELOPED PROPERTY

NON-RESIDENTIAL PROPERTY

RESIDENTIAL PROPERTY

CLASS 1 CUSTOM HOMES

CLASS 2 RESIDENTIAL (> 4,600 SF)

CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)

CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)

CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)

CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)

CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)

CLASS 8 RESIDENTIAL (<= 2,900 SF)

TOTAL MAXIMUM SPECIAL TAXES

VII. DEBT SERVICE COVERAGE

GROSS DEBT SERVICE COVERAGE FROM 1ST BOND AND 70 UNITS*

GROSS DEBT SERVICE COVERAGE*

NET DEBT SERVICE COVERAGE**

FISCAL YEAR - COLLECTION OF TAXES	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS											
V. AVERAGE ANNUAL SPECIAL TAX											
UNDEVELOPED PROPERTY, PER ACRE											
NON-RESIDENTIAL PROPERTY, PER ACRE											
RESIDENTIAL PROPERTY, PER UNIT											
CLASS 1 CUSTOM HOMES	\$20,658	\$21,071	\$21,492	\$21,922	\$22,361	\$22,808	\$23,264	\$23,729	\$24,204	\$24,688	\$25,181
CLASS 2 RESIDENTIAL (> 4,600 SF)	\$12,787	\$13,042	\$13,303	\$13,569	\$13,841	\$14,117	\$14,400	\$14,688	\$14,982	\$15,281	\$15,586
CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)	\$11,872	\$11,906	\$12,144	\$12,386	\$12,634	\$12,887	\$13,145	\$13,408	\$13,676	\$13,949	\$14,221
CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)	\$11,350	\$11,577	\$11,809	\$12,045	\$12,286	\$12,532	\$12,782	\$13,038	\$13,299	\$13,565	\$13,837
CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)	\$10,557	\$10,789	\$10,984	\$11,204	\$11,428	\$11,656	\$11,888	\$12,127	\$12,370	\$12,617	\$12,869
CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)	\$10,374	\$10,581	\$10,793	\$11,009	\$11,229	\$11,453	\$11,682	\$11,916	\$12,154	\$12,397	\$12,645
CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)	\$9,868	\$10,065	\$10,267	\$10,472	\$10,682	\$10,896	\$11,113	\$11,335	\$11,562	\$11,793	\$12,028
CLASS 8 RESIDENTIAL (<= 2,900 SF)	\$9,179	\$9,362	\$9,549	\$9,740	\$9,935	\$10,134	\$10,337	\$10,543	\$10,754	\$10,969	\$11,186
VI. MAXIMUM SPECIAL TAXES											
UNDEVELOPED PROPERTY											
NON-RESIDENTIAL PROPERTY											
RESIDENTIAL PROPERTY											
CLASS 1 CUSTOM HOMES	\$309,865	\$316,082	\$322,384	\$328,831	\$335,428	\$342,116	\$348,859	\$355,636	\$362,456	\$369,317	\$376,217
CLASS 2 RESIDENTIAL (> 4,600 SF)	\$140,653	\$143,466	\$146,306	\$149,282	\$152,298	\$155,352	\$158,438	\$161,566	\$164,738	\$167,954	\$171,214
CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)	\$350,162	\$357,165	\$364,309	\$371,595	\$379,027	\$386,607	\$394,338	\$402,226	\$410,271	\$418,478	\$426,746
CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)	\$136,204	\$138,928	\$141,707	\$144,541	\$147,432	\$150,380	\$153,388	\$156,456	\$159,585	\$162,776	\$166,028
CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)	\$285,052	\$290,753	\$296,568	\$302,500	\$308,559	\$314,721	\$321,015	\$327,435	\$333,984	\$340,664	\$347,484
CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)	\$207,473	\$211,622	\$215,855	\$220,172	\$224,575	\$229,067	\$233,648	\$238,321	\$243,088	\$247,949	\$252,904
CLASS 7 RESIDENTIAL (2,901 - 3,400 SF)	\$296,042	\$301,963	\$308,002	\$314,162	\$320,445	\$326,854	\$333,391	\$340,059	\$346,860	\$353,797	\$360,870
CLASS 8 RESIDENTIAL (<= 2,900 SF)	\$91,786	\$93,622	\$95,494	\$97,404	\$99,352	\$101,339	\$103,366	\$105,434	\$107,542	\$109,693	\$111,886
TOTAL MAXIMUM SPECIAL TAXES	\$1,817,238	\$1,853,542	\$1,890,654	\$1,928,467	\$1,967,036	\$2,006,377	\$2,046,505	\$2,087,435	\$2,129,184	\$2,171,767	\$2,215,214

VII. DEBT SERVICE COVERAGE											
GROSS DEBT SERVICE COVERAGE FROM 1ST BOND AND 70 UNITS*	123.22%	123.27%	123.22%	123.22%	123.22%	123.22%	123.22%	123.22%	123.22%	123.22%	123.22%
GROSS DEBT SERVICE COVERAGE*	118.22%	118.22%	118.22%	118.22%	118.22%	118.22%	118.22%	118.22%	118.22%	118.22%	118.22%
NET DEBT SERVICE COVERAGE**	120.05%	120.61%	120.56%	120.52%	120.47%	120.43%	120.38%	120.34%	120.30%	120.26%	120.23%

* MAXIMUM SPECIAL TAXES LESS CTD ADMINISTRATION, PLUS RESIDENTS' LIABILITIES, DIVIDED BY GROSS DEBT SERVICE
 ** MAXIMUM SPECIAL TAXES LESS CTD ADMINISTRATION, PLUS RESIDENTS' LIABILITIES, DIVIDED BY NET DEBT SERVICE

FISCAL YEAR - COLLECTION OF TAXES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS

1. CED BONDED INDEBTEDNESS

CUSD							
OTHER FACILITIES		\$0	\$0	\$0	\$0	\$0	\$2,463,578
INCREMENTAL PAYMENT OF PURCHASE PRICE RE. SJWH/SITE		\$0	\$0	\$0	\$0	\$0	\$5,298,656
CITY OF SAN JUAN CAPISTRANO							
PUBLIC FACILITIES & FEES		\$0	\$0	\$0	\$0	\$0	\$3,384,061
OTHER CITY FACILITIES		\$0	\$0	\$0	\$0	\$0	\$456,736
TOTAL FINANCED PUBLIC FACILITIES		\$0	\$0	\$0	\$0	\$0	\$11,805,028
TOTAL BONDED INDEBTEDNESS		\$0	\$0	\$0	\$0	\$0	\$15,320,000

II. ABSORPTION - BUILDING PERMITS (as of 1/1/11):

[illegible]

* Custom harness built upon hand sales, rather than building barriers.

III. MELLO-ROOS SPECIAL TAXES

[illegible]

IV. SPECIAL TAX REQUIREMENT

	\$0	\$0	\$0	\$0	\$0	\$9,660,000	\$15,320,000
NEW BONDED INDEBTEDNESS	\$0	\$0	\$0	\$0	\$0	(\$837,000)	\$1,532,000
NEW RESERVE FUND							
ANNUAL DEBT SERVICE - SERIES A	\$655,033	\$658,134	\$658,134	\$0	\$0	\$0	\$15,719,208
ANNUAL DEBT SERVICE - SERIES B	\$1,143,698	\$1,166,572	\$1,166,572	\$0	\$0	\$0	\$29,656,681
ANNUAL GROSS DEBT SERVICE	\$1,798,731	\$1,824,706	\$1,824,706	\$1,871,400	\$1,237,976	\$1,262,735	
CFD ADMINISTRATION	\$68,762	\$90,568	\$90,568	\$92,379	\$96,112	\$98,034	\$45,375,946
RESERVE FUND INTEREST (6% DELINQUENCY)				\$36,002	\$34,227	\$38,034	\$2,499,724
CAPITALIZED INTEREST				\$0	\$0	\$0	(\$1,220,676)
PAY-AS-YOU-GO FUNDS (INCREMENTAL PAYMENT OF PURCHASE PRICE RE. SJWH/SITE)				\$0	\$0	\$0	\$0
PAY-AS-YOU-GO FUNDS (CITY OF SAN JUAN CAPISTRANO PUBLIC FACILITIES AND FEES)				\$0	\$0	\$0	(\$1,225,600)
PAY-AS-YOU-GO FUNDS (CITY OF SAN JUAN CAPISTRANO OTHER CITY FACILITIES)				\$0	\$0	\$0	\$0
REMAINING PAY-AS-YOU-GO FUNDS TO CLSD	\$363,681	\$370,235	\$370,235	\$376,919	\$1,066,245	\$98,305	\$701,910
NET ANNUAL DEBT SERVICE	\$2,215,203	\$2,259,507	\$2,259,507	\$1,767,687	\$2,387,808	\$1,108,376	\$57,482,144
CUMULATIVE BOND PROCEEDS/PAY-AS-YOU-GO FOR INCREMENTAL PAYMENT OF PURCHASE PRICE RE. SJWH/SITE	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	NA
ANNUAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0	\$0	NA
CUMULATIVE SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0	\$0	NA

FISCAL YEAR - COLLECTION OF TAXES
CALENDAR YEAR - PAYMENTS TO BOND HOLDERS

V. AVERAGE ANNUAL SPECIAL TAX
UNDEVELOPED PROPERTY, PER ACRE

NON-RESIDENTIAL PROPERTY, PER ACRE							
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RESIDENTIAL PROPERTY, PER UNIT							
CLASS 1 CUSTOM HOMES							
CLASS 2 RESIDENTIAL (> 4,600 SF)	\$25,182	\$25,685	\$20,095	\$26,723	\$27,257	\$18,402	NA
CLASS 3 RESIDENTIAL (4,301 - 4,600 SF)	\$15,587	\$15,868	\$12,438	\$16,541	\$16,872	\$10,208	NA
CLASS 4 RESIDENTIAL (3,901 - 4,300 SF)	\$14,513	\$14,513	\$11,354	\$15,099	\$15,401	\$9,061	NA
CLASS 5 RESIDENTIAL (3,701 - 3,900 SF)	\$13,626	\$14,113	\$11,041	\$14,683	\$14,977	\$9,061	NA
CLASS 6 RESIDENTIAL (3,401 - 3,700 SF)	\$12,870	\$13,127	\$10,270	\$13,657	\$13,830	\$8,428	NA
CLASS 7 RESIDENTIAL (3,101 - 3,400 SF)	\$12,898	\$12,898	\$10,091	\$13,419	\$13,688	\$8,282	NA
CLASS 8 RESIDENTIAL (2,801 - 3,100 SF)	\$12,029	\$9,569	\$8,569	\$12,765	\$13,021	\$7,878	NA
CLASS 9 RESIDENTIAL (= 2,900 SF)	\$11,169	\$11,412	\$8,928	\$11,874	\$12,111	\$7,328	NA

VI. MAXIMUM SPECIAL TAXES

NON-RESIDENTIAL PROPERTY		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RESIDENTIAL PROPERTY									
CLASS 1	CUSTOM HOMES	\$377,724	\$385,278	\$392,884	\$400,843	\$408,860	\$417,038	\$425,271	\$433,564
CLASS 2	RESIDENTIAL (> 4,000 SF)	\$171,455	\$174,885	\$178,382	\$181,950	\$185,589	\$189,301	\$193,000	\$196,785
CLASS 3	RESIDENTIAL (4,301 - 4,900 SF)	\$428,846	\$435,383	\$442,090	\$448,872	\$455,730	\$462,663	\$469,672	\$476,757
CLASS 4	RESIDENTIAL (5,901 - 6,300 SF)	\$166,032	\$169,353	\$172,740	\$176,194	\$179,718	\$183,313	\$186,988	\$190,743
CLASS 5	RESIDENTIAL (6,701 - 9,900 SF)	\$347,477	\$354,427	\$361,515	\$368,745	\$376,120	\$383,643	\$391,313	\$399,030
CLASS 6	RESIDENTIAL (3,401 - 3,700 SF)	\$252,900	\$257,966	\$263,126	\$268,388	\$273,756	\$279,231	\$284,813	\$290,503
CLASS 7	RESIDENTIAL (2,901 - 3,400 SF)	\$360,191	\$368,091	\$376,153	\$384,382	\$392,621	\$398,431	\$404,228	\$410,013
CLASS 8	RESIDENTIAL (<= 2,900 SF)	\$111,887	\$114,125	\$116,407	\$118,735	\$121,110	\$123,532	\$125,999	\$128,513
TOTAL MAXIMUM SPECIAL TAXES		\$2,215,203	\$2,255,507	\$2,304,697	\$2,350,791	\$2,397,808	\$2,444,763	\$2,492,665	\$2,540,517

VII. DEBT SERVICE COVERAGE
GROSS DEBT SERVICE COVERAGE F

GROSS DEBT SERVICE COVERAGE *	118.22%	118.22%	165.92%	165.92%	165.92%	NA
NET DEBT SERVICE COVERAGE **	120.22%	120.18%	120.14%	187.85%	187.81%	187.78%

* ADDED/31/SPECIAL TAXES /LESS CFT ADMINISTRATION, DIVIDED BY GROSS DEBIT SERVICE
** ADDED/31/SPECIAL TAXES /LESS CFT ADMINISTRATION PLUS ASSURANCE, DIVIDED BY GROSS DEBIT SERVICE

EXHIBIT C

DESCRIPTION OF CITY FACILITIES

The following improvements are eligible City Facilities:

CITY FEE FACILITIES			
	PAID TO DATE	TO BE PAID	TOTAL
Traffic Mitigation Fee (CCFP)	7,387	1,137,598	1,144,985
Park Fee	1,798,000	–	1,798,000
San Juan AG Preserve Fee	500	77,000	77,500
San Juan Water Capacity Fee	578,232	–	578,232
San Juan Water Meter	31,000	–	31,000
San Juan Water Capital Improvement Charge	311,240	–	311,240
San Juan Water Storage Fee	217,000	–	217,000
San Juan Drainage Fee	862.41	132,811	133,674
San Juan Fee Ordinance 211	115	17,710	17,825
San Juan Ordinance 364	3,522	646,478	650,000
San Juan Sanitation District (Sewer) Fee	4301.46	662,425	666,726
SUBTOTAL	2,952,160	2,674,022	5,626,182
CITY ACQUISITION FACILITIES (Detailed description attached)			
	COMPLETED PRIOR TO 1/1/09	TO BE COMPLETED 2009 - 2015	TOTAL
Vista Montana Improvements	2,328,431	–	2,328,431
Sewer	263,120	2,000,000	2,263,120
Water	743,475	1,200,000	1,943,75
Reclaimed Water	272,276	400,000	672,276
Storm Drain	2,031,054	–	2,031,054
SUBTOTAL	5,638,356	3,600,000	9,238,356
ADDITIONAL CITY FACILITIES^{1>}			1,783,745
GRAND TOTAL	8,590,516	8,057,767	16,648,282

^{1>} City to receive amount equal to 12% of all disbursements for City Facilities to be used for Additional Facilities.

EXHIBIT D

DISBURSEMENT REQUEST FORM CITY OF SAN JUAN CAPISTRANO/CFD NO. 2005-1 WHISPERING HILLS PLANNED COMMUNITY

Community Facilities District No. 2005-1 of the Capistrano Unified School District (Whispering Hills) (“CFD No. 2005-1”) is hereby requested to pay from the City Facilities Account established by the Indenture described in the F/A Agreement among the Parties (“Indenture”) of CFD No. 2005-1 in connection with its CFD No. 2005-1 First Series and Second Series Special Tax Bonds (“Bonds”), to the City of San Juan Capistrano (“City”), as Payee, the sum set forth below in payment of City Facilities described below.

The undersigned certifies that the amount requested has been expended or encumbered for the purposes of constructing and completing City Facilities. The amount requested is due and payable under, or is encumbered for the purpose of funding, a purchase order, contract or other authorization with respect to the project costs described below and has not formed the basis of prior request or payment. The City agrees to trace and remit to CFD No. 2005-1 all earnings, if any, in excess of the yield on the Bonds accruing from the investment of the amounts requested herein, from the date of receipt by the City of such amounts to the date of expenditure of such amounts by payment thereof to a third party for the costs set forth below. Such remittance, if any, shall be made each year on the earlier of the expenditure of such amounts or the anniversary date of the transfer of the requested amounts by CFD No. 2005-1 to the City.

Description of corresponding City Facilities:

Amount requested: \$.

The amount of \$ is authorized and payable pursuant to the terms of the First Amended and Restated Joint Community Facilities Agreement among Capistrano Unified School District, Community Facilities District No. 2005-1 of Capistrano Unified School District (Whispering Hills), the City of San Juan Capistrano, Rancho San Juan Development LLC and Whispering Hills LLC, dated as of _____ 1, 2011.

Executed by an authorized representative of the City of San Juan Capistrano.

By:

Name:

Title:

Dated:

Request No.:

Attest:

EXHIBIT D-1

FORM OF ACQUISITION FACILITY(IES) PAYMENT REQUEST

The undersigned, hereby requests payment in the total amount of \$_____ as the Acquisition Price of the Acquisition Facility(ies) (as defined in the First Amended and Restated Joint Community Facilities Agreement by and among Capistrano Unified School District Community Facilities District No. 2005-1 (Whispering Hills), City of San Juan Capistrano ("City"), Rancho San Juan Development LLC, and Whispering Hills, LLC dated as of _____ 1, 2011 ("F/A JCFA") more fully described in Attachment 1 hereto. In connection with this Payment Request, the undersigned hereby represents and warrants to the City as follows:

1. He(she) is a duly authorized officer of the undersigned, qualified to execute this Payment Request for payment on behalf of the undersigned and is knowledgeable as to the matters set forth herein.

2. All costs of the Acquisition Facility(ies) for which payment is requested hereby are actual costs and have not been inflated at any respect. The actual costs for which payment is requested have not been the subject of any prior disbursement request submitted to Community Facilities District No. 2000-1 of the Capistrano Unified School District (the "CFD").

3. Supporting documentation (such as third party invoices, lien releases and cancelled checks or other evidence of payment) is attached with respect to each cost for which payment is requested.

4. The Acquisition Facility(ies) for which payment is requested was constructed in accordance with the requirements of the F/A JCFA.

5. The undersigned is in compliance with the term and provisions of the F/A JCFA and no portion of the amount being requested to be paid was previously paid.

6. The Acquisition Price for the Acquisition Facility(ies) has been calculated in conformance with the terms of the F/A JCFA.

7. Please authorize payment of the Acquisition Price by CFD No. 2005-1 to the following entity(ies), if other than the undersigned, in the amounts or percentages indicated:

[Insert names of payees and amounts or percentages]

I declare under penalty of perjury that the above representations and warranties are true and correct.

Dated:

RANCHO SAN JUAN DEVELOPMENT
LLC

By:

Its:

Dated:

CITY OF SAN JUAN CAPISTRANO

Payment Request Approved for Submission to
CFD

By:

Its:

ATTACHMENT 1

SUMMARY OF ACQUISITION FACILITY(IES)

TO BE ACQUIRED AS PART OF PAYMENT REQUEST

Acquisition Facility(ies)	Actual Costs	Disbursement Requested
---------------------------	--------------	------------------------

[List here all Acquisition Facility(ies)
which payment is requested, and attach support documentation]