

**ANNUAL REPORT OF COMMUNITY FACILITIES DISTRICT NO. 1
(PALMDALE/LANCASTER AREA WATERWORKS IMPROVEMENTS)
OF THE COUNTY OF LOS ANGELES
RELATING TO
\$6,825,000.00
COMMUNITY FACILITIES DISTRICT NO.1
OF THE COUNTY OF LOS ANGELES
(PALMDALE/LANCASTER AREA WATERWORKS IMPROVEMENTS)
SPECIAL TAX REFUNDING BONDS
SERIES 1999A
AS OF JUNE 30, 2013**

The following information is being provided by Community Facilities District No. 1 (Palmdale/Lancaster Area Waterworks Improvements) of the County of Los Angeles (the "District") pursuant to Section 4 of the Continuing Disclosure Undertaking dated as of June 1, 1999 (the "Disclosure Undertaking") of the District relating to Community Facilities District No. 1 of the County of Los Angeles (Palmdale/Lancaster Area Waterworks Improvements) Special Tax Refunding Bonds, Series 1999 A (the "Bonds").

- | | | |
|----|--|-----------------|
| 1. | Principal amount of Bonds outstanding: | \$ 2,760,000.00 |
| 2. | Cash Balance in Reserve Fund: | \$ 554,800.00 |
| | Reserve Requirement: | \$ 554,800.00 |
| 3. | Cash Balance in other funds and accounts: | |
| | Special Tax Fund: | \$ 607,976.15 |
| | Bond Service Fund: | \$ 16.80 |
| | Earnings Fund: | \$ 2,603.17 |
| | Administrative Expense Fund: | \$ 114,888.81 |
| 4. | Range of value-to-lien ratios of parcels based on Assessed valuation with subtotals for parcels in the District pursuant to the Rate and Method of Apportionment of Special Tax of the District: | |

Range of Assessed Value-To-Lien Ratios

Value to Lien	Number of Parcels	2012-13 Special Taxes	Percent of Total Levy
Greater than 10:1	2,472	\$497,788.94	86.28%
Between 5:1 and 10:1	4	31,267.73	5.42%
Between 3:1 and 4.99:1	3	43,477.25	7.54%
Less than 3:1	1	4,421.01	0.77%
Total	2,480	\$576,954.93	100.00%

5. Tax or assessment delinquency rate for most recent year available: 10.02%

6. Special Tax revenues apportioned and percentages of collections:

2012-2013 Special Tax Levy	2012-2013 Collection	Prior Year Collection	2012-2013 Total Apportioned	2012-13 Collection as % of Levy	2012-13 Apportioned as % of Levy
576,954.93	519,152.56	10,959.45	530,112.01	89.98%	91.88%

7. Status of special tax foreclosure proceedings and results of foreclosure sales:

Total No. of Foreclosure Parcels	Date Foreclosure Commenced	Tax Due on Foreclosure Parcels	Status of Special Tax Foreclosure Proceedings and Results of Foreclosure Sales
2	March 2010	32,190	Court recorded Judicial Foreclosure judgment and authorized Writ of Sale on February 16, 2011. A Writ of Sale was filed with the County Clerk and subsequent Levy set for October 11, 2011. A failed Sale by Sheriff was held on December 21, 2011.
4	September 2001	205,088	Court recorded Judicial Foreclosure judgment April 2002. The taxpayers filed for Chapter 11 protection August 2005; the case was dismissed June 2007. Application to the court for a writ of sale is on hold pending improvement in market conditions.

8. Identity of any delinquent taxpayer (by specific title holder and excluding related entities) representing in the aggregate more than 5% Special Tax Levy and value-to-lien ratios based on assessed valuation of applicable properties (using assessed values):

Delinquent Taxpayer	2012-2013 Special Tax Levy	Individual Tax Levied	Total Amount Paid	Individual Assessed Value	Value to Lien Ratios
Sierra Gateway Resolution LLC	576,724.91	31,267.73	0.00	1,118,924	7.48:1

9. A land ownership summary listing ownerships
as of January 1, 2013, from records of
County Assessor:

Attachment A

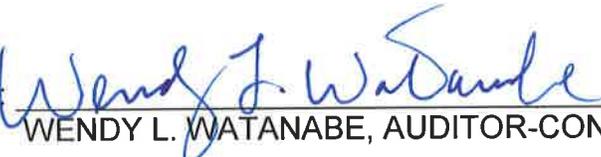
ANY SUBSEQUENT STATEMENTS REGARDING THE BONDS OTHER THAN A STATEMENT MADE BY THE FISCAL AGENT IN AN OFFICIAL RELEASE OR SUBSEQUENT NOTICE OR ANNUAL REPORT, PUBLISHED IN A FINANCIAL NEWSPAPER OF GENERAL CIRCULATION AND/OR FILED WITH THE MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB) AND A NATIONALLY RECOGNIZED MUNICIPAL SECURITIES INFORMATION REPOSITORY (NRMSIR), ARE NOT AUTHORIZED BY THE DISTRICT OR THE FISCAL AGENT. NEITHER THE DISTRICT NOR THE FISCAL AGENT SHALL BE RESPONSIBLE FOR THE ACCURACY, COMPLETENESS, OR FAIRNESS OF ANY SUCH UNAUTHORIZED STATEMENT.

THIS REPORT IS BEING FILED PURSUANT TO THE CONTINUING DISCLOSURE UNDERTAKING AND DOES NOT PURPORT TO CONTAIN ALL MATERIAL INFORMATION WITH RESPECT TO THE BONDS OR THE FINANCIAL CONDITION OF THE DISTRICT.

NEITHER THE DISTRICT NOR THE FISCAL AGENT HAS ANY OBLIGATION TO UPDATE THIS REPORT OTHER THAN AS EXPRESSLY PROVIDED IN THE CONTINUING DISCLOSURE UNDERTAKING.

DATED: JANUARY 15, 2014

AUDITOR-CONTROLLER OF THE
COUNTY OF LOS ANGELES

By: 
WENDY L. WATANABE, AUDITOR-CONTROLLER

COUNTY OF LOS ANGELES
COMMUNITY FACILITIES DISTRICT NO. 1
(PALMDALE/LANCASTER AREA WATERWORKS IMPROVEMENTS)
TOP 25 TAXPAYERS
FOR FISCAL YEAR 2012-13

	Property Owner	Land Use	Number of Parcels	FY 2012-13 Special Taxes	% of FY 2012-13 Taxes	Maximum Special Taxes
1	LA DF Investment Fund 68 LLC	Residential	2	\$ 38,208.44	6.622%	\$ 42,349.25
2	Sierra Gateway Resolution LLC	Industrial	4	31,267.73	5.419%	34,656.36
3	LCTH Investmment LP	Residential	1	12,836.93	2.225%	14,228.12
4	Antelope Valley Mall LLC	Commercial	5	12,791.97	2.217%	14,178.29
5	I PTR LLC	Residential	2	9,689.82	1.679%	10,739.94
6	Bayshore LLC	Residential	32	7,360.64	1.276%	8,158.40
7	Shu Chin Hsieh Tr, Huang Family Trust	Commercial	2	7,049.56	1.222%	7,813.55
8	Palmdale M and M Street Partnership	Industrial	4	6,160.56	1.068%	6,828.20
9	Redevelopment Agency of Palmdale City	Industrial	1	6,160.54	1.068%	6,828.19
10	Quateman, Lisa G Tr Philip Ordin Prop Trust B	Commercial	1	4,583.56	0.794%	5,080.30
11	Ordin, Laura	Commercial	1	3,374.01	0.585%	3,739.66
12	Mcalpin Company and	Commercial	1	3,291.40	0.570%	3,648.10
13	Palmdale Resort LLC	Commercial	1	3,244.83	0.562%	3,596.49
14	Antelope Valley Mall LLC Lessor	Commercial	1	2,864.41	0.496%	3,174.83
15	West Palmdale Plaza LLC	Comm/Indus	1	2,750.80	0.477%	3,048.92
16	J C Penney Properties Inc	Commercial	1	2,494.35	0.432%	2,764.67
17	Abey Sierra LLC	Industrial	3	2,415.06	0.419%	2,676.79
18	Sears Roebuck and Co	Commercial	2	2,337.78	0.405%	2,591.14
19	Abruzzo, Frederick	Industrial	1	2,091.14	0.362%	2,317.77
20	New Albertsons Inc	Commercial	2	2,066.87	0.358%	2,290.86
21	Palmdale Project Partnership	Commercial	4	1,816.34	0.315%	2,013.19
22	DDR MDT MV Palmdale LP	Commercial	1	1,754.23	0.304%	1,944.34
23	Mulligan Palmdale Corporation	Comm/Indus	1	1,685.87	0.292%	1,868.57
24	El Corte Ingles S A	Commercial	1	1,466.01	0.254%	1,624.88
25	Westside Medical Building LLC	Commercial	1	1,274.45	0.221%	1,412.57
	All Other Property Owners	NA	2,436	405,917.63	70.355%	446,654.68
	Totals	NA	2,512	\$ 576,954.93	100.000%	\$ 636,228.06