

CITY OF LATHROP

2019/20 Annual Report For:

**Community Facilities District No. 2018-2
(Central Lathrop Specific Plan Facilities)**

December 2019

Prepared by:



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1. DISTRICT ANALYSIS

1.1 District

Community Facilities District No. 2018-2 (Central Lathrop Specific Plan Facilities) (the “District”) was formed in November 2018, along with Community Facilities District No. 2018-1 (the “CFD 2018-1”), to refinance costs of public infrastructure, to facilitate the prepayment, waiver, and termination of all of the special tax on parcels within the CFD 2006-1.

In January 2019, the City issued \$26,037,800 Community Facilities District No. 2018-2 (Central Lathrop Specific Plan Facilities), 2019 Special Tax Bond (the “Bond”). The One-Time Special Tax is levied at time of sale of property or at the time of default, as described in the Bond Indenture.

The Bond is issued with a single maturity date of January 16, 2029.

1.2 Levy

The District levied the One-Time Special Tax A on one parcel as a result of a property sale in June 2019. The parcel was simultaneously undergoing a lot line adjustment and the County is still working to confirm the new Assessor’s Parcel Number for the resultant parcel that paid the One-Time Special Tax A. The Notice of Cancellation of Special Tax was recorded using the legal description of the parcel.

The District was not required to levy the One-Time Special Tax B for parcels in default.

1.3 Funds

The One-Time Special Tax A is calculated as the net proceeds of the sale of property. All funds received from the One-Time Special Tax A are used in a mandatory redemption of the Bond.

There is no reserve fund required for the Bond.

1.4 Special Issues

The Senate Bill 165 report is not filed since there are no improvement funds associated with the Bond.

No arbitrage rebate calculation is required for the Bond since there are no reserve or improvement funds associated with the Bond.

NBS

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2. FINANCIAL STATUS

2.1 One-Time Special Tax A

Parcel	Escrow Closing Date	One-Time Special Tax A Amount
Portion of 191-200-180-000, Resultant Parcel 2 under the pending Lot Line Adjustment LLA-19-44	6/28/2019	\$2,110,535.78

2.2 One-Time Special Tax B

Parcel	Escrow Closing Date	One-Time Special Tax B Amount
None	N/A	N/A

3. APPENDIX A – ONE-TIME SPECIAL TAX A LEVY

The following page shows the One-Time Special Tax A levied by the District.

City of Lathrop
CFD No. 2018-2 (CLSP Facilities)
Invoice for One-Time Special Tax A
As Of: 06/28/2019

APN: Portion of 191-200-180-000, Resultant Parcel 2 under the pending Lot Line Adjustment LLA-19-44
Owner: Lathrop Land Acquisition, LLC
Buyer: Westpark Storage LLC

The following One-Time Special Tax A is levied on behalf of the City of Lathrop CFD No. 2018-2 (CLSP Facilities):

***One-Time Special Tax A*:* \$2,110,535.78**

Remit payment to:

Bank Name: UMB BANK, NA
ABA Routing: 101 000 695
Account No.: 98 0000 6823
Beneficiary: Corp Trust/STL
Reference: Lathrop 2018-2/Donofrio

*All Net Proceeds are due and payable immediately to UMB Bank, NA, as described in the remittance instructions above, on the escrow closing date for the sale of the portion of 191-200-180-000, Resultant Parcel 2 under the pending Lot Line Adjustment LLA-19-44.

*Net Proceeds based on the attached Settlement Statement prepared by First American Title Company as of 6/26/2019.

*Calculated in accordance with the Rate and Method of Apportionment of Special Tax as the Net Proceeds consisting of the sales price pursuant to a purchase/sale agreement between the Master Developer and an unrelated entity less the sum of:

- (i) broker commissions paid to an entity unrelated to the seller
- (ii) pro-rated ad valorem taxes
- (iii) escrow fees and closing costs
- (iv) the amount required to clear encumbrances recorded on title prior to CFD Formation, excluding non-monetary easements, agreements, covenants and restrictions customarily running with the land, as approved by the administrator
- (v) for the first 601 residential lots sold in the CFD, \$6,527.19 per Residential Lot on such Parcel
- (vi) a share of administrative expenses, as determined by the administrator

Please call NBS at (800) 676-7516 with any questions regarding the levy of the One-Time Special Tax A.