

## EXHIBIT C

### COUNTY OF PLACER COMMUNITY FACILITIES DISTRICT NO. 2001-1 (DRY CREEK - WEST PLACER)

#### RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2001-1 (herein "CFD No. 2001-1") shall be levied and collected according to the tax liability determined by the Board of Supervisors of the County of Placer, as described below. All of the property in CFD No. 2001-1 (including property annexed into CFD No. 2001-1 in future years), unless exempted by law or by the provisions of Section G below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed into CFD No. 2001-1 unless a separate Rate and Method of Apportionment of Special Tax is adopted for the annexation area.

#### A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

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

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

**"Administrative Expenses"** means any or all of the following: the fees and expenses of any fiscal agent or trustee (including fees and expenses of its counsel) employed in connection with any Bonds; the expenses of the Administrator and the County in carrying out their duties under any fiscal agent agreement, indenture, acquisition agreement, or escrow agreement for Bonds, including, but not limited to, the levy and collection of the Special Tax, the fees and expenses of its counsel, audits, or other amounts needed to pay rebate to the federal government with respect to Bonds; costs associated with complying with continuing disclosure requirements; and all other costs and expenses of the County, Administrator, fiscal agent, escrow agent or trustee in any way related to the establishment or administration of CFD No. 2001-1

**"Administrator"** shall mean the person or firm designated by the County to administer the Special Tax according to this Rate and Method of Apportionment of Special Tax.

**“Airspace Parcel”** means an Assessor’s Parcel that shares common vertical space of an underlying parcel of land with other Parcels that have been assigned Assessor’s Parcel numbers.

**“Annual Costs”** means the total amount needed each Fiscal Year to (i) pay principal and interest on Bonds which are due in the calendar year which begins in such Fiscal Year, (ii) create or replenish reserve funds, (iii) cure any delinquencies which have occurred in the prior Fiscal Year or (based on delinquencies in the payment of Special Taxes which have already taken place) are expected to occur in the Fiscal Year in which the tax will be collected, (iv) pay Administrative Expenses, and (v) pay construction expenses to be funded directly from Special Tax proceeds (if any). The Annual Costs may be reduced in any Fiscal Year by taking into account revenues available from one or more of the following sources: (i) interest earnings on or surplus balances in the Bond reserve fund or other CFD funds and accounts that are available to apply against debt service pursuant to the bond indenture, bond resolution, or other legal document that sets forth these terms, (ii) proceeds from the collection of penalties associated with delinquent Special Taxes, and (iii) any other revenues accrued to the CFD as determined by the Administrator.

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

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

**“Base Maximum Special Tax”** means the Maximum Special Tax for each land use, as shown in Section C.1 below, that was used to assign the Maximum Special Tax to each Original Parcel. The Base Maximum Special Tax for Residential Units shown in Section C.1 is also intended to be the final Maximum Special Tax that will be in effect when a Residential Unit is sold to a homeowner, as discussed further in Section C.1 below.

**“Condominium”** means a residential unit meeting the statutory definition of a condominium contained in the California Civil Code, Section 1351, and for which a condominium plan has been recorded pursuant to the California Civil Code, Section 1352.

**“County”** means the County of Placer.

**“Developed Property”** means all Parcels in CFD No. 2001-1 for which building permits have been issued on or prior to January 1 of the preceding Fiscal Year.

**“Estimated Units”** means the number of Residential Units within each Land Use Class expected on an Original Parcel in CFD No. 2001-1, as shown in Attachments 1 and 2 of this Rate and Method of Apportionment of Special Tax. In relation to Successor Parcels, “Estimated Units” means the number of Residential Units within each Land Use Class that had been expected on the portion of the Original Parcel that is included within the Successor Parcel.

**“Final Map”** means a recorded Parcel or subdivision map that designates individual single family residential Parcels, multi-family Parcels, townhomes, Condominium units, commercial or industrial Parcels.

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

**“Golf Course Property”** means any property within CFD No. 2001-1 that is used as a golf course, including but not limited to, a driving range, clubhouse, parking, outbuildings, and other Taxable Property owned and/or controlled by the golf course operator.

**“Land Use Class”** means any of the three classes listed in Section C.1 below.

**“Lot”** means a Parcel within a Final Map on which an individual single family detached Residential Unit, single family attached building, Condominium unit, multi-family building, or commercial or industrial establishment can be constructed without further subdivision of the Parcel.

**“Maximum CFD Revenues”** means the maximum Special Tax revenues that can be generated within CFD No. 2001-1 by application of the Maximum Special Tax to the land uses anticipated within the CFD, as identified in Attachment 1.

**“Maximum Special Tax”** means the maximum Special Tax, determined in accordance with Section C, that can be levied in any Fiscal Year on Taxable Property in the CFD.

**“Original Parcel”** means any Assessor's Parcel in CFD No. 2001-1 at the time of formation of the CFD. Such Original Parcels are identified in Attachment 1 of this Rate and Method of Apportionment of Special Tax.

**“Proportionately”** means, for Developed Property, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all Assessor's Parcels of Developed Property. For Golf Course Property, “Proportionately” means that the ratio of the actual Special Tax to the Maximum Special Tax is equal for all Parcels of Golf Course Property. For Undeveloped Property, “Proportionately” means that the ratio of the actual Special Tax to the Maximum Special Tax is equal for all Assessor's Parcels of Undeveloped Property.

**“Public Property”** means any property within the boundaries of CFD No. 2001-1 that is owned by the federal government, State of California, the County or other local governments or public agencies.

**“Residential Unit”** means a single residential dwelling unit, including single family homes; individual Condominium, townhome, duplex, triplex and fourplex units; and individual apartment units in a multi-family building.

**“School One-time Special Tax”** means, for Fiscal Year 1998-99, a maximum One-time Special Tax of \$9,796 per dwelling unit for development within CFD No. 2001-1 that is also within the Center Unified School District or subject to a separate agreement. Notwithstanding the above, the actual One-Time Special Tax may be reduced or eliminated depending on the mitigation requirements for the project. Beginning July 1, 1999, and each July 1 thereafter, the One-time Special Tax shall be increased in accordance with the Marshall Swift Construction Cost Index in effect as of the prior April.

**“Special Tax”** means any tax levied pursuant to the Act on property within CFD No. 2001-1.

**“Successor Parcel”** means a taxable Parcel created from an Original Parcel or another Successor Parcel by subdivision or lot line adjustment.

**“Taxable Property”** means all of the area within the boundaries of CFD No. 2001-1 which is not exempt from the Special Tax pursuant to law or Section G below.

**“Undeveloped Property”** means Parcels of Taxable Property in CFD No. 2001-1 not classified as Developed Property.

**“Unit Deficit”** means the difference between the Estimated Units within each Land Use Class for a particular Parcel and the number of Residential Units within each Land Use Class indicated on a Final Map for the Parcel to the extent such Unit Deficit is not offset by a unit transfer as determined pursuant to Section C.5 of this Rate and Method of Apportionment of Special Tax. The County shall determine, in its sole discretion, whether a Unit Deficit exists pursuant to the steps set forth in Section C below.

## **B. CLASSIFICATION OF CFD PARCELS**

On or about July 1 of each year, all Taxable Property within CFD No. 2001-1 shall be categorized by the Administrator either as Developed Property or Undeveloped Property and shall be subject to taxation in accordance with the rate and method of apportionment determined pursuant to Sections C and D below.

## **C. MAXIMUM SPECIAL TAX RATE**

### ***1. Base Maximum Special Tax***

The Base Maximum Special Taxes shown below are used to assign the Maximum Special Tax to each Original Parcel in the CFD and shall be used to allocate the Maximum Special Tax to Successor Parcels as explained in Section C.3 below:

<u>Land Use Class</u>	<u>Lot Size*</u>	<u>Base Maximum Special Tax</u>
Residential #1	Greater than or equal to 20,000 square feet	\$2,260 per Residential Unit
Residential #2	Less than 20,000 square feet	\$1,850 per Residential Unit
Golf Course Property	N/A	Total of \$15,246 for entire course

\* All Condominium units shall be assigned to the Residential #2 Land Use Class.

It is anticipated that the Residential Base Maximum Special Tax shown above shall also be the final Maximum Special Tax that applies to a Residential Unit when the Unit is sold to a homebuyer, unless a partial prepayment is made pursuant to Section F below. The mandatory prepayment required pursuant to Sections C.3.a and C.3.b below should be applied to ensure that the Maximum Special Tax on a Residential Unit sold to a homebuyer is the Residential Base Maximum Special Tax.

## **2. *Original Parcels***

The Maximum Special Tax for each Original Parcel in the CFD is identified in Attachment 1. Prior to issuance of Bonds, the Assessor's Parcel numbers, Estimated Units within each Land Use Class and Maximum Special Tax assigned to each Original Parcel in Attachment 1 may be revised due to lot line adjustments, tentative map revisions, or Estimated Unit transfers (as discussed in Section C.4 below). Such revisions shall only be allowed upon the written consent of the owners of Parcels affected by the revision and the written consent of the County; under no circumstances shall revisions be permitted that reduce the Maximum CFD Revenues.

## **3. *Successor Parcels***

When a Final Map is submitted to the County which will result in the subdivision of an Original Parcel, the Administrator shall compare the land uses proposed for the Successor Parcels to the land uses that had been expected for the Original Parcel, based on reference to Attachments 1 and 2 of this Rate and Method of Apportionment.

***Prior to approval of the Final Map***, the Maximum Special Tax shall be determined for each Successor Parcel as follows:

**a. All Successor Parcels are Residential Lots**

If all Successor Parcels are Lots that will be used for development of Residential Units, the Maximum Special Tax for each Successor Parcel shall be determined as follows:

- (i) If the total number of Residential Units within each Land Use Class proposed on the Successor Parcels is greater than or equal to the Estimated Units for that Original Parcel (as shown in Attachments 1 and 2), the Maximum Special Tax for each Successor Parcel shall be determined by multiplying the Residential Base Maximum Special Tax for each Land Use Class from Section C.1 by the number of Residential Units within each Land Use Class expected on each Successor Parcel. If attached Condominium or multi-family units are proposed for a Successor Parcel, the Administrator shall review the condominium plan, apartment plan, site plan, or other development plan to identify the number of Residential Units to be built on the Parcel and, for Condominium Units, to identify the square footage of each Airspace Parcel. If detached Condominium units are proposed, such units shall automatically be categorized in the Residential #2 Land Use Class.
- (ii) If the total number of Residential Units within each Land Use Class proposed on the Successor Parcels is less than the Estimated Units within each Land Use Class for that Original Parcel (as shown in Attachments 1 and 2), the Maximum Special Tax for each Successor Parcel shall be determined by multiplying the Residential Base Maximum Special Tax from Section C.1 by the number of Residential Units within each Land Use Class expected on each Successor Parcel. In addition, the Administrator shall identify the Unit Deficit and prior to recordation of the Final Map, the landowner shall be required to prepay the Maximum Special Tax associated with the Unit Deficit. Such prepayment amount shall be determined pursuant to Section F below. Notwithstanding the above, if there are fewer Residential Units in the Residential #1 Land Use Class on the Successor Parcel and more Residential Units in the Residential #2 Land Use Class resulting in a reduction in the Maximum Special Tax revenues that were expected from the Successor Parcel, the Maximum Special Tax to be used in Step 1 of the prepayment formula set forth in Section F.1 below shall be the dollar amount by

which the Maximum Special Tax revenues were reduced due to the change in Residential Lot sizes.

**b. Some, But Not All, Successor Parcels are Residential Lots**

If some, but not all, Successor Parcels are Lots that will be used for development of Residential Units, the Administrator shall apply the following steps:

- (i) Determine the Estimated Units within each Land Use Class for the portion of the Original Parcel that is being subdivided into Lots for construction of Residential Units and apply steps (i) and (ii) from Section C.3.a above to calculate the Maximum Special Tax for the Successor Parcels created from that portion of the Original Parcel. The Administrator shall also determine whether a Unit Deficit exists based on the number of Estimated Units within each Land Use Class that had been expected on this portion of the Original Parcel compared to the number of Lots within each Land Use Class proposed in the Final Map. If a Unit Deficit is identified within any Land Use Class and the Unit Deficit results in a reduction of the Maximum Special Tax revenues that could be collected from the Successor Parcel, a mandatory prepayment of the Maximum Special Tax associated with the Unit Deficit shall be required.
- (ii) Determine the Estimated Units within each Land Use Class for the other Successor Parcels created from the subdivision of the Original Parcel, and apply the direction set forth in Section C.3.c, C.3.d, or C.3.e below, as appropriate.

**c. Golf Course Parcels**

Regardless of the actual total Acreage of the golf course, the total Maximum Special Tax on Golf Course Property shall be the Golf Course Base Maximum Special Tax set forth in Section C.1 above. The Special Tax shall be levied on Golf Course Property by dividing the total required Special Tax from the golf course (determined pursuant to Section D) by the Acreage of Golf Course Property within CFD No. 2001-1 in each Fiscal Year. The calculated per-acre Special Tax shall then be multiplied by the Acreage of each Parcel of Golf Course Property to determine the Special Tax levy for each Parcel.

**d. Non-Residential Property**

If a Successor Parcel is designated for commercial, industrial, institutional or other non-residential uses, or if a Successor Parcel is designated as Public Property that

was not anticipated in Attachment 2, the Administrator shall determine the Maximum Special Tax for the Parcel as follows:

- (i) Identify the Estimated Units within each Land Use Class for the Successor Parcel
- (ii) Multiply the Residential Base Maximum Special Tax from Section C.1 by the number of Estimated Units within each Land Use Class for the Parcel to determine the Maximum Special Tax for the Successor Parcel.

**e. Property Subject to Further Subdivision**

If a Successor Parcel created from subdivision of an Original Parcel will be further subdivided prior to issuance of residential or non-residential building permits, the Maximum Special Tax assigned to the Successor Parcel shall be determined by multiplying the number of Estimated Units within each Land Use Class on the Successor Parcel by the Residential Base Maximum Special Tax for each Land Use Class from Section C.1.

*In determining the Maximum Special Tax for any Successor Parcel, the County shall make the final determination of the Estimated Units within each Land Use Class, anticipated land use, and Acreage of each land use. In no event shall the reallocation of Special Taxes among Parcels in CFD No. 2001-1 result in a reduction of the Maximum CFD Revenues.*

**4. *Parcels Annexed to CFD No. 2001-1***

Any Parcel annexed into CFD No. 2001-1 in future years shall be assigned a number of Estimated Units and a corresponding Maximum Special Tax in accordance with the annexation documents adopted by the County. The Parcel shall thereafter be treated as an Original Parcel for purposes of this Rate and Method of Apportionment of Special Tax.

**5. *Unit Transfers***

If a landowner proposes reducing the number of Estimated Units on an Original or Successor Parcel and increasing the number of Estimated Units on another Original or Successor Parcel, the County may allow such a transfer of Estimated Units, and the corresponding Maximum Special Tax, between the Parcels if all of the following conditions are met: (i) any decrease in one taxable Parcel's Maximum Special Tax is offset by an equal increase in the Maximum Special Tax of other Parcels to ensure that there is no net loss in Maximum Special Tax revenues, (ii) written consent has been received by the County from all owners of the Parcels affected by the transfer, and (iii) written consent has been granted by the County to allow such a transfer to take place.



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

Each Fiscal Year, the Special Tax shall be levied as follows until the amount of the levy equals the Annual Costs for that Fiscal Year:

First: The Special Tax shall be levied Proportionately on all Parcels of Developed Property up to 100% of the Maximum Special Tax for each Parcel for such Fiscal Year, as determined pursuant to Section C, above;

Second: If additional revenues are needed after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for each Parcel, as determined pursuant to Section C, above.

**E. MANNER OF COLLECTION**

***1. Annual Special Tax***

The Special Taxes for CFD No. 2001-1 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes provided, however, that prepayments are permitted as set forth in Section F below and provided further that the County may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods.

The Special Tax shall be levied and collected until principal and interest on Bonds have been repaid and authorized facilities to be constructed directly from Special Taxes proceeds have been completed. However, in no event shall Special Taxes be levied after Fiscal Year 2039-2040. At no time shall Special Taxes levied on property in residential use be increased by more than ten percent (10%) of the amount levied in the prior Fiscal Year due to delinquencies or defaults of other property owners in the CFD.

***2. School One-time Special Tax***

For residential Parcels, the School One-time Special Tax (as defined in Section A) shall be paid to the Center Unified School District prior to issuance of a building permit or at such time as identified in an agreement with Center Unified School District. If for any reason the School One-time Special Tax is not paid prior to issuance of a building permit or at a time specified in an agreement with the Center Unified School District, it immediately becomes delinquent and subject to a 10% penalty. One and one half percent interest of the original amount shall be added to the delinquent amount on the first of each month thereafter until paid, or until the next August 2nd, whichever comes first. If not paid by the next August 2nd, the delinquency, plus the 10% penalty, interest, and an additional 9% of the original amount shall be levied on the Parcel on the next secured property tax roll and shall be subject

to judicial foreclosure proceedings as provided by Government Code Section 53356.1. One-half of the 10% penalty shall be retained by the County to cover administration costs, and the remaining penalty and interest shall be paid to Center Unified School District.

**F. PREPAYMENTS**

The following definitions apply to this Section F:

**“Future Facilities Costs”** means the Public Facilities Requirements (as defined below) minus public facility costs funded by Previously Issued Bonds, interest earnings on the CFD construction fund actually earned prior to the date of prepayment, Special Taxes, developer equity, and/or any other source of funding that is available prior to the date of prepayment.

**“Outstanding Bonds”** means all Previously Issued Bonds which remain outstanding, with the following exception: if a Special Tax has been levied against, or already paid by, an Assessor's Parcel making a prepayment, and a portion of the Special Tax will be used to pay a portion of the next principal payment of the Bonds that remain outstanding (as determined by the Administrator), that next principal payment shall be subtracted from the total Bond principal that remains outstanding, and the difference shall be used as the amount of Outstanding Bonds for purposes of this prepayment formula.

**“Previously Issued Bonds”** means all Bonds that have been issued by CFD No. 2001-1 prior to the date of prepayment.

**“Public Facilities Requirements”** means either \$13,650,000 in 2000 dollars, which shall increase by three percent (3%) on January 1, 2001 and on each January 1 thereafter, or such lower number as shall be determined by the County as sufficient to fund public facilities to be provided by CFD No. 2001-1 under the authorized bonding program for CFD No. 2001-1.

The Special Tax obligation applicable to each Assessor's Parcel in CFD No. 2001-1 may be prepaid and the obligation of the Assessor's Parcel to pay the Special Tax permanently satisfied as described herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel who wishes to voluntarily prepay all or a portion of the Special Tax obligation shall provide the Administrator with (i) written notice of intent to prepay, and (ii) payment of fees as established by the Administrator to process the prepayment request. Within 30 days of receipt of written notice and payment, the Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. Prepayment must be made not less than 75 days prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid Special Taxes. If a mandatory prepayment is required due to a Unit Deficit, the Administrator shall use the following formula to calculate the required prepayment to offset the Unit Deficit.

The Prepayment Amount shall be calculated as follows (capitalized terms as defined below):

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

1. *Mandatory or Full Prepayment*

As of the proposed date of prepayment, the Prepayment Amount shall be determined by application of the following steps:

**Step 1:** *For a mandatory prepayment associated with a Unit Deficit*, multiply the deficit number of Residential Units by the Residential Base Maximum Special Tax set forth in Section C.1. *For a voluntary prepayment not associated with a Unit Deficit*, compute the total Maximum Special Tax that could be collected from the Assessor's Parcel prepaying the Special Tax in the Fiscal Year in which prepayment would be received by the County.

**Step 2:** Divide the Maximum Special Tax computed pursuant to Step 1 by the Maximum CFD Revenues.

**Step 3:** Multiply the quotient computed pursuant to Step 2 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (*the "Bond Redemption Amount"*).

**Step 4:** Compute the current Future Facilities Costs, if applicable.

**Step 5:** Multiply the quotient computed pursuant to Step 2 by the amount determined pursuant to Step 4 to compute the amount of Future Facilities Costs to be prepaid (*the "Future Facilities Amount"*).

**Step 6:** Multiply the Bond Redemption Amount computed pursuant to Step 3 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (*the "Redemption Premium"*).

**Step 7:** Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first interest payment date after which the prepayment has been received until the earliest redemption date for the Outstanding Bonds. However, if Bonds are callable at the first interest payment date after the

prepayment has been received, Steps 7, 8 and 9 of this prepayment formula shall not apply.

- Step 8:** Compute the amount the Administrator reasonably expects to derive from the reinvestment of the Bond Redemption Amount plus the Redemption Premium until the redemption date for the Outstanding Bonds that the Administrator expects to be redeemed with the prepayment.
- Step 9:** Take the amount computed pursuant to Step 7 and subtract the amount computed pursuant to Step 8 (*the “Defeasance”*).
- Step 10:** The administrative fees and expenses of CFD No. 2001-1 are as calculated by the Administrator and include the cost of computing the prepayment (if not already paid), the cost of redeeming Bonds, and the cost of recording any notices to evidence the prepayment (*the “Administrative Fees and Expenses”*).
- Step 11:** If and to the extent so provided in the documents pursuant to which the Outstanding Bonds were issued, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (*the “Reserve Fund Credit”*).
- Step 12:** The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 3, 5, 6, 9, and 10, less the amount computed pursuant to Step 11 (*the “Prepayment Amount”*).

## 2. *Partial Prepayment*

Excluding prepayments associated with Unit Deficits, a partial prepayment shall be allowed one time for each Final Map if a builder elects to reduce the Maximum Special Tax for such Final Map area. A partial prepayment must occur simultaneously for each Residential Lot within the Final Map, and the partial prepayment for each Residential Lot shall be equal to the amount required to retire one bond with a \$5,000 denomination. To effect a partial prepayment for a Final Map, the Administrator shall apply the following procedure to determine the partial prepayment for each Residential Lot within the Final Map:

- Step 1:** Multiply \$5,000 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (*the “Bond Redemption Amount”*).
- Step 2:** Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first interest payment date after which the prepayment has

been received until the earliest redemption date for the Outstanding Bonds. However, if Bonds are callable at the first interest payment date after the prepayment has been received, Steps 2, 3 and 4 of this prepayment formula shall not apply.

- Step 3:** Compute the amount the Administrator reasonably expects to derive from the reinvestment of the Bond Redemption Amount until the redemption date for the Outstanding Bonds that the Administrator expects to be redeemed with the prepayment.
- Step 4:** Take the amount computed pursuant to Step 2 and subtract the amount computed pursuant to Step 3 (*the “Defeasance”*).
- Step 5:** The administrative fees and expenses of CFD No. 2001-1 are as calculated by the Administrator and include the cost of computing the partial prepayment (if not already paid), the cost of redeeming Bonds, and the cost of recording any notices to evidence the prepayment (*the “Administrative Fees and Expenses”*).
- Step 6:** If and to the extent so provided in the documents pursuant to which the Outstanding Bonds were issued, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (*the “Reserve Fund Credit”*).
- Step 7:** The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 1, 4, and 5, less the amount computed pursuant to Step 6 (*the “Prepayment Amount”*).

***In addition to calculation of the partial prepayment amount, the Administrator must determine the reduced Maximum Special Tax that will apply to each Parcel within the Final Map after the partial prepayment takes place. Therefore, the Administrator must also apply the following steps in association with a partial prepayment:***

- Step 8:** Using Steps 1 through 3 in Section F.1 above, determine the Bond Redemption Amount that would have been required to eliminate the levy of the Special Tax on each Residential Lot within the Final Map.
- Step 9:** Separately for each Residential Lot within the Final Map, divide \$5,000 by the Bond Redemption Amount determined in Step 8 above and subtract the quotient from 1.00.
- Step 10:** Separately for each Residential Lot within the Final Map, multiply the remainder calculated in Step 9 by the Maximum Special Tax for that Residential Lot to determine the reduced Maximum Special Tax that will

apply to that Residential Lot in the first Fiscal Year following receipt of the partial prepayment.

**G. LIMITATIONS**

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Taxes shall be levied on land conveyed to a public agency, except as otherwise provided in Sections 53317.3 and 53317.5 of the Mello-Roos Community Facilities Act of 1982. In no event shall a Special Tax be levied on Acreage identified as Public Acreage in Attachment 1, unless the sites designated for such public use are relocated to another Parcel. If such relocation occurs, the area previously designated as Public Acreage will become Taxable Property and the Taxable Property within the Parcel on which the site is relocated will be reduced accordingly. A corresponding transfer of the Maximum Special Tax between the two Parcels shall also occur, and Attachment 1 shall be updated to reflect this change. This trading of Public Acreage shall be permitted to the extent that there is no net loss in Maximum CFD Revenues.

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**ATTACHMENT 1**

**County of Placer  
Community Facilities District No. 1  
(Dry Creek - West Placer)**

**Estimated Units and Maximum Special Tax for Original Parcels**

<i>Property Owner</i>	<i>Assessor's Parcel Number</i>	<i>Total Estimated Units</i>	<i>Lots &gt;=20,000</i>	<i>Lots &lt;20,000</i>	<i>Maximum Special Tax from Est. Units</i>
Morgan Creek	023 - 220 - 046	98	98	0	\$221,480
Morgan Creek	023 - 220 - 047	82	82	0	\$185,320
Morgan Creek	023 - 240 - 002	94	30	64	\$186,200
Morgan Creek	023 - 240 - 012	21	21	0	\$47,460
Morgan Creek	023 - 240 - 029	77	77	0	\$174,020
Morgan Creek	023 - 240 - 030	4	4	0	\$9,040
Morgan Creek	023 - 240 - 041	13	13	0	\$29,380
Morgan Creek	023 - 250 - 041	68	0	68	\$125,800
Morgan Creek	023 - 250 - 042	52	0	52	\$96,200
Morgan Creek	023 - 250 - 043	70	0	70	\$129,500
<b>Subtotal, Morgan Creek Residential</b>		<b>579</b>	<b>325</b>	<b>254</b>	<b>\$1,204,400</b>
Golf Course Property					\$15,246
<b>Total, Morgan Creek Special Taxes</b>					<b>\$1,219,646</b>
Riolo Greens	023 - 240 - 018	0			\$0
Riolo Greens	023 - 250 - 008	117	8	109	\$219,730
Forecast Homes	023 - 220 - 059	75	75	0	\$169,500
Doyle	023 - 220 - 029	126	21	105	\$241,710
<b>TOTAL</b>		<b>897</b>	<b>429</b>	<b>468</b>	<b>\$1,850,586</b>

**ATTACHMENT 2**

**COUNTY OF PLACER  
COMMUNITY FACILITIES DISTRICT NO. 2001-1  
(DRY CREEK - WEST PLACER)**

**ORIGINAL PARCELS AND TENTATIVE MAP LOTS**

**(to be provided by Spink)**