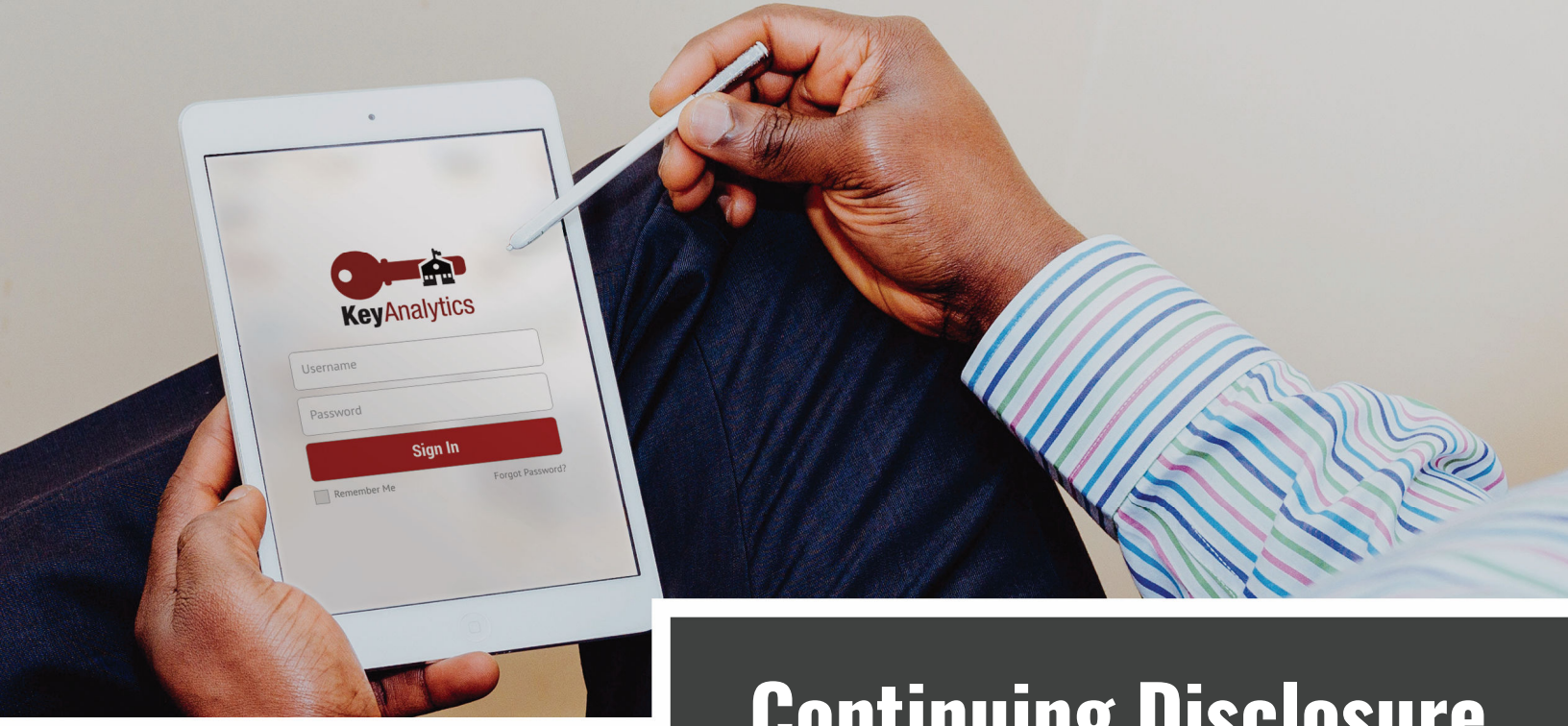




Continuing Disclosure Annual Report

Fiscal Year Ending June 30, 2025

Submitted December 31, 2025

Val Verde Unified School District

Financing Authority

Special Tax Refunding Bonds Series 2014

2024 / 2025



KeyAnalytics

A division of California Financial Services

$19,600,000
Val Verde Unified School District Financing Authority
Special Tax Refunding Bonds
Series 2014

MATURITY DATE	CUSIP*
Current Interest Serial Bonds	
10/01/2014	918828AM6
10/01/2015	918828AN4
10/01/2016	918828AP9
10/01/2017	918828AQ7
10/01/2018	918828AR5
10/01/2019	918828AS3
10/01/2020	918828AT1
10/01/2021	918828AU8
10/01/2022	918828AV6
10/01/2023	918828AW4
10/01/2024	918828AX2
10/01/2025	918828AY0
10/01/2026	918828AZ7
10/01/2027	918828BA1
10/01/2028	918828BB9

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

List of Participants

Issuer

Val Verde Unified School District
Public Financing Authority
975 West Morgan Street
Perris, CA 92571
T. (951) 940-6100
www.valverde.edu

Bond Counsel

Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, CA 94111

Special Tax Administrator

KeyAnalytics
27201 Puerta Real, Suite 260
Mission Viejo, California 92691
T. (949) 282-1077

Fiscal Agent

U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071

Table of Contents

I. Introduction 1

II. Audited Financial Statements 2

III. Special Taxes 3

A. Changes to the Rate and Method of Apportionment 3
B. Special Tax Prepayments 3
C. Summary of Special Tax 4
D. Rate and Method – Maximum Special Taxes 4
E. Special Tax Collections 6
F. Foreclosure Update 7

IV. Debt and Assessed Values 8

A. Principal Outstanding 8
B. Debt Service Schedule 8
C. Assessed Value Summary 8
D. Value-to-Lien 9
E. Ownership 10

V. Fiscal Agent Accounts 11

A. Fiscal Agent Account Balances 11
B. Construction Fund Balances 12
C. Reserve Requirement 12

VI. Reports and Additional Information 13

A. Reports to the California Debt and Investment Advisory Commission 13
B. Listed Events 13
C. Additional Information 14

Exhibit A – Rate and Method of Apportionment
Exhibit B – Authority Debt Service Schedule
Exhibit C – Local Obligation Debt Service Schedule
Exhibit D – Detailed Direct and Overlapping Debt Report
Exhibit E – California Debt and Investment Advisory Commission Reports

I. Introduction

This Annual Report ("Report") has been prepared pursuant to the Continuing Disclosure Certificate ("Disclosure Certificate") executed in connection with the issuance of the following debt by the Val Verde Unified School District Financing Authority ("Authority"):

- Special Tax Refunding Bonds, Series 2014 of the Authority issued on March 20, 2014, in the par amount of $19,600,000 ("Bonds").

Under the Disclosure Certificate, the Val Verde Unified School District ("School District") has agreed to annually provide certain information related to the security of the Bonds. This Report has been prepared by KeyAnalytics at the direction of the School District to provide the required information.

Any information contained herein which involves estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representation of fact. The information set forth herein has been furnished by the School District, or other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Report nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the School District, Community Facilities District ("CFD") No. 98-1 , or the Authority since the date hereof. Capitalized terms used herein which are not otherwise defined shall have the meaning given to them in the respective financing documents.

If there are any questions regarding the information provided herein, please contact KeyAnalytics at (949) 282-1077.

II. Audited Financial Statements

As of the date of this Report, the Board of Education of the Val Verde Unified School District (the "Board") has not approved the final Audited Financial Statements for the Fiscal Year ending June 30, 2025. As a result, the School District's Unaudited Financial Statements have been uploaded and are available at http://emma.msrb.org. The Audited Financial Statements will be provided under a separate cover once the Board has approved them.

> **The School District's annual financial statement is provided solely to comply with the Securities Exchange Commission staff's interpretation of Rule 15c2-12. No funds or assets of the School District or the Authority, other than the Revenues are required to be used to pay debt service on the Bonds, and neither the Authority nor the Community Facilities District is obligated to advance available funds to cover any delinquencies. Investors should not rely on the financial condition of the Authority or the School District in evaluating whether to buy, hold, or sell the Bonds.**

Copies of the Statements are available online at http://emma.msrb.org.

III. Special Taxes

The School District has covenanted to annually levy the Special Tax in accordance with the Rate and Method of Apportionment ("RMA") for CFD No. 98-1, attached as Exhibit A, so long as the Bonds are outstanding. The items below summarize information required by the Disclosure Certificate.

A. Changes to the Rate and Method of Apportionment

There have been no changes to the RMA since the date of the closing of the Bonds.

B. Special Tax Prepayments

There have been two (2) prepayments of the Special Tax since the date of the closing of the Bonds, which is detailed below.

Prepayment of Special Taxes

Assessor's Parcel Number	Fiscal Year Prepaid	Principal Redeemed	Principal Redemption Date
486-340-032	2014/2015	$646,605.42	April 1, 2024
486-340-035	2014/2015	$215,868.47	April 1, 2024
		$862,473.89	

On April 1, 2024, there was an extraordinary bond redemption in the amount of $1,085,000. The funds used for the extraordinary redemption of bonds were a combination of the Fiscal Year 2022/2023 Special Tax Remainder in the amount of $215,852.62 and funds that were received in Fiscal Year 2014/2015 as a result of a prepayment and accrued investment earnings in the amount of $869,147.38.

C. Summary of Special Tax

A summary of the Fiscal Year 2025/2026 Annual Special Tax levy is outlined on the table below. The Applied Special Tax Rate was enrolled with the County of Riverside Tax Collector for Fiscal Year 2025/2026. A portion of the prior year's remainder Special Taxes has been applied to the Annual Special Tax Levy to reduce the overall Applied Special Tax Rates.

Fiscal Year 2025/2026
Special Tax by Tax Rate Category

Tax Class/ Land Use	Unit Type	Density	Number of Units/Sq. Ft./Acres	Average Applied Annual Special Tax Rate	Total Applied Annual Special Taxes
1	Single Family Detached	< 8 Units per Acre	1,979 Units	$754.20 Per Unit	$1,492,561.80
2	Single Family Attached	8 Units - 17 Units per Acre	771 Units	$341.41 Per Unit	263,228.96
3	Multi-Family	> 17 Units per Acre	0 Units	$451.44 Per Unit	0.00
4	Commercial	N/A	176,595 Sq. Ft	$0.77 Per Building Sq. Ft.	136,761.28
5	Industrial	N/A	0 Sq. Ft.	$0.58 Per Building Sq. Ft.	0.00
Developed Property			***2,523 Units***	***NA***	***$1,892,552.04***
Undeveloped Property			***1.99 Acres***	***$0.00 Per Acre***	***$0.00***
Total			**2,523 Units / 176,595 Sq. Ft. / 1.99 Acres**		**$1,892,552.04**

D. Rate and Method – Maximum Special Taxes

The Maximum Special Tax is defined in the Rate and Method generally as the *greater* of the Assigned Annual Special Tax or the Backup Annual Special Tax.

Assigned Special Tax for Developed Property. The Fiscal Year 2025/2026 Assigned Special Tax for Developed Property in each Land Use Class is shown in the table on the following page. The Special Tax was first levied in Fiscal Year 2013/2014.

Fiscal Year 2025/2026
Assigned Special Tax for Developed Property

Land Use Class	Description	Density	Assigned Special Tax
1	Single Family Detached	Less than 8 Units per acre	$1,211.89 per Unit
2	Single Family Attached	8-17 units per acre	$535.43 per Unit
3	Multifamily	More than 17 units per acre	$460.49 per Unit
4	Commercial Property	Not Applicable	$1.27 per Sq Ft
5	Industrial Property	Not Applicable	$0.61 per Sq Ft

The Assigned Special Tax set forth above is applicable to Fiscal Year 2025/2026, and will increase thereafter, on July 1 of each Fiscal Year, by an amount equal to 2% of the amount in effect for the previous Fiscal Year.

Backup Special Tax for Developed Property. The Fiscal Year 2025/2026 Backup Special Tax for Developed Property equals $0.1853 per square foot of Assessor's Parcel.

The Backup Special Tax for Developed Property is applicable for Fiscal Year 2025/2026 and will increase thereafter, on July 1 of each Fiscal Year, by an amount equal to 2% of the amount in effect for the previous Fiscal Year

Maximum Special Tax for Undeveloped Property. The Fiscal Year 2025/2026 Maximum Special Tax for Undeveloped Property is $8,073.63 per Acre.

The Maximum Special Tax for Undeveloped Property is applicable for Fiscal Year 2025/2026 and will increase thereafter, on July 1 of each Fiscal Year, by an amount equal to 2% of the amount in effect for the previous Fiscal Year.

E. Special Tax Collections

A summary of the Fiscal Year 2024/2025 Special Tax Levy and collections/delinquencies is included below.

Fiscal Year 2024/2025 Special Tax Levy

Tax Class/ Land Use	Unit Type	Density	Number of Units/Sq. Ft./Acres	Average Applied Annual Special Tax Rate	Total Applied Annual Special Taxes	Total Annual Collections	Delinquency Rate
1	Single Family Detached	< 8 Units per Acre	1,979 Units	$754.20 Per Unit	$1,492,561.80	$1,478,609.10	0.93%
2	Single Family Attached	8 Units - 17 Units per Acre	771 Units	$341.41 Per Unit	263,228.96	260,063.56	1.20%
3	Multi-Family	> 17 Units per Acre	0 Units	$451.44 Per Unit	0.00	0.00	NA
4	Commercial	N/A	176,595 Sq. Ft	$0.77 Per Building Sq. Ft.	136,761.28	136,761.28	0.00%
5	Industrial	N/A	0 Sq. Ft.	$0.58 Per Building Sq. Ft.	0.00	0.00	NA
Developed Property			***2,523 Units***	***NA***	***$1,892,552.04***	***$1,875,433.94***	***0.90%***
Undeveloped Property			***1.99 Acres***	***$0.00 Per Acre***	***$0.00***	***$0.00***	***NA***
Total			**2,523 Units / 176,595 Sq. Ft. / 1.99 Acres**		**$1,892,552.04**	**$1,875,433.94**	**0.90%**

Delinquent Special Taxes for CFD No. 98-1, as of June 30, 2025, for Fiscal Year 2024/2025 and prior Fiscal Years are summarized in the table below. The total delinquencies for Fiscal Year 2024/2025 did not exceed 5% of the Special Tax. There are no property owners who are delinquent in the payment of Special Taxes who are responsible for more than $10,000 of the Special Tax levy.

Special Tax Levies and Collections

Fiscal Year	Subject Fiscal Year						As of June 30, 2025		
	Total Amount Levied	Total Number of Parcels Subject to Levy	Amount Delinquent	Number of Delinquent Parcels	Total Amount Collected	Percent Delinquent	Remaining Amount Delinquent	Remaining Parcels Delinquent	Remaining Percent Delinquent
2014/2015	$1,741,851.98	2,444	$15,557.86	38	$1,726,294.12	0.89%	$0.00	0	0.00%
2015/2016	1,752,361.80	2,441	11,452.86	24	1,740,908.94	0.65%	0.00	0	0.00%
2016/2017	1,762,323.92	2,439	16,707.07	43	1,745,616.85	0.95%	0.00	0	0.00%
2017/2018	1,790,340.54	2,439	19,902.21	46	1,770,438.33	1.11%	0.00	0	0.00%
2018/2019	1,854,202.71	2,439	16,855.60	31	1,837,347.11	0.91%	158.08	1	0.01%
2019/2020	1,892,863.74	2,439	25,109.19	62	1,867,754.55	1.33%	322.76	1	0.02%
2020/2021	1,930,486.40	2,440	7,722.53	13	1,922,763.87	0.40%	0.00	0	0.00%
2021/2022	1,999,021.44	2,440	28,308.17	61	1,970,713.27	1.42%	1,399.36	3	0.07%
2022/2023	2,221,607.00	2,441	24,886.23	50	2,196,720.77	1.12%	2,607.14	5	0.12%
2023/2024	2,123,629.96	2,441	23,781.30	51	2,099,848.66	1.12%	3,769.32	9	0.18%
2024/2025	1,892,552.04	2,523	17,118.10	33	1,875,433.94	0.90%	17,118.10	33	0.90%
Total	**$20,961,241.53**	**26,926**	**$207,401.12**	**452**	**$20,753,840.41**	**0.99%**	**$25,374.76**	**52**	**0.12%**

F. Foreclosure Update

No parcel has exceeded the foreclosure thresholds of CFD No. 98-1, therefore, CFD No. 98-1 does not have any outstanding foreclosures.

IV. Assessed Value and Land Secured Bonded Indebtedness

The items below summarize information required by the Disclosure Certificate regarding outstanding debt and Assessed Valuations.

A. Principal Amount of Bonds Outstanding

The outstanding principal amount of the Bonds as of November 30, 2025, was $5,050,000. The outstanding principal amount of the CFD No. 98-1 Bonds was $5,512,000.

B. Debt Service Schedule

The current Debt Service Schedule for the Bonds is attached as Exhibit B and the current Debt Service Schedule for the CFD No. 98-1 Bonds is attached as Exhibit C.

C. Assessed Value Summary

A summary of the assessed values, based on the Fiscal Year 2025/2026 equalized tax roll of the County of Riverside, of the property within CFD No. 98-1 is shown in the table on the next page. The total assessed value contains all parcels currently subject to the Special Tax and is distinguished between improved and unimproved parcels. Parcels are considered improved if there is an assessed value for improvements.

Fiscal Year 2025/2026
Assessed Value

Tax Class (Land Use)	Units/Parcels	Assessed Value land	Assessed Value Improvement	Assessed Value Other	Assessed Value Total [1]
Improved					
Tax Class 1 (Single Family Detached)	1,979	$131,197,202.00	$656,774,959	$0	$787,972,161
Tax Class 2 (Single Family Attached)	535	26,833,035.00	154,046,015.00	0.00	180,879,050.00
Tax Class 3 (Multifamily)	0	0.00	0.00	0.00	0.00
Tax Class 4 (Commercial Property)	6	11,231,462.00	30,195,458.00	0.00	41,426,920.00
Tax Class 5 (Industrial Property)	0	0.00	0.00	0.00	0.00
Undeveloped Property	0	0.00	0.00	0.00	0.00
Subtotal Improved	***2,520***	***$169,261,699.00***	***$841,016,432.00***	***$0.00***	***$1,010,278,131.00***
Unimproved					
Tax Class 1 (Single Family Detached)	0	$0.00	$0.00	$0.00	$0.00
Tax Class 2 (Single Family Attached)	1	273,092.00	0.00	0.00	273,092.00
Tax Class 3 (Multifamily)	0	0.00	0.00	0.00	0.00
Tax Class 4 (Commercial Property)	2	872,747.00	0.00	0.00	872,747.00
Tax Class 5 (Industrial Property)	0	0.00	0.00	0.00	0.00
Undeveloped Property	1	181,026.00	0.00	0.00	181,026.00
Subtotal Unimproved	***4***	***$1,326,865.00***	***$0.00***	***$0.00***	***$1,326,865.00***
Total	**2,524**	**$170,588,564.00**	**$841,016,432.00**	**$0.00**	**$1,011,604,996.00**

[1] Total Assessed Value as represented by the Fiscal Year 2025/2026 equalized tax roll of the County of Riverside.

D. Value to Lien

A summary of the value-to-lien ratios for CFD No. 98-1 is found in the table below.

Fiscal Year 2025/2026
Secured Assessed Valuation to Lien

Value-to-Burden Category	Total Parcels Levied	Share of Fiscal Year 2025/26 Special Tax	Percentage Share of 2025/26 Special Tax	2025/26 Assessed Valuation [1]	Pro Rata Share of Bonds	Overlapping Land-Secured Debt [2]	Total Overlapping Debt	Combined Value-to-Lien
30.01 to maximum	2,331	$1,702,038.78	89.93%	$929,239,387.00	$4,957,495.68	$2,124,953.42	$7,082,449.11	131.20:1
25.01 to 30.00	71	40,497.20	2.14%	32,675,384.00	117,955.42	1,056,715.45	1,174,670.86	27.82:1
20.01 to 25.00	83	62,598.60	3.31%	33,947,083.00	182,329.74	1,346,239.36	1,528,569.10	22.21:1
15.01 to 20.00	32	40,417.76	2.14%	13,903,015.00	117,724.03	645,075.63	762,799.67	18.23:1
10.01 to 15.00	4	3,016.80	0.16%	1,315,695.00	8,786.98	88,957.71	97,744.69	13.46:1
5.01 to 10.00	1	333.20	0.02%	70,314.00	970.51	12,451.25	13,421.76	5.24:1
3.01 to 5.00	0	0.00	0.00%	0.00	0.00	0.00	0.00	NA
1.0 to 3.00	1	43,649.70	2.31%	273,092.00	127,137.64	0.00	127,137.64	2.15:1
Less than 1.0	0	0.00	0.00%	0.00	0.00	0.00	0.00	NA
Not Applicable	1	0.00	0.00%	181,026.00	0.00	0.00	0.00	NA
Total	**2,524**	**$1,892,552.04**	**100.00%**	**$1,011,604,996.00**	**$5,512,400.00**	**$5,274,392.83**	**$10,786,792.83**	**93.78:1**

[1] Total Assessed Value as represented by the Fiscal Year 2025/2026 equalized tax roll of the County of Riverside.
[2] Represents Overlapping Debt for the Eastern Municipal Water District as found in the "Detailed Direct and Overlapping Debt Report" as prepared by California Tax Data and attached as Exhibit D.

E. Ownership

A summary of the Fiscal Year 2025/2026 property ownership, land uses, and development status in CFD No. 98-1 is found in the table below.

Fiscal Year 2025/2026
Ownership Summary

Owner Name	Number of Parcels	Fiscal Year 2025/26 Assigned Special Taxes	Fiscal Year 2025/26 Maximum Special Taxes	Fiscal Year 2025/26 Applied Special Taxes	Percentage of Fiscal Year 2025/26 Applied Special
Developed					
Individual Homeowners					
Single Family Detached (1,979 SFDs) and Attached Condominiums (534 SFAs)	2,513	$2,684,255.51	$3,206,940.46	$1,670,490.60	88.27%
Developer					
Rancho Belago (1 Parcel containing 125 SFA Units)	1	$66,928.75	$66,928.75	$41,650.46	2.20%
Continental East Fund III.2 (1 Parcel containing 112 SFA Units	1	59,958.08	59,958.08	43,649.70	2.31%
Commercial					
Continental East Fund III.2 (22,000 Sq. Ft.)	1	$27,940.00	$27,940.00	$17,037.56	0.90%
Longs Dugs Stores of California (13,314 Sq. Ft.)	1	16,908.78	16,908.78	10,310.82	0.54%
McDonald's Corporation (7,572 Sq. Ft.)	1	9,616.44	9,616.44	5,864.02	0.31%
New Suerte Lakeside, LLC (34,783 Sq. Ft.)	2	44,174.41	44,174.41	26,937.16	1.42%
Plaza at Lakeside (98,926 Sq. Ft.)	3	125,636.02	125,636.02	76,611.72	4.05%
Subtotal Developed	***2,523***	***$3,035,417.99***	***$3,558,102.94***	***$1,892,552.04***	***100.00%***
Undeveloped					
TDP Motorsports 1.99 Acres (Zoning: Commercial)	1	$0.00	$0.00	$0.00	0.00%
Subtotal Undeveloped	***1***	***$0.00***	***$0.00***	***$0.00***	***0.00%***
Total	**2,524**	**$3,035,417.99**	**$3,558,102.94**	**$1,892,552.04**	**100.00%**

V. Fiscal Agent Accounts

The items below summarize information required by the Disclosure Certificate regarding the Bond Indenture and Fiscal Agent Account balances.

A. Bond Indenture and Fiscal Agent Account Balances

The balance in each fund and account of the Bonds are listed in the table below.

Bond Indenture and Fiscal Agent Account Balances
(as of November 30, 2025)

Account Name	Balance
Authority	
Bonds Payment Fund	$0.00
Costs of Issuance Fund	0.00
Project Fund	0.00
Reserve Fund	0.00
Revenue Fund [1]	5,512,400.00
Surplus Fund	18.30
Administrative Expense Fund	0.00
Interest Account	0.00
Principal Account	0.00
CFD No. 98-1	
Special Tax Fund	374,008.16
Surplus Account	0.00
Bond Fund	0.00
Redemption Fund	0.00
Optional Redemption Account	0.00
Administrative Expense Fund	63,036.16
Rebate Fund	0.00
Total	**$5,949,462.62**

[1] The amount shown represents the outstanding Local Obligation Bonds as of 11/30/2025.

All other funds, accounts and subaccounts not listed above but listed within the Fiscal Agent Agreement/Indenture have been closed and/or are $0.00.

B. Project Fund

As of the date of this Report, money on deposit in the Project Fund has been fully expended and the balance of the account is $0.00.

C. Reserve Requirement

As of November 30, 2025, the Reserve Requirement for the Bonds and how it is funded is outlined in the table below. The Reserve Requirement for the Bonds is calculated based on the lesser of:

- 10% of the initial principal amount of the Bonds,
- Maximum Annual Debt Service on the Outstanding Bonds, or
- 125% average Annual Debt Service on the Outstanding Bonds.

Reserve Requirement

Bonds	Reserve Requirement
Special Tax Refunding Bonds, Series 2014	$1,851,500.00

The current balance of the Surety Bond Insurance Policy issued by Build America Mutual satisfies the Reserve Requirement.

VI. Reports and Additional Information

Below is information regarding the Bonds as required by the Disclosure Certificate.

A. Report to the California Debt and Investment Advisory Commission

Copies of the Yearly Fiscal Status Reports filed to the California Debt and Investment Advisory Commission ("CDIAC") filed on or before October 30, 2025, is attached as Exhibit E.

B. Listed Events

Pursuant to the Disclosure Certificate, the Authority shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds:

(i) Principal and interest payment delinquencies;
(ii) Non-payment related defaults, if material;
(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
(v) Substitution of credit or liquidity provider, or their failure to perform;
(vi) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
(vii) Modifications to rights of security holder, if material;
(viii) Bond calls, if material, and tender offers;
(ix) Defeasances;
(x) Release, substitution, or sale of property securing repayment of the securities, if material;
(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the Authority or the Community Facilities District;

(xiii) The consummation of a merger, consolidation or acquisition involving the District or sale of all or substantially all of the assets of the District (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action or the termination of definitive agreement relating to any such actions other than pursuant to its terms, if material; and

(xiv) Appointment of a successor, additional Fiscal Agent or name change of Fiscal Agent, if material;

None of these events occurred in Fiscal Year 2024/2025.

C. Additional Information

Pursuant to the Disclosure Certificate the School District shall provide further information, if any, as may be necessary to make the specifically required statements, considering the circumstances under which they are made, not misleading.

After a thorough review, the School District has determined that no additional information is needed for Fiscal Year 2024/2025.

Exhibit A

Rate and Method of Apportionment

of Special Taxes for

Community Facilities District No. 98-1

RATE AND METHOD OF APPORTIONMENT FOR VAL VERDE UNIFIED SCHOOL DISTRICT COMMUNITY FACILITIES DISTRICT NO. 98-1

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in Val Verde Unified School District (the "School District") Community Facilities District No. 98-1 ("CFD No. 98-1") and collected each Fiscal Year commencing in Fiscal Year 2013-14, in an amount determined by the Board through the application of the appropriate Special Tax for "Developed Property" and "Undeveloped Property" as described below. All of the real property in CFD No. 98-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

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

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

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 98-1: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the School District or designee thereof or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the School District or its designee of complying with arbitrage rebate requirements; the costs to the School District or its designee of complying with School District or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the School District or its designee related to an appeal of the Special Tax; costs associated with the release of funds from an escrow account; and School District's annual administration fees and third party expenses. Administrative Expenses shall also include amounts advanced by the School District for any other administrative purposes of CFD No. 98-1, including the costs of commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

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

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

"Assigned Special Tax" means the Special Tax for each Land Use Class, as determined by reference to Section C below.

"Authority Bonds" means the Marks Roos bonds issued by the Val Verde Public Finance Authority.

"Backup Special Tax" means the Special Tax applicable to each Assessor's Parcel of Developed Property, as determined in accordance with Section C below.

"Board" means the Board of Education of the School District, acting as the legislative body of CFD No. 98-1.

"Bonds" means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by CFD No. 98-1 under the Act.

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

"CFD No. 98-1" means Val Verde Unified School District Community Facilities District No. 98-1.

"Commercial Property" means all Assessor's Parcels of Non-Residential Property, excluding Industrial Property.

"County" means the County of Riverside.

"Developed Property" means, for each Fiscal Year, all Taxable Property (i) in Land Use Classes 1 and 2 which are within a residential tract map that was recorded prior to March 1 of the prior Fiscal Year, or (ii) in Land Use Classes 3, 4, or 5 for which a building permit for new construction has been issued prior to March 1 of the prior Fiscal Year.

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

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

"Industrial Property" means an Assessor's Parcel of Non-Residential Property for which the building permit(s) was issued for construction of a non-residential structure(s) which is primarily used for manufacturing, processing, fabricating, assembly, refining, repairing,

packaging, or treatment of goods, material or produce; research and development; storage facilities; warehousing and distribution of goods, material or produce, multi-tenant industrial uses; or any such use defined Industrial in the zoning code of the City of Moreno Valley.

"Land Use Class" means any of the classes listed in Table 1 below.

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

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

"Outstanding Bonds" means all Bonds which remain outstanding.

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

"Public Property" means property which is dedicated to a public agency in satisfaction of the conditions of development set forth in Specific Plan No. 193 of the City of Moreno Valley or any amendment thereto.

"Religious Property" means for any Fiscal Year, all Assessor's Parcels within CFD No. 98-1 that were owned by a religious organization and used primarily as a place of worship, as determined by the CFD Administrator, as of March 1 of the prior Fiscal Year.

"School District" means the Val Verde Unified School District.

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

"Special Tax Requirement" means that amount required in any Fiscal Year for CFD No. 98-1 to: (i) pay debt service on all Outstanding Bonds; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay Administrative Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds and/or Authority Bonds; and (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for outstanding Special Taxes levied in the previous Fiscal Year.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 98-1 which are not exempt from the Special Tax pursuant to law or Section E below.

"Trustee" means the trustee or fiscal agent under the Indenture.

"Undeveloped Property" means all Taxable Property not classified as Developed Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, all Taxable Property within CFD No. 98-1 shall be classified as Developed Property or Undeveloped Property, and shall be subject to Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below. Residential property shall be assigned to Land Use Classes 1 through 3 based on density. Assessor's Parcels of Non-Residential Property shall be assigned to Land Use Classes 4 and 5 based on the primary land use of such Assessor's Parcel.

For assigning Assessor's Parcels to Land Use Classes 1 and 2, density shall be determined by reference to the final subdivision tract map for such Assessor's Parcel. For assigning Assessor's Parcels to Land Use Class 3, density shall be determined by reference to the approved site plan relating to the units on file with the City of Moreno Valley.

Non-Residential Property shall be taxed based on the gross building square footage, as determined by reference to the plans upon which a final building permit is issued, or if these are not available, as otherwise determined by the Board.

C. MAXIMUM SPECIAL TAX RATE

1. Developed Property

a. Maximum Special Tax

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

b. Assigned Special Tax

The Fiscal Year 2013-14 Assigned Special Tax for each Land Use Class is shown below in Table 1.

c. Increase in the Assigned Special Tax

The Assigned Special Tax in Table 1 shall be applicable for Fiscal Year 2013-14, and shall increase thereafter, commencing on July 1, 2014, and

on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

Under no circumstances shall the Assigned Special Tax be levied prior to Fiscal Year 2013-14.

TABLE 1

Assigned Special Taxes for Developed Property in Community Facilities District No. 98-1 (Fiscal Year 2013-14)

Land Use Class	Description	Density	Assigned Special Tax
1	Single Family Detached	Less than 8 units per acre	$955.57 per unit
2	Single Family Attached	8 to 17 units per acre	$422.18 per unit
3	Multifamily	More than 17 units per acre	$363.09 per unit
4	Commercial Property	Not Applicable	$1.00 per building square foot
5	Industrial Property	Not Applicable	$0.48 per building square foot

d. Backup Special Tax

The Fiscal Year 2013-14 Backup Special Tax shall equal $0.1461 per square foot of Assessor's Parcel.

e. Increase in the Backup Special Tax

The Backup Special Tax in Section C.1.d. shall be applicable for Fiscal Year 2013-14, and shall increase thereafter, commencing on July 1, 2014, and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

Under no circumstances shall the Backup Special Tax be levied prior to Fiscal Year 2013-14.

2. Undeveloped Property

a. Maximum Special Tax

The Fiscal Year 2013-14 Maximum Special Tax for Undeveloped Property shall be $6,366 per Acre.

b. Increase in the Maximum Special Tax

The Maximum Special Tax for Undeveloped Property in Section C.2.a. shall be applicable for Fiscal Year 2013-14, and shall increase thereafter, commencing on July 1, 2014, and on July 1 of each Fiscal Year thereafter, by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

Under no circumstances shall the Maximum Special Tax for Undeveloped Property be levied prior to Fiscal Year 2013-14.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2013-14 and for each following Fiscal Year, the Board shall determine the Special Tax Requirement to be collected from Taxable Property in CFD No. 98-1 in the Fiscal Year. The Board shall levy the Special Tax as follows:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property, at up to 87% of the applicable Assigned Special Tax for such Assessor's Parcel of Developed Property;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 87% of the Maximum Special Tax for Undeveloped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the levy of the Special Tax on each Assessor's Parcel of Developed Property and Undeveloped Property shall be increased in equal percentages from 87% of the applicable Assigned Special Tax for Developed Property or Maximum Special Tax for Undeveloped Property up to 100% of the applicable Assigned Special Tax for Developed Property or the Maximum Special Tax for Undeveloped Property;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the levy of the Special Tax on each Assessor's Parcel of Developed Property whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased in equal percentages from the Assigned Special Tax up to the Maximum Special Tax for each such Assessor's Parcel.

Under no circumstances shall the Special Tax be levied prior to Fiscal Year 2013-14.

E. EXEMPTIONS

No Special Tax shall be levied on up to 20.66 Acres of Public Property or 2 Acres of Religious Property. Tax-exempt status will be irrevocably assigned by the CFD Administrator in the chronological order in which property becomes Public Property or Religious Property.

Public Property, or Religious Property that is not exempt from Special Taxes by this section, shall be subject to the levy of the Special Tax and shall be taxed as if the property were Undeveloped Property. However, on a year to year basis, the CFD Administrator may exempt such Assessor's Parcels from the levy of the Special Tax in any Fiscal Year, provided the Special Tax Requirement can be satisfied without imposing a levy on said Assessor's Parcels.

F. REVIEW/APPEAL COMMITTEE

The Board shall establish as part of the proceedings and administration of CFD No. 98-1 a special three-member Review/Appeal Committee. Any landowner or resident who feels that the amount of the Special Tax, as to their Assessor's Parcel, is in error, may file a notice with the Review/Appeal Committee appealing the amount of the Special Tax levied on such Assessor's Parcel. The Review/Appeal Committee shall interpret this Rate and Method of Apportionment and make determinations relative to the annual administration of the Special Tax and any landowner or resident appeals, as herein specified. The decision of the Review/Appeal Committee shall be final and binding as to all persons.

G. MANNER OF COLLECTION

The Special Tax will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 98-1 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act. Tenders of Bonds may be accepted in lieu of cash under the terms and conditions established by law and CFD No. 98-1.

H. PREPAYMENT OF SPECIAL TAX

Only an Assessor's Parcel of Developed Property or Undeveloped Property which is within a residential tract map (Land Use Classes 1 and 2) or for which a building permit has been issued (Land Use Classes 3, 4, or 5) may be prepaid. The Special Tax obligation applicable to such Assessor's Parcel in CFD No. 98-1 may be fully 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 intending to prepay the Special Tax obligation shall provide CFD No. 98-1 with written notice of intent to prepay. Within 30 days of receipt of such written notice, CFD No. 98-1 shall notify such owner of the prepayment amount of such Assessor's Parcel. Prepayment must be made not less than 45 days prior to the earliest date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

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

$$P = BR + RP + Def + Admin - RFC - CI$$

The variables are described as follows:

P	-	Prepayment Amount
BR	-	Bond Redemption Amount
RP	-	Redemption Premium
Def	-	Defeasance Amount
Admin	-	Administrative Fees and Expenses
RFC	-	Reserve Fund Credit
CI	-	Capitalized Interest Credit

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

Paragraph No.:

1. For Assessor's Parcels of Developed Property, compute the Assigned Special Tax and Backup Special Tax applicable for the Assessor's Parcel to be prepaid. For Assessor's Parcels of Undeveloped Property to be prepaid, compute the Assigned Special Tax and Backup Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel.

2. (a) Divide the Assigned Special Tax computed pursuant to paragraph 1 for such Assessor's Parcel, or for Undeveloped Property, the Assigned Tax that would have been levied based upon the building permit issued for such Assessor's Parcel, by the estimated Assigned Special Taxes for the entire CFD No. 98-1 based on the Developed Property Special Taxes which could be charged in the current Fiscal Year on all expected development through buildout of CFD No. 98-1, excluding any Assessor's Parcels which have been prepaid, and (b) Divide the Backup Special Tax computed pursuant to paragraph 1 for such Assessor's Parcel by the estimated Backup Special Taxes for the entire CFD No. 98-1 excluding any Assessor's Parcels which have been prepaid.

3. Multiply the larger quotient computed pursuant to paragraph 2(a) or 2(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (*the "Bond Redemption Amount"*).

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

5. Compute the amount needed to pay interest on the Bond Redemption Amount, the Redemption Premium and the Reserve Fund Credit (see step 12) to be redeemed until the earliest redemption date for the Outstanding Bonds.

6. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.

7. Determine the Special Taxes levied on the Assessor's Parcel in the current Fiscal Year which have not yet been paid.

8. Compute the minimum amount the CFD Administrator expects to derive from the reinvestment of the Bond Redemption Amount plus the Redemption Premium from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.

9. Add the amounts computed pursuant to paragraphs 5 and 7 and subtract the amount computed pursuant to paragraph 8.

10. Compute the Net Present Value of the amount computed pursuant to paragraph 9, using as a discount rate the rate of return assumed by the CFD Administrator in paragraph 8 (the *"Defeasance Amount"*).

11. The administrative fees and expenses of No. 98-1 are as calculated by the CFD Administrator and include the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (*the "Administrative Fees and Expenses"*).

12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture), 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"*). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the reserve requirement.

13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated as a reduction in the capitalized interest fund, for the Outstanding Bonds to be redeemed pursuant to the prepayment (the *"Capitalized Interest Credit"*).

14. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to paragraphs 3, 4, 10, and 11, less the amounts computed pursuant to paragraphs 12 and 13 *(the "Prepayment Amount")*.

From the Prepayment Amount, the amounts computed pursuant to paragraphs 3, 4, 9, 12 and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to paragraph 11 shall be retained by CFD No. 98-1.

The Prepayment Amount may be sufficient to redeem other than a $5,000 increment of Bonds. In such cases, the increment above $5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of bonds.

As a result of the payment of the current Fiscal Year's Special Tax levy under step 7 (above), the CFD Administrator shall remove the current Fiscal Year's Special Tax levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid, the Board shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of Special Taxes and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Assigned Special Taxes that may be levied on Taxable Property within CFD No. 98-1 both prior to and after the proposed prepayment is at least 1.1 times the maximum annual debt service on all Outstanding Bonds.

Tenders of Bonds in prepayment of Special Taxes may be accepted upon the terms and conditions established by law and CFD No. 98-1.

I. TERM OF SPECIAL TAX

The Special Tax shall be levied for a term of 30 years beginning in Fiscal Year 2013-14, or until all Bonds are paid.

K:\CLIENTS2\VALVERDE\DOCS\RMA\C981RMA5.WPD vmrd
Revised: March 6, 1998

Exhibit B

Val Verde Unified School District

Financing Authority

Special Tax Refunding Bonds, Series 2014

Debt Service Schedule

Val Verde Unified School District
Financing Authority
Special Tax Refunding Bonds, Series 2014
Debt Service Schedule

Period	Special Tax Refunding Bonds, Series 2014			
	Principal	Interest	Bi-Annual Debt Service	Annual Debt Service
4/1/2014	$0.00	$0.00	$0.00	$1,204,141.81
10/1/2014	755,000.00	449,141.81	1,204,141.81	
4/1/2015	0.00	386,100.00	386,100.00	$1,597,200.00
10/1/2015	825,000.00	386,100.00	1,211,100.00	
4/1/2016	0.00	373,725.00	373,725.00	$1,632,450.00
10/1/2016	885,000.00	373,725.00	1,258,725.00	
4/1/2017	0.00	360,450.00	360,450.00	$1,660,900.00
10/1/2017	940,000.00	360,450.00	1,300,450.00	
4/1/2018	0.00	346,350.00	346,350.00	$1,697,700.00
10/1/2018	1,005,000.00	346,350.00	1,351,350.00	
4/1/2019	0.00	326,250.00	326,250.00	$1,732,500.00
10/1/2019	1,080,000.00	326,250.00	1,406,250.00	
4/1/2020	0.00	304,650.00	304,650.00	$1,769,300.00
10/1/2020	1,160,000.00	304,650.00	1,464,650.00	
4/1/2021	0.00	281,450.00	281,450.00	$1,802,900.00
10/1/2021	1,240,000.00	281,450.00	1,521,450.00	
4/1/2022	0.00	256,650.00	256,650.00	$1,843,300.00
10/1/2022	1,330,000.00	256,650.00	1,586,650.00	
4/1/2023	0.00	223,400.00	223,400.00	$1,876,800.00
10/1/2023	1,430,000.00	223,400.00	1,653,400.00	
4/1/2024	0.00	213,500.00	213,500.00	$1,756,150.00
10/1/2024	1,355,000.00	187,650.00	1,542,650.00	
4/1/2025	0.00	153,775.00	153,775.00	$1,767,550.00
10/1/2025	1,460,000.00	153,775.00	1,613,775.00	
4/1/2026	0.00	117,275.00	117,275.00	$1,804,550.00
10/1/2026	1,570,000.00	117,275.00	1,687,275.00	
4/1/2027	0.00	78,025.00	78,025.00	$1,841,050.00
10/1/2027	1,685,000.00	78,025.00	1,763,025.00	
4/1/2028	0.00	35,900.00	35,900.00	$1,866,800.00
10/1/2028	1,795,000.00	35,900.00	1,830,900.00	
Total	**$18,515,000.00**	**$7,338,291.81**	**$25,853,291.81**	**$25,853,291.81**

Exhibit C

Debt Service Schedule

Series 1998 Special Tax Bonds

Community Facilities District No. 98-1

Val Verde Unified School District
Community Facilities District No. 98-1
1998 Special Tax Bonds
Debt Service Schedule

Period	1998 Special Tax Bonds			
	Principal	Interest	Bi-Annual Debt Service	Annual Debt Service
4/1/2014	$0.00	$0.00	$0.00	$1,204,141.81
10/1/2014	1,204,141.81	0.00	1,204,141.81	
4/1/2015	824,450.00	0.00	824,450.00	$1,648,900.00
10/1/2015	824,450.00	0.00	824,450.00	
4/1/2016	842,075.00	0.00	842,075.00	$1,684,150.00
10/1/2016	842,075.00	0.00	842,075.00	
4/1/2017	856,300.00	0.00	856,300.00	$1,712,600.00
10/1/2017	856,300.00	0.00	856,300.00	
4/1/2018	874,700.00	0.00	874,700.00	$1,749,400.00
10/1/2018	874,700.00	0.00	874,700.00	
4/1/2019	892,100.00	0.00	892,100.00	$1,784,200.00
10/1/2019	892,100.00	0.00	892,100.00	
4/1/2020	910,500.00	0.00	910,500.00	$1,821,000.00
10/1/2020	910,500.00	0.00	910,500.00	
4/1/2021	927,300.00	0.00	927,300.00	$1,854,600.00
10/1/2021	927,300.00	0.00	927,300.00	
4/1/2022	947,500.00	0.00	947,500.00	$1,895,000.00
10/1/2022	947,500.00	0.00	947,500.00	
4/1/2023	964,250.00	0.00	964,250.00	$1,928,500.00
10/1/2023	964,250.00	0.00	964,250.00	
4/1/2024	983,500.00	0.00	983,500.00	$1,861,575.00
10/1/2024	878,075.00	0.00	878,075.00	
4/1/2025	883,775.00	0.00	883,775.00	$1,767,550.00
10/1/2025	883,775.00	0.00	883,775.00	
4/1/2026	902,275.00	0.00	902,275.00	$1,804,550.00
10/1/2026	902,275.00	0.00	902,275.00	
4/1/2027	920,525.00	0.00	920,525.00	$1,841,050.00
10/1/2027	920,525.00	0.00	920,525.00	
4/1/2028	933,400.00	0.00	933,400.00	$1,866,800.00
10/1/2028	933,400.00	0.00	933,400.00	
Total	**$26,424,016.81**	**$0.00**	**$26,424,016.81**	**$26,424,016.81**

Exhibit D

Detailed Direct and Overlapping Debt

Community Facilities District No. 98-1

STATE OF CALIFORNIA COUNTY OF RIVERSIDE

VAL VERDE UNIFIED SCHOOL DISTRICT

Community Facilities District No. 98-1

Special Tax Bonds

Detailed Direct and Overlapping Debt

Report Date: 12/10/2025
Report Time: 12:00:00 PM

I. Assessed Value

2025-2026 Secured Roll Assessed Value	**$1,124,702,707**

II. Secured Property Taxes

Description on Tax Bill	Type	Total Parcels	Total Levy	% Applicable	Parcels	Levy
Basic 1% Levy	PROP13	964,202	$4,323,533,139.04	0.25685%	2,535	$11,105,014.24
City of Moreno Valley CFD No. 1	CFDPAYG	5,989	$2,283,488.38	20.76047%	1,743	$474,063.00
City of Moreno Valley CFD No. 2021-01	CFDPAYG	783	$560,790.44	7.57848%	4	$42,499.40
City of Moreno Valley CFD No. 2023-01	CFDPAYG	116	$33,575.10	1.28845%	2	$432.60
City of Moreno Valley Federally Mandated NPDES	WATER	6,882	$972,204.86	27.27178%	1,711	$265,137.54
City of Moreno Valley LMD No. 2014-02	LMD	10,493	$2,657,792.66	17.37588%	2,524	$461,814.84
City of Moreno Valley LMD No. 2014-02, Zone 03A	LMD	467	$46,905.48	100.00000%	467	$46,905.48
City of Moreno Valley Sold Waste Management	TRASH	5,703	$3,154,935.72	4.15716%	243	$131,155.88
City of Moreno Valley Weed Abatement	ABATEMENT	126	$180,585.84	0.63183%	1	$1,141.00
County of Riverside Service Area No. 152 (Moreno Valley Stormwater)	CSA	47,344	$710,352.98	3.23087%	2,437	$22,950.60
CSCDA CaliforniaFIRST Program (County of Riverside) (1)	1915	336	$1,960,740.76	0.36387%	3	$7,134.56
CSCDA CaliforniaFIRST Program (County of Riverside) (1)	1915	847	$2,131,553.34	0.26055%	2	$5,553.66
Eastern Municipal Water District CFD No. 2003-25, Impv Area C	CFD	199	$341,350.58	55.09284%	109	$188,059.72
Eastern Municipal Water District CFD No. 2003-25, Impv Area D	CFD	181	$199,925.60	100.00000%	181	$199,925.60
Eastern Municipal Water District CFD No. 2017-78	CFD	118	$136,787.68	76.22289%	90	$104,263.52
Eastern Municipal Water District Combined Standby Charge	STANDBY	271,755	$5,968,257.60	1.11206%	2,535	$66,370.34
Eastern Municipal Water District Delinquent Water Bills	DQ	149	$184,894.38	1.19262%	3	$2,205.08
Eastern Municipal Water District ID No. U-22 Debt Service	GOB	9,981	$152,499.17	21.84626%	2,527	$33,315.37
Golden State Finance Authority CFD No. 2014-1 (1)	CFD	379	$1,317,712.04	0.14168%	1	$1,866.94
Metropolitan Water District of Southern California Debt Service	GOB	271,489	$9,084,577.54	0.85568%	2,527	$77,735.20
Metropolitan Water District of Southern California Standby Charge (East)	STANDBY	268,538	$2,834,610.78	0.62885%	2,528	$17,825.36
Moreno Valley Community Services District Zone A	CSD	50,309	$5,293,137.50	5.09150%	2,537	$269,500.00
Moreno Valley Community Services District Zone B	CSD	39,966	$1,016,842.14	7.07485%	1,979	$71,940.04
Moreno Valley Community Services District Zone C	CSD	49,078	$441,702.00	5.16932%	2,537	$22,833.00
PACEFunding PACE Financing Program (County of Riverside) (1)	1915	944	$3,038,932.42	0.99722%	6	$30,304.88
Riverside Community College District Debt Service	GOB	274,041	$45,323,148.92	0.67797%	2,527	$307,276.07
Riverside County Flood Control and Water Conservation District NPDES (Santa Ana River)	FLOOD	426,734	$2,945,864.24	0.29227%	2,468	$8,610.02
Val Verde Unified School District CFD No. 98-1	CFD	2,609	$1,892,552.04	100.00000%	2,523	$1,892,552.04
Val Verde Unified School District Debt Service	GOB	24,810	$17,533,990.51	5.70009%	2,531	$999,452.58
WRCOG Hero Financing Program (County of Riverside) (1)	1915	133	$246,088.60	0.85237%	1	$2,097.58
WRCOG Hero Financing Program (County of Riverside) (1)	1915	3,802	$9,941,834.96	0.52030%	19	$51,727.06
2025-2026 TOTAL PROPERTY TAX LIABILITY						**$16,911,663.20**
TOTAL PROPERTY TAX LIABILITY AS A PERCENTAGE OF 2025-2026 ASSESSED VALUATION						**1.50%**

III. Land Secured Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Eastern Municipal Water District CFD No. 2003-25, Impv Area C	CFD	$5,450,000	$4,050,000	55.09284%	109	$2,231,260
Eastern Municipal Water District CFD No. 2003-25, Impv Area D	CFD	$3,975,000	$1,835,000	100.00000%	181	$1,835,000
Eastern Municipal Water District CFD No. 2017-78	CFD	$1,615,000	$1,585,000	76.22289%	90	$1,208,133
Val Verde Unified School District CFD No. 98-1	CFD	$3,465,787	$5,512,400	100.00000%	2,523	$5,512,400
TOTAL LAND SECURED BOND INDEBTEDNESS (2)						**$10,786,793**
TOTAL OUTSTANDING LAND SECURED BOND INDEBTEDNESS (2)						**$10,786,793**

IV. General Obligation Bond Indebtedness

Outstanding Direct and Overlapping Bonded Debt	Type	Issued	Outstanding	% Applicable	Parcels	Amount
Eastern Municipal Water District ID No. U-22	GOB	$3,200,000	$1,572,000	21.16934%	2,527	$332,782
Metropolitan Water District of Southern California GOB 1966	GOB	$850,000,000	$22,985,000	0.36011%	2,527	$82,772
Riverside Community College District GOB 2004	GOB	$313,998,424	$265,470,000	0.66931%	2,527	$1,776,823
Riverside Community College District GOB 2024	GOB	$205,000,000	$205,000,000	0.66931%	2,527	$1,372,090
Val Verde Unified School District GOB 2008	GOB	$43,436,948	$15,026,948	5.73269%	2,531	$861,448
Val Verde Unified School District GOB 2012	GOB	$168,689,540	$155,600,000	5.73269%	2,531	$8,920,066
Val Verde Unified School District GOB 2020	GOB	$144,000,000	$118,180,000	5.73269%	2,531	$6,774,893
TOTAL GENERAL OBLIGATION BOND INDEBTEDNESS (2)						**$20,120,873**
TOTAL OUTSTANDING GENERAL OBLIGATION BOND INDEBTEDNESS (2)						**$20,120,873**

TOTAL OF ALL OUTSTANDING AND OVERLAPPING BONDED DEBT	**$30,907,665.96**
VALUE TO ALL OUTSTANDING DIRECT AND OVERLAPPING BONDED DEBT	**36.39:1**

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

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

Source: California Tax Data

Exhibit E

California Debt and Investment Advisory Commission Reports

MARKS ROOS AUTHORITY REPORT

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

CDIAC # : 2014-0052
Status: Submitted
10/23/2025

Marks Roos Authority Report Information as of Reporting Year End: 6/30/2025

Issuance

Authority Issuer:	Val Verde Unified School District Financing Authority
Issue Name:	2014 Special Tax Ref Bonds
Senior Issue:	No
Subordinate Issue:	No
Project Name:	CFD No 98-1
Actual Sale Date:	3/6/2014
Settlement Date:	3/20/2014
Original Principal Amount:	$19,600,000.00
Date of Filing:	10/23/2025
Total Issuance Costs:	$0.00
Total Cost of Issuance from Report of Final Sale:	$775,700.74
Was a Reserve Fund established with proceeds of this debt issue?:	Yes
Reserve Fund Minimum Balance Amount:	$1,851,500.00

Fund Balance

Principal Amount of Bonds Outstanding:	$6,510,000.00
Capitalized Interest Fund:	$0.00
Cash Reserve:	$0.00
Surety Bond Reserve:	$1,851,500.00
Total Bond Reserve Fund:	$1,851,500.00

Professional Fees

Type of service	Other Text	Service Fee
No Data Available		

Local Obligors

CDIAC Number	Issuer Name	Principal Amount	Obligor Type	Administration Fee
1998-1066	Val Verde Unified School District CFD No 98-1	$3,465,787.00	BP	$0.00
Total:		$3,465,787.00		$0.00

Investment Contracts

Final Maturity of the Investment Contract:

Commission/Fee for Contract (total): $0.00

Interest Earnings on Contract (current): $0.00

Retired Issues

Indicate Reason for Retirement: Not Retired

Filing Contact

Filing Contact Name: Justin Bjorgan

Agency/Organization Name: KeyAnalytics (California Financial Services)

Address: 27201 Puerta Real

City: Mission Viejo

State: CA

Zip Code: 92691

Telephone: 949-2821077

Fax Number:

E-mail: jbjorgan@calschools.com

Comments

Issuer Comments: There was an extraordinary redemption that occurred on April 1, 2024 in the amount of $1,085,000.00.

MARKS ROOS LOCAL OBLIGOR REPORT

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

CDIAC # : 1998-1066
Status: Submitted
10/22/2025

Marks Roos Local Obligor Report Information as of Reporting Year End: 6/30/2025

Issuance

Issuer Name:	Val Verde Unified School District CFD No 98-1
Issue Name:	1998 Special Tax Ref Bonds
Project Name:	School Facilities (Taxable)
Date of Bond Issue/Loans:	7/24/1998
Settlement Date:	7/29/1998
Original Principal Amount:	$3,465,787.00
Date of Filing:	10/23/2025
Total Issuance Costs:	$0.00
Total Cost of Issuance from Report of Final Sale:	$0.00
Name of Authority that purchased debt:	Val Verde Unified School District Financing Authority
Date of Authority Bond(s) Issuance:	7/29/1998
Total Costs of Issuance from Authority Report of Final Sale:	$775,700.74
Is the Reserve Fund held at Authority level?:	No
Reserve Fund Minimum Balance Amount:	$0.00
Part of Authority Reserve Fund:	No
Percent of Reserve Fund:	0

Fund Balance

Principal Amount of Bonds Outstanding:	$6,396,175.00
Bond Reserve Fund:	$0.00
Capitalized Interest Fund:	$0.00
Administrative Fee Charged by Authority:	$0.00

Delinquent Reporting

Have Delinquent Taxes been reported?	Y
Delinquent Parcel Information Reported as of Equalized Tax Roll of:	7/1/2025

Delinquency Rate:	0.9
Does this agency participate in the County's Teeter Plan?	N
Taxes Due:	$1,892,552.04
Taxes Unpaid:	$17,118.10

Retired Issues

Indicate Reason for Retirement:	Not Retired

Filing Contact

Filing Contact Name:	Justin Bjorgan
Agency/Organization Name:	KeyAnalytics (California Financial Services)
Address:	27201 Puerta Real
City:	Mission Viejo
State:	CA
Zip Code:	92691
Telephone:	949-2821077
Fax Number:	
E-mail:	jbjorgan@calschools.com

Comments

Issuer Comments:

Mello Roos Report Information as of Reporting Year End: 6/30/2025

Issuance

Issuer Name:	Val Verde Unified School District CFD No 98-1
Issue Name:	1998 Special Tax Ref Bonds
Project Name:	School Facilities (Taxable)
Actual Sale Date:	7/24/1998
Settlement Date:	7/29/1998
Original Principal Amount:	$3,465,787.00
Date of Filing:	
Reserve Fund Minimum Balance:	No
Reserve Fund Minimum Balance Amount:	$0.00

Credit Rating from Report of Final Sale

Credit Rating:	Not Rated
Standard & Poor:	
Fitch:	
Moody's:	
Other:	

Credit Rating from Mello-Roos Last Yearly Fiscal Status Report

Credit Rating:	Not Rated
Standard & Poor:	
Fitch:	
Moody's:	
Other:	

Credit Rating for This Reporting Period

Credit Rating:	Not Rated
Standard & Poor:	
Fitch:	
Moody's:	
Other:	

Fund Balance

Principal Amount of Bonds Outstanding:	$6,396,175.00
Bond Reserve Fund:	$0.00
Capitalized Interest Fund:	$0.00
Construction Fund(s):	$0.00

Assessed Value

Assessed or Appraised Value Reported as of:	1/1/2025
Use Appraised Value only in first year or before annual tax roll billing commences:	From Equalized Tax Roll
Total Assessed Value of All Parcels:	$1,011,423,970.00

Tax Collection

Total Amount of Special Taxes Due Annually:	$1,892,552.04
Total Amount of Unpaid Special Taxes Annually:	$17,118.10
Does this agency participate in the County's Teeter Plan?	No

Delinquent Reporting

Delinquent Parcel Information Reported as of Equalized Tax Roll of:	7/1/2025
Total Number of Delinquent Parcels:	35
Total Amount of Special Taxes Due on Delinquent Parcels:	$25,216.68

Delinquency Parcel Reporting

Document Type	Document Name	File Upload Date
Delinquent Parcel Detail Report	VVUSD_CFD 98-1_Delinquency_1998-1066.pdf	10/22/2025

Foreclosure

Date Foreclosure Commenced	Total Number of Foreclosure Parcels	Total Amount of Tax on Foreclosure Parcels
No data available to disaplay.		

Retired Issues

Indicate Reason for Retirement:	Not Retired

Filing Contact

Filing Contact Name:	Justin Bjorgan
Agency/Organization Name:	KeyAnalytics (California Financial Services)
Address:	27201 Puerta Real
City:	Mission Viejo
State:	CA
Zip Code:	92691
Telephone:	949-2821077
Fax Number:	
E-mail:	jbjorgan@calschools.com

Comments

Issuer Comments:

Val Verde Unified School District
Riverside County
Community Facilities District No. 98-1
Fiscal Year 2024/2025 Tax Roll Delinquent Parcel Detail Report

Assessor's Parcel Number	Tax Year	Total Delinquent	Total Special Tax Levied	Percentage Delinquent
308-480-004	2019	$322.76	$806.98	40.00%
308-480-004	2021	$170.46	$852.34	20.00%
308-580-003	2021	$852.34	$852.34	100.00%
486-532-055	2021	$376.56	$376.56	100.00%
308-362-008	2022	$443.12	$886.24	50.00%
308-370-014	2022	$443.12	$886.24	50.00%
308-502-015	2022	$443.12	$886.24	50.00%
308-580-003	2022	$886.24	$886.24	100.00%
486-532-055	2022	$391.54	$391.54	100.00%
308-252-040	2023	$871.44	$871.44	100.00%
308-582-039	2023	$435.72	$871.44	50.00%
308-612-035	2023	$192.50	$385.00	50.00%
308-620-030	2023	$871.44	$871.44	100.00%
308-631-020	2023	$385.00	$385.00	100.00%
312-291-007	2023	$435.72	$871.44	50.00%
486-532-055	2023	$385.00	$385.00	100.00%
486-561-077	2023	$192.50	$385.00	50.00%
308-252-040	2024	$754.20	$754.20	100.00%
308-272-029	2024	$754.20	$754.20	100.00%
308-362-008	2024	$377.10	$754.20	50.00%
308-364-020	2024	$754.20	$754.20	100.00%
308-370-014	2024	$377.10	$754.20	50.00%
308-371-012	2024	$377.10	$754.20	50.00%
308-390-009	2024	$377.10	$754.20	50.00%
308-390-036	2024	$754.20	$754.20	100.00%
308-420-022	2024	$754.20	$754.20	100.00%
308-531-007	2024	$377.10	$754.20	50.00%
308-531-042	2024	$754.20	$754.20	100.00%
308-570-010	2024	$754.20	$754.20	100.00%
308-580-003	2024	$754.20	$754.20	100.00%
308-581-024	2024	$754.20	$754.20	100.00%
308-582-039	2024	$754.20	$754.20	100.00%
308-590-009	2024	$377.10	$754.20	50.00%
308-601-008	2024	$754.20	$754.20	100.00%
308-611-024	2024	$333.20	$333.20	100.00%
308-612-035	2024	$333.20	$333.20	100.00%
308-613-051	2024	$333.20	$333.20	100.00%
308-620-030	2024	$754.20	$754.20	100.00%
308-631-009	2024	$333.20	$333.20	100.00%
308-631-020	2024	$333.20	$333.20	100.00%
312-291-007	2024	$754.20	$754.20	100.00%
312-350-034	2024	$754.20	$754.20	100.00%
486-471-019	2024	$754.20	$754.20	100.00%
486-480-020	2024	$377.10	$754.20	50.00%
486-531-041	2024	$166.60	$333.20	50.00%

Assessor's Parcel Number	Tax Year	Total Delinquent	Total Special Tax Levied	Percentage Delinquent
486-531-046	2024	$333.20	$333.20	100.00%
486-532-050	2024	$166.60	$333.20	50.00%
486-532-055	2024	$333.20	$333.20	100.00%
486-561-077	2024	$333.20	$333.20	100.00%
486-562-018	2024	$166.60	$333.20	50.00%