

NOTICE OF SPECIAL TAX

CITY OF ELK GROVE  
COMMUNITY FACILITIES DISTRICT NO. 2005-1 (LAGUNA RIDGE)

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

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THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY.

(1) This property is subject to a special tax, which is in addition to the regular property taxes and any other charges and benefit assessments on the parcel. This special tax may not be imposed on all parcels within the city or county where the property is located. If you fail to pay this tax when due each year, the property may be foreclosed upon and sold. The tax is used to pay for certain public facilities and maintenance services that are likely to particularly benefit the property. YOU SHOULD TAKE THIS TAX AND THE BENEFITS FROM THE PUBLIC FACILITIES AND MAINTENANCE SERVICES FOR WHICH IT PAYS INTO ACCOUNT IN DECIDING WHETHER TO BUY THIS PROPERTY.

(2) The maximum special taxes that may be levied annually against developed and undeveloped parcels for the 2007/2008 fiscal year are as follows:

**Maximum Facilities Special Tax and Maximum Maintenance Special Tax**

<b>Land Use</b>	<b>Zoning Designation</b>	<b>Maximum Annual Facilities Special Tax FY 2007-08</b>	<b>Maximum Annual Maintenance Special Tax FY 2007-08</b>
Age-Restricted Housing Property	N/A	\$1,020 per Unit	\$712.92 per Unit
Single Family Property	Densities less than RD8	\$1,530 per Unit (Developed) or per Lot (Final Map)	\$712.92 per Unit (Developed) or per Lot (Final Map)
Single Family Property	Densities RD8 through RD14	\$1,224 per Unit (Developed) or per Lot (Final Map)	\$712.92 per Unit (Developed) or per Lot (Final Map)
Single Family Property	Densities RD15 and above	\$1,020 per Unit (Developed) or per Lot (Final Map)	\$712.92 per Unit (Developed) or per Lot (Final Map)
For Sale Multi-Family Property	N/A	\$1,020 per Unit	\$712.92 per Unit
Rental Multi-Family Property	N/A	\$5,100 per Acre	\$3,926.28 per Acre
Non-Residential Property	N/A	\$5,100 per Acre	\$723.26 per Acre
SC-Zoned Auto Mall Phase III Property	N/A	N/A	\$723.26 per Acre
Tentative Map Property	N/A	\$7,548 per Acre	\$3,616.31 per Acre
Undeveloped Property	N/A	\$5,100 per Acre	\$3,616.31 per Acre

The special tax for maintenance services shall be increased by the lesser of Local Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose Area for All Urban Consumers. The CPI used shall be as determined by the Bureau of Labor Statistics from April to April beginning with the period from April 2006 through April 2007. The special tax for public facilities shall be increased by 2% of the amount in effect in the prior Fiscal Year. The special tax for public facilities will not be levied later than the 2050-2051 fiscal year. The special tax for maintenance services will be levied in perpetuity (forever).

(3) The authorized facilities that are being paid for by the facilities special taxes, and by the money received from the sale of bonds that are being repaid by the special taxes, include: transportation improvements, wastewater system improvements, potable and non-potable water system improvements, drainage system improvements, landscaping improvements, parks and parkways, and certain other public facilities. These facilities may not yet have all been constructed and it is possible that some may never be constructed or acquired.

(4) The special taxes may be used to pay for maintenance services including, but not limited to, the costs of contracting services, the salaries and benefits of City staff if the City directly provides maintenance services and City overhead costs associated with providing such services within Community Facilities District 2005-1 (Laguna Ridge).

YOU MAY OBTAIN A COPY OF THE RESOLUTION OF FORMATION (2006-62), WHICH AUTHORIZED CREATION OF COMMUNITY FACILITIES DISTRICT NO. 2005-1 (LAGUNA RIDGE) AND WHICH SPECIFIES MORE PRECISELY HOW THE SPECIAL TAX IS APPORTIONED AND HOW THE PROCEEDS OF THE TAX WILL BE USED, FROM THE CITY OF ELK GROVE BY CALLING THE OFFICE OF THE CITY CLERK AT 683-7111. THERE MAY BE A CHARGE FOR THIS DOCUMENT NOT TO EXCEED THE ESTIMATED REASONABLE COST OF PROVIDING THE DOCUMENT. I (WE) ACKNOWLEDGE THAT I (WE) HAVE RECEIVED A COPY OF THIS NOTICE. I (WE) UNDERSTAND THAT I (WE) MAY TERMINATE THE CONTRACT TO PURCHASE OR DEPOSIT RECEIPT AFTER RECEIVING THIS NOTICE FROM THE OWNER OR AGENT SELLING THE PROPERTY. THE CONTRACT MAY BE TERMINATED WITHIN THREE DAYS IF THE NOTICE WAS RECEIVED IN PERSON OR WITHIN FIVE DAYS AFTER IT WAS DEPOSITED IN THE MAIL BY GIVING WRITTEN NOTICE OF THAT TERMINATION TO THE OWNER OR AGENT SELLING THE PROPERTY.

DATE: \_\_\_\_\_

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SIGNATURE

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PRINT NAME

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