

**ANNUAL REPORT OF COMMUNITY FACILITIES DISTRICT NO. 3
 (VALENCIA/NEWHALL AREA)
 OF THE COUNTY OF LOS ANGELES
 RELATING TO
\$23,520,000
 COMMUNITY FACILITIES DISTRICT NO. 3
 (VALENCIA/NEWHALL AREA)
 OF THE COUNTY OF LOS ANGELES
 IMPROVEMENT AREA B SPECIAL TAX REFUNDING BONDS
 SERIES 2011A
 AS OF JUNE 30, 2013**

The following information is being provided by Community Facilities District No.3 (Valencia/Newhall Area) of the County of Los Angeles (the "District") pursuant to Section 2.10 of the Second Supplemental Indenture, dated as of November 15, 2000 and (i) Section 2.09 of the Third Supplemental Indenture, dated as of June 15, 2001, and the Fourth Supplemental Indenture, dated as of December 1, 2011, by and among Community Facilities District No. 3 (Valencia/Newhall Area) (the "District"), the Treasurer and Tax Collector of the County of Los Angeles as Paying Agent and the Auditor-Controller of the County of Los Angeles, as the Fiscal Agent, and Section 4 of the Continuing Disclosure Undertaking, dated December 1, 2011 (the "Disclosure Undertaking"), of the District relating to the Community Facilities District No. 3 (Valencia/Newhall Area) of the County of Los Angeles Improvement Area B Special Tax Refunding Bonds Series 2011A (the "Bonds").

1.	Principal amount of bonds outstanding:	\$21,265,000.00
	Principal amount of bonds authorized:	\$ 42,000,000.00
2.	Cash Balance in Reserve Fund:	\$2,495,674.01
	Reserve Requirement:	\$2,495,674.01
3.	Cash Balance in other funds and accounts:	
	Special Tax Fund	\$ 2,567,599.85
	Bond Service Fund	\$ 0.00
	Administrative Expense Fund	\$ 106,663.63
	Redemption Fund	\$ 0.00
	Rebate Fund	\$ 0.00
	Exempt Earnings Fund	\$ 867.40
	Non-exempt Earnings Fund	\$ 11,679.76
	Cost of Issuance Fund	\$ 37.54

4. Total assessed value of all parcels subject to the Improvement Area B Special Tax: \$ 842,286,719.00

5. Delinquency information on all parcels within Improvement Area B including:

Special Tax levied:	\$ 2,716,627.41
Number of parcels subject to the levy:	1,627
Delinquency rate:	1.80%

6. Status of special tax foreclosure proceedings and summary of results of foreclosure sales, if available:

There were no foreclosure proceedings.

7. Identity of any delinquent taxpayer (by specific title holder and excluding related entities) representing in the aggregate more than 5% of the Improvement Area B special tax levy and value-to-lien ratios based on assessed valuation of applicable properties (using assessed values):

There were no delinquent taxpayers responsible for more than 5% of special taxes levied.

8. A land ownership summary listing ownerships as of January 1, 2013 of the current fiscal year from records of County Assessor responsible for more than 5% of the Improvement Area B Special Tax levy for the current fiscal year, percentage of levy and whether land is categorized as "developed property" or as "undeveloped property" pursuant to the rate and method of apportionment of special tax of District.

There are no property owners responsible for more than 5% of the special tax levy or assessment as of January 1, 2013.

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