

**2003-2004 Annual Report for the  
City of Murrieta Community Facilities District No. 2003-2 (Blackmore Ranch)  
Continuing Disclosure Report - 2003 Issue Special Tax Bonds  
Information Related to: June 30, 2004  
Report Due Date: January 31, 2005**

In accordance with the Continuing Disclosure Agreement ("Contents of Annual Report"), the following information is provided:

**AUDITED FINANCIAL STATEMENT**

The City of Murrieta has prepared an "Annual Financial Report" for the fiscal year ending June 30, 2004. A copy is on file in the City Clerks Office.

<b>STATUS OF BONDS</b>	June 30, 2004	<u>Minimum Balance Required</u>
1) Principal Outstanding:	\$ 7,000,000	
2) Improvement Fund Balance:	\$ 4,659,837	
3) Capitalized Interest Account Balance:	\$ 200,339	
4) Reserve Fund Balance:	\$ 499,423	\$ 507,420

**SPECIAL TAX LEVY FOR 2003-2004**

**Ownership responsible for 5% or more of the Special Tax Levy**

<u>Name</u>	<u>Special Tax Levy</u>	<u>Levy %</u>	<u>Developed</u>	<u>Undeveloped</u>
1) Shea Homes Limited Partnership (86)	\$ -	0%	0%	100%
2) Blackmore Ranch Murrieta (48)	\$ -	0%	0%	100%
Others	\$ -	0%		
Total	<u>\$ -</u>	<u>0%</u>		

**DELINQUENCY INFORMATION**

- |  |                |
|--|----------------|
| 1) Number and dollar amount of delinquencies:  | None           |
| 2) Statement of whether the District has fulfilled its covenants to initiate judicial foreclosure proceedings: | Not Applicable |
| 3) Identification of all delinquent taxpayers:   | Not Applicable |

**LAND VALUE**

Total assessed value of all parcels subject to special tax: (From Assessed Valuation as of January 1, 2004 )	\$21,772,507
Total appraised value of all parcels subject to special tax: (From Appraisal of September 30, 2003)	\$ 21,400,000

**OWNERSHIP**

<u>Name</u>	January 1, 2004	
	<u>Assessed Value</u>	<u>Percent</u>
1) Shea Homes Limited Partnership (86)	\$ 10,512,507	48%
2) Blackmore Ranch Murrieta (48)	\$ 10,260,000	47%
Others	\$ 1,000,000	5%
	<u>\$ 21,772,507</u>	100%

**SUMMARY OF CONTINUING DISCLOSURE**

Principal and interest payment delinquencies;	None
Non-payment related defaults;	None
Unscheduled draws on debt service reserves reflecting financial	None
Unscheduled draws on credit enhancements reflecting financial	None
Substitution of credit or liquidity providers, or their failure to	None
Adverse tax opinions or events affecting the tax-exempt status of	None
Modifications to rights of bondholders;	None
Bond calls;	None
Defeasances;	None
Release, substitution or sale of property securing repayment of	None
Rating changes.	None