

SIGNIFICANT EVENT REPORT

**NOTICE OF DEFEASANCE AND
TERMINATION OF REPORTING OBLIGATION**

**COMMUNITY FACILITIES DISTRICT NO. 2003-2
(THE COLONIES AT SAN ANTONIO)
IMPROVEMENT AREA NO. 1
\$22,500,000 SPECIAL TAX BONDS
SERIES A OF 2004**

CUSIP: 91535N

**CITY OF UPLAND
SAN BERNARDINO COUNTY, CALIFORNIA**

Pursuant to an Official Statement dated May 5, 2004, the City of Upland, (the “City”) issued \$22,500,000 Community Facilities District No. 2003-2 (The Colonies at San Antonio), Improvement Area No. 1, Special Tax Bonds, Series A of 2004 (the “Bonds”) to finance the acquisition, construction and improvement costs of certain public infrastructure within Community Facilities District No. 2003-2 (The Colonies at San Antonio) (“District”) Improvement Area No. 1.

Pursuant to the Official Statement dated August 1, 2012, the City issued \$22,060,000 Special Tax Refunding Bonds, Issue of 2012 (“the Bonds”) to provide funds for the refunding on a current basis of the \$22,500,000 Community Facilities District 2003-2 of the City of Upland (The Colonies at San Antonio), Improvement Area No. 1 Special Tax Bonds, Series A of 2004, of which \$22,075,000 were outstanding (“the 2004 Bonds”) and pay costs associated with the issuance of the Bonds.

As of the date of issuance for the 2012 Bonds, the 2004 Bonds are defeased and the reporting obligation in regards to Community Facilities District No. 2003-2 (The Colonies at San Antonio), Improvement Area No. 1, Special Tax Bonds, Series A of 2004 in the City of Upland has been terminated in accordance with Section 6 of the Continuing Disclosure Certificate.

This Notice of Defeasance and Termination of Reporting may contain information material to Bond owners and does not purport to contain all material information with respect to the Bonds or the financial condition of the District. The information set forth herein has been furnished by the District and by sources, which are believed to be accurate and reliable but is not guaranteed as to accuracy or completeness. Statements contained in this Notice of

Defeasance and Termination of Reporting, which involve estimates, forecasts, or other matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. Further, the information and expressions of opinion contained herein are subject to change without notice and the delivery of this Notice of Defeasance and Termination of Reporting Statement will not, under any circumstances, create any implication that there has been no change in the affairs of the District or any other parties described herein.

THIS REPORT IS OF A FACTUAL NATURE WITHOUT SUBJECTIVE ASSUMPTIONS, OPINIONS, OR VIEWS AND MAY NOT BE RELIED UPON AS ADVICE OR RECOMMENDATION TO PURCHASE OR SELL ANY PRODUCT OR UTILIZE ANY PARTICULAR STRATEGY RELATING TO THE ISSUANCE OF MUNICIPAL SECURITIES OR PURCHASE OF FINANCIAL PRODUCTS. WILLDAN FINANCIAL SERVICES AND ITS EMPLOYEES (COLLECTIVELY "WILLDAN") DO NOT RECOMMEND ANY ACTIONS AND ARE NOT ACTING AS AN ADVISOR TO ANY MUNICIPAL ENTITY, BOARD, OFFICER, AGENT, EMPLOYEE OR OBLIGATED PERSON PURSUANT TO SECTION 15B OF THE EXCHANGE ACT. PRIOR TO ACTING ON ANY INFORMATION OR MATERIAL CONTAINED IN THIS COMMUNICATION, YOU SHOULD DISCUSS IT WITH APPROPRIATE INTERNAL OR EXTERNAL ADVISORS AND EXPERTS AND ONLY RELY UPON THEIR ADVICE.