

Abstract

This dissertation focuses on a specific area of local public finance, namely the non-rated land secured market in California as comprised primarily of the Community Facilities District (CFD) bonds. That market has become of growing importance but has not been widely studied until now. In this dissertation we analyze the performance and default experience of that market, examine its specific characteristics and determine the major factors contributing to the default of the non-rated CFD bonds. The results we present provide important new information for assessing the credit quality of the California non-rated land secured municipal bond market and should be beneficial for investors for the better understanding and analysis of that market.