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RESOLUTION NO. EMR 01-20

RESOLUTION OF THE BOARD OF THE ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT (CITY OF GOODYEAR, ARIZONA) ORDERING THE PUBLIC INFRASTRUCTURE PROJECT PERFORMED AS DESCRIBED IN RESOLUTION NO. EMR 01-19.

WHEREAS, on December 10, 2001, the Board of Directors (the "*Board*") of the Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) passed and adopted Resolution No. EMR (the "*Resolution of Intention*"), declaring its intention to acquire and/or construct the Project (as defined in the Resolution of Intention), together with all appurtenances and adjuncts necessary; determining that the District's assessment revenue bonds shall be issued to represent the costs and expenses thereof; declaring the Project to be of more than local or ordinary public benefit; declaring that the costs and expenses thereof shall be assessed upon the Assessment District; and providing that the Project shall be performed under the provisions of Title 48, Chapter 4, Article 6, Arizona Revised Statutes, and all amendments thereto; and

WHEREAS, the Waiver and Development Agreement (the "*Waiver*") has been signed by all property owners in the Assessment District and any other persons having an interest in the property within the Assessment District, waiving, among other things, all requirements for notice and time for protests against the Projects and objections to the extent of the Assessment District; and

WHEREAS, the Board has thereby acquired jurisdiction to order the acquisition, construction and performance of the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT (CITY OF GOODYEAR, ARIZONA) as follows:

Section 1. Definitions. In this resolution, terms defined in the Resolution of Intention shall have the same meanings herein as therein.

Section 2. Ordering the Performance of the Project. By virtue of the authority vested in Title 48, Chapter 4, Article 6, Arizona Revised Statutes, and all amendments thereto, the Board hereby orders the acquisition, construction or performance of the Project as described in the Resolution of Intention. The District Engineer shall cause to be prepared, where necessary, final Plans and contract documents for the Project. When applicable, upon completion of the final Plans, the Superintendent of Streets shall invite sealed bids for construction of the Projects. The acquisition of any portion of the Project may be performed upon the sale and delivery of the Bonds in an amount sufficient to pay the costs of acquisition.

Section 3. Assessment and Collection. The District Engineer and the Superintendent of Streets are hereby authorized and directed to prepare and record assessment against the real property contained within the Assessment District. The assessment shall be allocated among the parcels and lots within the Assessment District as shown on the Assessment Diagram, in the manner established by the District Engineer. The treasurer of the District is hereby directed to


make demand on the owners of the real property assessed for advance cash payment of the amount assessed.

PASSED, ADOPTED AND APPROVED by the Board of Directors of the Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) on December 10, 2001.

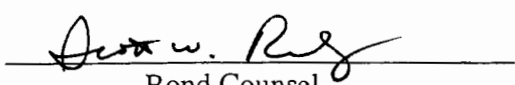
ATTEST:




Chairman


Clerk

APPROVED AS TO FORM:


Bond Counsel

CERTIFICATE

I hereby certify that the above and foregoing Resolution No. EMRCFD 01-20 was duly passed by the Board of Directors of the Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) at a regular meeting held on December 10, 2001, and that a quorum was present thereat and that the vote thereon was 6 ayes and 0 nays. 1 did not vote or were absent.




Clerk

5. A
5. B
5. C

12/10/01

CITY OF GOODYEAR
ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT #1
DISTRICT COUNCIL ACTION FORM

Subject: EMRCFD#1 Resolution 01-19 AND 01-20, Approving Feasibility Report and Ordering Work Regarding the Improvement	Staff Presenter: Larry Price
	Company: Scott Ruby, Gust Rosenfeld

RECOMMENDATION:

1. Board will conduct a Public Hearing on a feasibility report submitted in connection with the proposed issuance of special assessment bonds by the District
 - (1) Open public hearing
 - (2) Staff overview
 - (3) Receive public comment
 - (4) Close public hearing
2. Consider for possible action adoption of EMRCFD#1 Resolution 01-19 Approving Feasibility Report.
3. District Board adopt EMRCFD #1 Resolution 01-20 ordering the acquisition of the public infrastructure projects to be financed by assessment bonds as described in Resolution No EMRCFD NO. 01-19.

DISCUSSION:

On December 10, 2001, a public hearing on the feasibility report regarding the Estrella Mountain Ranch Community Facilities District (the "District") will be held and two resolutions will be presented to the District Board with respect to a new issue of assessment bonds of the District. The hearing and the resolutions are similar to other feasibility hearings and resolutions adopted in connection with other community facilities districts.

The feasibility report hearing is required by law and notice of the hearing will be published once in the newspaper prior to the hearing, allowing the public to comment if desired. No public comment is anticipated. Upon completion of the hearing, a resolution will be presented to the District Board, approving the feasibility report, forming the Desert Village Assessment District and declaring its intention to acquire and construct the improvement project.

A second resolution will be presented in connection with this project which is the resolution ordering the work regarding the improvement.

REVIEWED BY:

Stephen Cleveland
District Manager

District Attorney

Larry Quinn
District Treasurer

PREPARED BY:

Scott W. Ruby / ddc
Scott W. Ruby
Gust Rosenfeld

FEASIBILITY REPORT

For The Issuance of

**ESTRELLA MOUNTAIN RANCH
COMMUNITY FACILITIES DISTRICT
SPECIAL ASSESSMENT LIEN BONDS**

DESERT VILLAGE SERIES 2002



November 2001

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SECTION ONE

**INTRODUCTION; PURPOSE OF
FEASIBILITY REPORT
AND GENERAL DESCRIPTION OF DISTRICT**

INTRODUCTION

The Feasibility Report (this "Report") has been prepared for presentation to the Board of Directors (the "Board") of the Estrella Mountain Ranch Community Facilities District (the "District") in connection with the proposed issuance by the District of special assessment lien bonds (the "Bonds") in an aggregate principal of not to exceed \$5,300,000, pursuant to the Community Facilities Act of 1989, Title 48, Chapter 4, Article 6 of Arizona Revised Statutes, as amended ("A.R.S." and collectively, the "Act").

PURPOSE OF FEASIBILITY REPORT

This Report has been prepared for consideration of the feasibility and benefits of the public infrastructure (as defined in A.R.S. §48-701) to be financed by the Bonds (the "Projects") and of the plan for financing the Projects in accordance with the provisions of A.R.S. §48-715. Pursuant to A.R.S. §48-715, this Report includes (i) a description of the Projects which are to be either constructed or acquired (Section Two); (ii) a map showing, in general, the location of the Projects (Section Three), (iii) an estimate of the cost to construct, acquire, operate and maintain the Projects (Section Four); (iv) an estimated schedule for completion of the Projects (Section Five); (v) a map or description of the area to be benefited by the Projects (Section Six); and (vi) a plan for financing the Projects (Section Seven).

Additionally, this Report includes: (i) a legal description of the District [Appendix A]; a legal description of the Assessment Area [Appendix B]; an analysis of the impact of the financing on the tax rates or other charges borne by the owners of the property [Appendix C] an analysis of the infrastructure demand and market absorption [Appendix D]; engineer's cost estimates [Appendix E] and a title report [Appendix F].

This Report has been prepared for the Board's exclusive consideration. It is not intended or anticipated that this Report will be relied upon by other persons, including, but not limited to, purchasers of the Bonds. This Report does not attempt to address the quality of the Bonds as investments or the likelihood of repayment of the Bonds. In preparing this Report, engineers, staff of the City, legal counsel and other experts have been consulted as deemed appropriate. **THIS REPORT IS NOT INTENDED TO BE A "FINANCIAL FEASIBILITY REPORT OR STUDY" AS THAT TERM IS CUSTOMARILY USED.**

GENERAL DESCRIPTION OF DISTRICT AND DESERT VILLAGE

Formation of the District was approved by the City upon the request of SunChase Estrella Limited Partnership; a Delaware Limited Partnership (the “Applicant”) as the owner of all of the land within the District upon formation. Residential Funding Corporation, a Delaware Corporation, consented to the formation of the District as a holder of a lien interest in such land upon formation thereto. The District is located within the municipal boundaries of the City. (See the maps in Section Three and Six of this Report and Appendix A hereto for a description of the District).

This District was created to finance the construction and acquisition of public infrastructure, including particularly the Projects, which are part of the 9,771-acre development known as the Estrella Mountain Ranch, a residential, commercial and golf course master planned community (the “Development”). The Desert Village will be benefited by the Projects. (See the maps in Section Three and Section Six of the Report and Appendix B hereto for a description of Desert Village). Although the number of acres devoted to each particular type of land use may ultimately vary from those presented, the build-out of the Development and Desert Village is currently expected to include the following land uses:

<u>Type of Development</u>	<u>Gross Acres Within the District</u>	<u>Gross Acres Within the Desert Village</u>
Residential	5,183	324
Commercial	362	30
Mixed Use	303	0
Water/Sewer	37	0
Schools	315	0
Equestrian Center	10	0
Town Center	35	0
Municipal Uses	35	0
Open Space	3,301	102
Deserts	<u>190</u>	<u>0</u>
Total Acreage	<u>9,771</u>	<u>456</u>

Residents of the Development will be advised of the formation of the District and the proposed issuance of the Bonds by way of a disclosure pamphlet.

GENERAL HISTORY OF ESTRELLA MOUNTAIN RANCH

The Applicant acquired the Development in 1994 from the Resolution Trust Corporation as a single asset pool of the National Land Fund. The Development is a partially developed 18,600 acre master-planned community.

The number of builders within the Development has varied over time. To date, there have been a total of eleven production builders active within the Development. UDC, Amberwood, Presley and Continental Homes have constructed production homes within the Development in past years, while at present, ten different production neighborhoods are being constructed by Greystone Homes, TW Lewis Homes, Engle Homes, Morrison Homes, Ryland Homes and Beazer Homes. There are also five custom neighborhoods, which have several custom builders constructing new homes.

Housing starts/permits have increased over the years with 82 in 1996, 120 in 1997, 224 in 1998, 222 in 1999, 251 in 2000 and as of September 30, 2001 234 permits have been issued. The number of completions for these years, closely parallel the number of starts/permits for each year.

With new production builders arriving within the Development and with custom lot availability, sales have also increased with 80 sales in 1996, 118 in 1997, 218 in 1998, 246 in 1999, 284 in 2000 and as of September 30, 2001 there have been a total of 221 sales.

The pricing for homes in the Development ranges from \$130,000 to over \$300,000 for a standard production home. Custom homes are priced higher than production homes with recent custom homes being appraised in the \$500,000 range. Custom lot prices range from \$53,000 to \$168,000 per lot.

Public infrastructure constructed by the Applicant and the previous developer of the Development and dedicated to the City is as follows: Almost 42 miles of arterial roadway and minor roadway have been completed throughout the Development, including Estrella Parkway, Elliot Road, San Miguel Road, Golf Club Drive and Westar Drive. Water lines, sewer lines, utilities, streetlights and landscaping in these areas have also been completed and dedicated to the City of Goodyear.

Community Amenities

Several private community amenities have been constructed within the Development, including the following:

- 18 Hole Nicklaus Design Championship Golf Course (Named by Golfweek as one of top 40 Daily Fee Courses in U.S.A. and Golf Magazine ranked top 35 new courses in U.S.A.)
- Golf Club House & Maintenance Facility

- 72 Acres of Lakes with the North Lake totaling 42 acres & the South Lake totaling 30 acres
- Commercial Buildings totaling 10,000 square feet, including convenience store with gas station, 2 restaurants and a video store
- Bike Paths
- Approximately 255 Acres of Improved Parks and Interior Subdivision Tracts
- Beaches at North and South Lakes
- Natural Trail System

A breakdown of improvements at each lake is as follows:

North Lake

- 12 Ramadas w/Picnic Tables & Barbecue Grills
- 2 Large Trellis Overhangs
- 1 3800 Square Foot Open Pavilion
- 1 Playground Area w/Equipment
- 1 Restroom / Bathhouse
- 1 Sun Dial
- 1 Youth Center
- 1 Boat House
- 1 Pump House for Mechanical Equipment
- 1 Large Dock with Ramp
- 3 Basketball Courts
- 1 Volleyball Court
- 1 Pedestrian Bridge
- 1 Play Fountain
- 1 Trellis Overhang
- 1 Cooking Ramada
- 1 Lake Fountain Basin

South Lake

- 12 Ramadas w/Picnic Tables & Barbecue Grills
- 1 2500 Square Foot Open Pavilion
- 2 Tennis Courts
- 1 Maintenance Building
- 2 Horseshoe Pits
- 2 Sand Volleyball Courts
- 1 Restroom / Bathhouse
- 1 Basketball Court
- 1 Playground Area w/ Equipment

Applicant General Information

SunChase Holdings, Inc. (“SunChase”) which beneficially owns the majority of the Applicant, has extensive experience with master-planned community development. SunChase has long-term development opportunities in its control and ownership of land throughout the United States and in other parts of the world. In addition to the

Development, SunChase has several other communities. Mountain House, a projected 40,000 resident, self-contained community is located in Northern California. Sabino Springs is a residential golf community located in Tucson, Arizona. Sabino Springs was purchased as raw land and is now nearing completion as a gated, master-planned community with an award winning championship golf course. Lincoln Crossing, near Sacramento, California is a 1,100 acre development with residential, commercial, industrial and retail zoned land. Additionally, SunChase owns the Pont Royal en Provence, located in Provence, France, which consists of a 4-star hotel and an 18-hole golf course designed by Severiano Ballesteros.

The Applicant will finance the overall improvements of the Development in various ways, including but not limited to the following:

1. Direct principal equity investment
2. Joint Venture investment transactions
3. Traditional A&D Bank Borrowings
4. Existing Partnership revolving credit facility
5. Community Facilities District Bond Proceeds

The Applicant currently utilizes two forms of financing. The first form of financing is considered traditional A&D development loans, which is commonly found at federally regulated institutions such as Bank One, Wells Fargo and Bank of America. Principally the Applicant has utilized this type of debt on rolling option contracts of sale where the builder does not complete the in-tract infrastructure within the parcel and takes down production lots in a minimum volume each quarter. While none of this debt is outstanding at the present time, general terms of this type of debt has been as follows:

- | | | |
|----|-------------------|--------------------------------------------|
| 1. | Term: | 36 months |
| 2. | Interest Rate: | Prime Rate + 1.50% |
| 3. | Commitment Fee: | 1.5% of aggregate debt, one time |
| 4. | Interest Reserve: | Built into loan balance |
| 5. | Loan-to-Value: | 65% - 70% |
| 6. | Release Price: | Fixed over term or 130% - 150% accelerated |
| 7. | Guarantee: | None |

The second form of financing that is currently utilized at the Development is a non-federally regulated revolving credit facility. The Applicant has an ongoing relationship with Residential Funding, a wholly owned subsidiary of General Motors Acceptance Corporation (GMAC). The facility may be utilized for all forms of infrastructure development within the Development, including but not limited to collector roadways, waste water treatment facilities, recreational amenities, commercial and residential improvements. Approximately \$17,246,000 of this debt is currently outstanding on a \$34,000,000 total commitment. The general terms follow:

1. Term: 60 months, with a 24 month extension
2. Interest Rate: Prime Rate + 1.25%
3. Commitment Fee: .50% paid annually on outstanding debt
4. Interest Reserve: None. Interest paid quarterly
5. Loan-to-Value: 40% on Collateral pool, new projects valued as if completed.
6. Release Price: Fixed or 75% of net proceeds
7. Guarantee: 100% by Corporate Parent

As of September 30, 2001, the Applicant's total investment in the Development, including the land purchased from the Resolution Trust Corporation, was \$38,776,271. Besides the initial acquisition and the purchase of the Federal Government's limited partnership interest, this amount consists of a myriad of completed development projects such as the Estrella Mountain Ranch Golf Club, the Corgett Wash water reclamation plant expansion, commercial buildings, roadway development, parcel development and a significant water unit purchase from the City of Goodyear.

Development General Information

Zoning approvals and Development Agreements approved by the Goodyear City Council for the Development date back to 1986, 1987, 1988 and 1994. In August of 1998, the City of Goodyear adopted the Development Area Plan. This plan represents the current structure for the community.

At present, the Applicant has; final plat approvals on the Desert Village parcels 67/69, 68, 70, 72, 73, 74, 75 and 76; and is currently working on platting Desert Village parcel 71. It is the Applicant's standard practice to not record the final plat maps until such time as the specific parcel has been sold to a home builder. This practice allows the home builder to revise the plat map to meet its specific requirements if necessary.

No additional permits are required for the development of the construction projects other than basic construction permits required by each successful bidder for each project.

It is anticipated that the rate of absorption will continue to increase at a healthy pace. Parcels available for development of residential neighborhoods are underway with homebuilders awaiting the completion of additional infrastructure. The targeted builders within the Development are those who build on a national basis and/or those who have a strong reputation for quality homes and customer satisfaction. All of the current builders within the Development meet these guidelines.

SECTION TWO

DESCRIPTION OF THE PROJECTS

DESCRIPTION OF THE PROJECTS

The build-out of the Desert Village includes the construction of public infrastructure improvements which may or may not be eligible for financing through the CFD. The table below illustrates the breakdown of the public infrastructure within the boundaries of the Desert Village and those items which are anticipated to be financed via the CFD and those which will be the financed through equity, third party construction loans and/or other means by the Applicant:

Description	CFD Reimbursable Costs	Non -CFD Reimbursable Costs	Total Improvement Costs
San Gabriel Roadway – Phase I	\$1,922,113	\$ 471,986	\$ 2,394,099
San Gabriel Roadway – Phase II	\$2,091,335	\$ 393,449	\$ 2,484,784
Optional: Enhanced Landscaping Package (1)	\$ 117,250	\$ 0	\$ 117,250
In-Tract Improvements (2)			
Parcel 67/69	\$ 0	\$ 2,299,000	\$ 2,299,000
Parcel 68	\$ 0	\$ 1,839,000	\$ 1,839,000
Parcel 70	\$ 0	\$ 1,630,000	\$ 1,630,000
Parcel 71	\$ 0	\$ 1,152,000	\$ 1,152,000
Parcel 72	\$ 0	\$ 1,503,000	\$ 1,503,000
Parcel 73	\$ 0	\$ 313,000	\$ 313,000
Parcel 74	\$ 0	\$ 1,739,000	\$ 1,739,000
Parcel 75	\$ 0	\$ 457,000	\$ 457,000
Parcel 76	\$ 0	\$ 593,000	\$ 593,000
Parcel 47	\$ 0	\$ 1,300,000	\$ 1,300,000
Parcel 48	\$ 0	\$ 1,200,000	\$ 1,200,000
Total	<u>\$4,130,698</u>	<u>\$14,890,435</u>	<u>\$19,021,133</u>
Percentage	<u>22%</u>	<u>78%</u>	<u>100%</u>

Footnotes

- (1) At present, the Applicant does not anticipate issuing bonds to fund the construction of the Enhanced Landscaping Package. To the extent that bond proceeds remain upon the completion of the San Gabriel Road Phase I and Phase II, such remaining proceeds will be utilized to fund all or a portion of the Enhanced Landscaping Package.
- (2) Estimated in-tract improvements are not a part of the Series 2002 bond issue. The costs are shown for illustrative purposes only.

The Projects to be acquired and/or constructed by the District are (1) San Gabriel-Phase I, (2) San Gabriel-Phase II and (3) the Enhanced Landscaping Package.

(1) San Gabriel Road-Phase I

The San Gabriel Road-Phase I Project consists of the construction and/or acquisition of approximately 2,723 lineal feet of San Gabriel Road, which is the arterial roadway that will provide access to the residential superpads located within Desert Village along with the Corgett Wash box culvert crossing.

Costs and expenses to be included in the Project include engineering, grading, water improvements, sewer improvements, concrete, paving, signalization, street lights, and landscaping. The costs for the various components making up the Project are as follows:

ESTIMATES OF THE COSTS AND EXPENSES FOR THE SAN GABRIEL PHASE I PROJECT WERE PREPARED BY CVL ENGINEERING. CFD IMPROVEMENT MAP SHOWING THE PROJECT LOCATION IS FILED WITH AND IS A PART OF THIS REPORT. THE COSTS AND EXPENSES ARE IN SUMMARY AS FOLLOWS:

Description	Total Cost
Engineering, Survey	\$ 127,550
Landscape design	\$ 21,321
Permits/Fees/Bonds	\$ 87,563
Grubbing Staking	\$ 174,590
Paving	\$ 188,101
Concrete	\$ 162,451
Storm Drain	\$ 495,649
Water	\$ 131,920
Non-Potable Water	\$ 77,626
Sewer	\$ 20,699
Landscaping	\$ 84,044
Signage and Stripping	\$ 20,423
Soils	\$ 24,000
Staking	\$ 50,376
Street Lights	\$ 72,000
Printing	\$ 2,000
Contingency (Approx. 5%)	\$ 71,375
Sales Tax	\$ 109,918
Total Phase I	\$1,922,113

(2) San Gabriel-Phase II

The San Gabriel-Phase II Project consists of the construction and/or acquisition of the remaining 4,220 lineal feet of San Gabriel Road which will complete the construction of San Gabriel Road.

Costs and expenses to be included in the Project include engineering, grading, water improvements, sewer improvements, concrete, paving, signalization, street lights, and landscaping. The costs for the various components making up the Project are as follows:

ESTIMATES OF THE COSTS AND EXPENSES FOR THE SAN GABRIEL ROAD-PHASE II PROJECT WERE PREPARED BY CVL ENGINEERING. CFD IMPROVEMENT MAP SHOWING THE PROJECT LOCATION IS FILED WITH AND IS A PART OF THIS REPORT. THE COSTS AND EXPENSES ARE IN SUMMARY AS FOLLOWS:

Description	Total Cost
Engineering, Survey	\$ 140,710
Landscape design	\$ 35,000
Permits/Fees/Bonds	\$ 106,617
Grubbing Staking	\$ 204,308
Paving	\$ 262,744
Concrete	\$ 300,658
Storm Drain	\$ 128,220
Water	\$ 217,385
Non-Potable Water	\$ 110,633
Sewer	\$ 59,960
Landscaping	\$ 121,760
Signage and Stripping	\$ 31,650
Soils	\$ 37,980
Staking	\$ 78,070
Street Lights	\$ 63,000
Printing	\$ 2,000
Contingency	\$ 75,016
Sales Tax	\$ 115,524
Total Phase II	\$ 2,091,335

(3) Enhanced Landscaping Package

The Enhanced Landscaping Package is an optional improvement and consists of the construction and/or acquisition of additional landscaping features which will serve to enhance the appearance of San Gabriel Road.

Costs and expenses to be included in the Project include additional trees as well as funds to improve the appearance of the handrail on the box culvert crossing the Corgett Wash. The costs for the various components making up the Project are as follows:

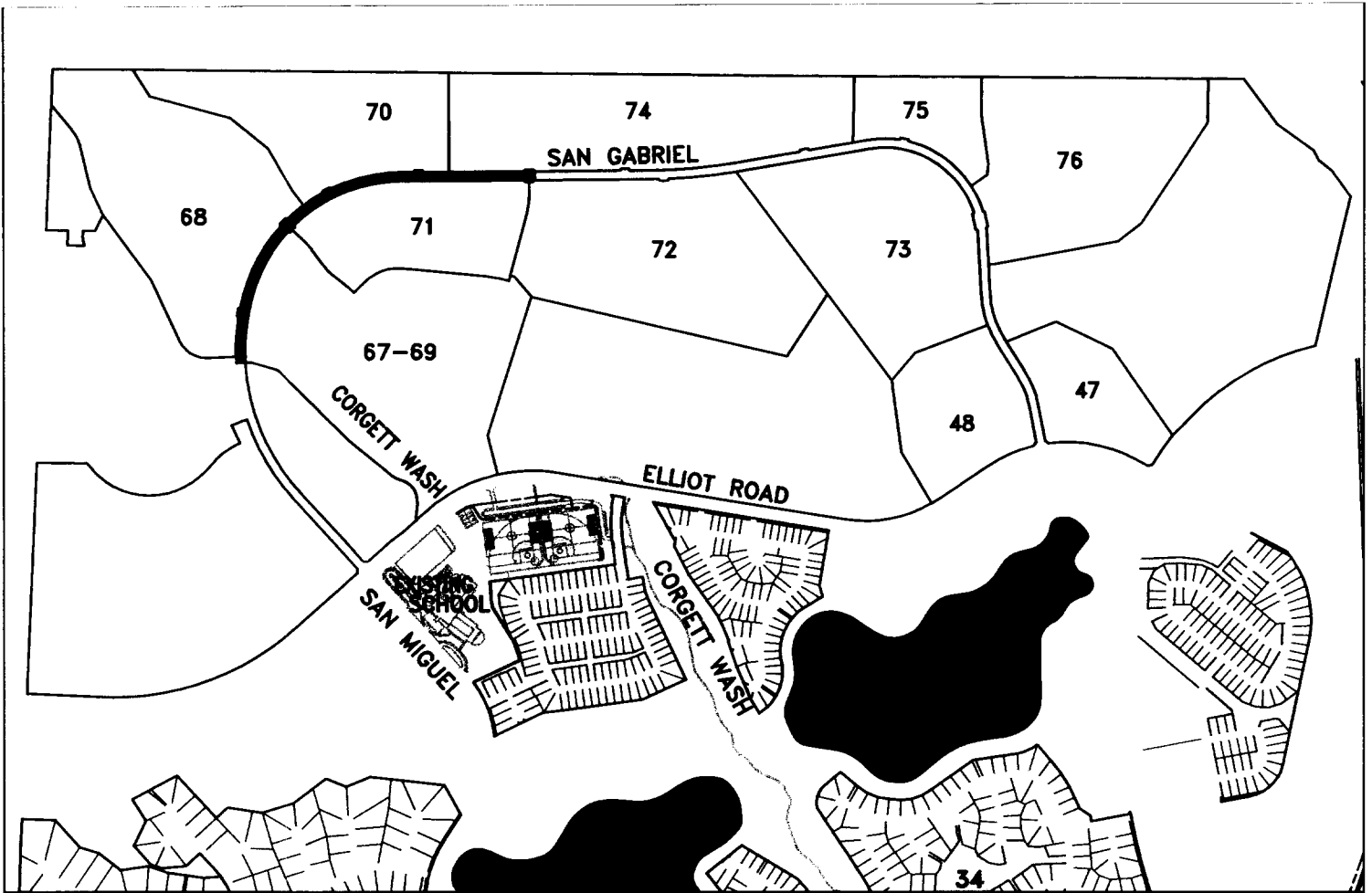
ESTIMATES OF THE COSTS AND EXPENSES FOR THE ENHANCED LANDSCAPING PACKAGE PROJECT WERE PREPARED BY DESING PLUS WEST AND THE APPLICANT. CFD IMPROVEMENT MAP SHOWING THE PROJECT LOCATION IS FILED WITH AND IS A PART OF THIS REPORT. THE COSTS AND EXPENSES ARE IN SUMMARY AS FOLLOWS:

Description	Total Cost
Additional Trees	\$ 83,250
Culvert Crossing Handrails	\$ 34,000
Total Enhanced Landscaping Package	\$ 117,250
Total All Projects	<u>\$4,130,698</u>

The Applicant will provide necessary title and environmental reports requested by the District in conjunction with acquisition of any portion of the Projects. The foregoing estimates and expenses of the Projects include as applicable: engineering fees, construction service fees, permits, inspection fees, construction testing and construction management fees.

SECTION THREE

MAP SHOWING LOCATION OF THE PROJECTS



PHASE 1 IMPROVEMENTS

PHASE 2 IMPROVEMENTS

CFD IMPROVEMENT MAP
ESTRELLA MOUNTAIN RANCH



CMX GROUP INC.
 1515 E. MISSOURI, #115
 PHOENIX, AZ 85014
 PH (602)279-8436

SECTION FOUR

ESTIMATED COST OF THE PROJECTS

ESTIMATED COST OF THE PROJECTS

Shown below is a summary of the estimated costs and expenses of the Projects. These amounts are preliminary and subject to the results of public bidding. Individual categories may increase or decrease so long as the total amount of Project costs financed for this bond issuance does not exceed \$5,300,000.

Upon completion of the Projects, the District will dedicate the Projects to the City. Accordingly, the District will have no operating or maintenance expenses in connection with the Projects. District administrative expenses will be paid from funds of the District as described in the CFD Development Agreement. To the extent that Bond proceeds are not sufficient to fund the construction of the Projects, the Applicant will advance such shortfalls and such shortfalls may be reimbursable by later bond issues.

<u>Desert Village Projects</u>	<u>Amounts</u>
(1) San Gabriel Road-Phase I	\$1,922,113
(2) San Gabriel Road-Phase II	\$2,091,335
(3) Enhanced Landscaping Package	<u>\$ 117,250</u>
Total Desert Village Projects	<u>\$4,130,698</u>
Rounded	<u>\$4,131,000</u>

Footnote: See Plan of Finance for Sources and Uses.

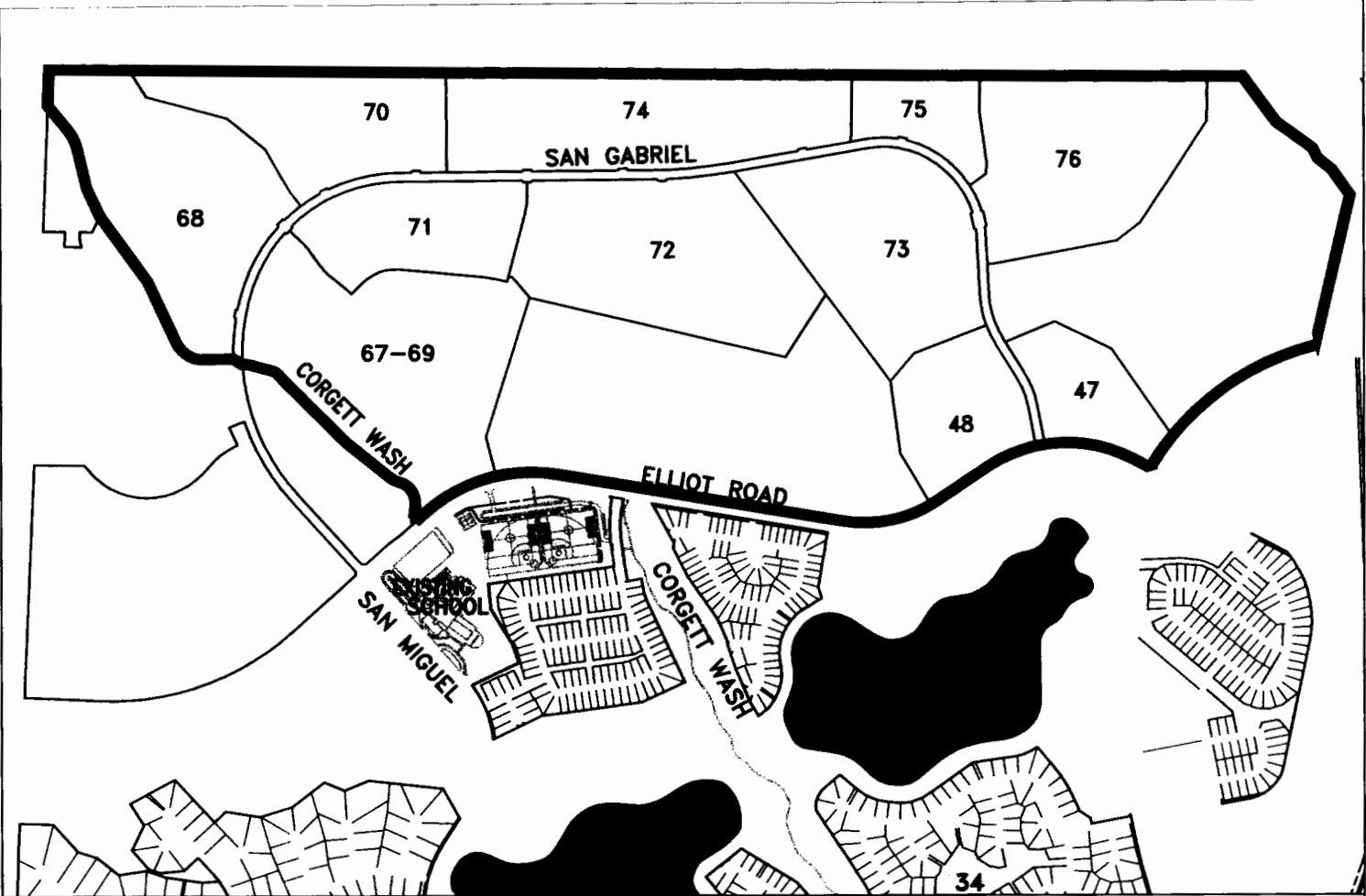
SECTION FIVE

TIMETABLE FOR COMPLETION OF THE PROJECTS

**TIMETABLE FOR COMPLETION
OF PUBIC INFRASTRUCTURE**

Project	Estimated Start Date	Estimated Completion Date	Status of Project If Currently Under Construction
(1) San Gabriel Road-Phase I	May 2001	March 2002	30%
(2) San Gabriel Road-Phase II	March 2002	December 2002	Not Applicable
(3) Enhanced Landscaping Package	January 2003	March 2003	Not Applicable

SECTION SIX
MAP OF AREA TO BE BENEFITED
DESERT VILLAGE



█ BENEFITED AREA

CFD DESERT VILLAGE
ESTRELLA MOUNTAIN RANCH



CMX GROUP INC.
 1515 E. MISSOURI, #115
 PHOENIX, AZ 85014
 PH (602)279-8436

SECTION SEVEN

PLAN OF FINANCE

PLAN OF FINANCE

- 1) Costs of the acquisition and/or construction of the Projects will be provided for by the District pursuant to terms of this Report. (For the Projects to be acquired by the District, the Applicant will provide for construction, and the District will acquire such Projects with the proceeds from the sale of the Bonds).
- 2) Construction contracts for all of the Projects will be bid and awarded pursuant to the public bid process of Title 34 of the Arizona Revised Statutes and applicable City requirements and administered in conformance to applicable law and such requirements.
- 3) (A) The District shall issue and sell, pursuant to the provisions of the Act, the Bonds, in an amount sufficient:
 - (i) to repay advances for or to pay directly therefrom the total cost of the acquisition and construction relating to the Projects.
 - (ii) to pay:
 - (a) all other amounts indicated in the Report (including, but not limited to, costs of forming and administering the District),
 - (b) all relevant issuance costs related to the Bonds,
 - (c) capitalized interest related to the Bonds for a period not in excess of that permitted by the Act and described herein and
 - (d) an amount necessary to fund a debt service reserve fund related to the Bonds in an amount not in excess of that permitted by the Act (collectively, the "Financeable Amount"), but not to exceed in principal amount \$5,300,000.
 - (iii) all the amounts described above (collectively, the "Financeable Amount"), may not exceed in principal amount \$5,300,000.
- (B) The Applicant shall, prior to the issuance of the Bonds, use equity and/or third party financing to provide for (3) (A) (i) and (3) (A) (ii) (a).
- (C) The Bonds shall be payable from amounts collected by the District from, among other sources, the hereinafter described special assessment (the "Assessment").
 - (i) The Assessment shall be based on the Financeable Amount.
 - (ii) The Assessment shall be levied pursuant to the procedures prescribed by Sections 48-576 through 48-589, Arizona Revised Statutes, as amended, as nearly as practicable and except as otherwise provided in the Report, upon all of the property included in the Desert Village as indicated in Appendix B hereto based on the benefits to be received by and as allocated to the parcels into which the Desert Village is or is to be divided.

(D) The Sources and Uses of Funds from proceeds of the sales of the Bonds (exclusive of accrued interest if any) is estimated as follows:

**Estrella Mountain Ranch
Community Facilities District
Desert Village Series 2002
Sources and Uses of Funds**

Sources:

	<u>Total</u>
Desert Village Series 2002	
Assessment Lien Bonds	<u>\$5,275,000</u>
Total	<u>\$5,275,000</u>

Uses:

	<u>Total</u>
Costs of Public Infrastructure	\$ 4,013,000
Costs of Issuance	\$ 222,000
Underwriter's Discount	\$ 99,000
Capitalized Interest (1 Year)	\$ 414,000
Reserve Fund (10%)	<u>\$ 527,000</u>
Total	<u>\$ 5,275,000</u>

NOTE: All figures have been rounded. Individual categories above are estimates. The total of the Bonds to be issued will not exceed \$5,300,000 in principal amount and as such, certain of these amounts may change when the final amount of the bond is determined.

(D) The Sources and Uses of Funds from proceeds of the sales of the Bonds (exclusive of accrued interest if any) is estimated as follows:

**Estrella Mountain Ranch
Community Facilities District
Desert Village Series 2002
Estimated Sources and Uses of Funds**

Sources:

	<u>Total</u>
Desert Village Series 2002	
Assessment Lien Bonds	<u>\$5,275,000</u>
Total	<u>\$5,275,000</u>

Uses:

	<u>Total</u>
Costs of Public Infrastructure	\$ 4,013,000
Costs of Issuance	\$ 222,000
Underwriter's Discount	\$ 99,000
Capitalized Interest (1 Year)	\$ 414,000
Reserve Fund (10%)	<u>\$ 527,000</u>
Total	<u>\$ 5,275,000</u>

NOTE: All figures have been rounded. Individual categories above are estimates. The total of the Bonds to be issued will not exceed \$5,300,000 in principal amount and as such, certain of these amounts may change when the final amount of the bond is determined.

(E) A detailed breakout of the costs associated with District (both actual and estimated) are shown below:

**Estrella Mountain Ranch
Community Facilities District
Desert Village Series 2002
Estimated Cost of Issuance**

Description	Amount
Bond Counsel	\$ 50,000
Underwriter Counsel	\$ 45,000
City of Goodyear Financial Advisor	\$ 15,000
Burke Hansen – Appraisal	\$ 30,000
Trustee – Estimate	\$ 15,000
Printing Fees – Estimate	\$ 15,000
Assessment Engineer – Estimate	\$ 30,000
Other	\$ 22,000
Total Cost of Issuance (2)	<u>\$222,000</u>

Footnotes

- 1) All figures have been rounded. Certain of these individual amounts are estimates and may change when the final bond amount is determined. In no case will the final bond amount exceed \$5,300,000. Funds provided by the bond for the costs of issuance will not exceed \$250,000. The Applicant will fund amounts related to the cost of issuance in excess of \$250,000.
- 2) To the extent that cost savings exist related to the cost of issuance figures shown above, such cost savings, if any, will be applied to the construction fund to be utilized for construction cost overruns (if any).

(F) The estimated debt service for the Bonds (assuming a total issuance of \$5,275,000 in principal amount) is shown in Exhibit A hereto.

(G) An estimated absorption schedule for the Development is shown in Exhibit B.

- 4) To the extent that cost savings may exist with respect to any Project category, such cost savings may be used to contract or fund cost overruns, which may exist with respect to other Projects and/or funds advanced by the District. Additionally, these cost savings may be used to fund non-reimbursed costs of issuance (if any).
- 5) The Bonds are expected to have a 25 year maturity with the first year being interest only and the principal amount amortized over the remaining 24 years. The Bonds will not be rated or credit-enhanced.

- 6) Bonds will be sold via a “private sale” to qualified institutional investors and/or accredited investors.
- 7) The Assessment methodology will be reviewed and approved by the District Engineer.
- 8) An appraisal dated September 10, 2001, prepared by Burke Hanson, Inc. estimated the wholesale value of the assessable property for the Development assuming that all improvements to be financed by the CFD were in place as of the date-of-valuation to be \$19,105,000. Given the principal amount of the Bonds of \$5,275,000 the an overall value-to-lien ratio is 3.62 to 1. It should be noted that in no event will any individual planning area (i.e. parcel) have a value-to-lien ratio lower than 3 to 1. See Exhibit C for the Burke Hanson transmittal letter portion of the appraisal.
- 9) Expenses related to the operations and maintenance (“O&M”) of public infrastructure either constructed or acquired by the District will be done in accordance with the CFD Development Agreement entered into between the District and the Applicant.

EXHIBIT A
ESTRELLA MOUNTAIN RANCH
COMMUNITY FACILITIES DISTRICT
Desert Village Series 2002

PROPOSED DEBT SERVICE REQUIREMENTS

Year	Principal Payment	Interest Payment	Total Debt Service Requirement (1)
1	\$ 0	\$ 416,725	\$ 416,725
2	\$ 80,112	\$ 416,725	\$ 496,837
3	\$ 86,441	\$ 410,396	\$ 496,837
4	\$ 93,270	\$ 403,567	\$ 496,837
5	\$ 100,638	\$ 396,199	\$ 496,837
6	\$ 108,589	\$ 388,248	\$ 496,837
7	\$ 117,167	\$ 379,670	\$ 496,837
8	\$ 126,424	\$ 370,414	\$ 496,837
9	\$ 136,411	\$ 360,426	\$ 496,837
10	\$ 147,188	\$ 349,650	\$ 496,837
11	\$ 158,815	\$ 338,022	\$ 496,837
12	\$ 171,362	\$ 325,476	\$ 496,837
13	\$ 184,899	\$ 311,938	\$ 496,837
14	\$ 199,506	\$ 297,331	\$ 496,837
15	\$ 215,267	\$ 281,570	\$ 496,837
16	\$ 232,274	\$ 264,564	\$ 496,837
17	\$ 250,623	\$ 246,214	\$ 496,837
18	\$ 270,422	\$ 226,415	\$ 496,837
19	\$ 291,786	\$ 205,052	\$ 496,837
20	\$ 314,837	\$ 182,001	\$ 496,837
21	\$ 339,709	\$ 157,128	\$ 496,837
22	\$ 366,546	\$ 130,291	\$ 496,837
23	\$ 395,503	\$ 101,334	\$ 496,837
24	\$ 426,748	\$ 70,089	\$ 496,837
25	\$ 460,461	\$ 36,376	\$ 496,837
Total	\$5,275,000	\$7,065,822	\$12,340,822

FOOTNOTE

(1) Debt service and capitalized interest are subject to market conditions at the date of issuance. Interest only payment required for year 1.

NOTE: Actual debt service may vary depending upon the final terms of the bonds.

EXHIBIT B

ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT DESERT VILLAGE SERIES 2002 ANTICIPATED ABSORPTION SCHEDULE

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(E)+(F)+(G)
<u>Fiscal Year</u>	<u>Builder Residential Lot Sales</u>	<u>Cumulative Builder Residential Lot Sales</u>	<u>Estimated Home Closings</u>	<u>Annual Residential Assessments Available For Debt Service</u>	<u>Annual Commercial Assessments Available For Debt Service (1)</u>	<u>Annual Developer Assessments Available For Debt Service</u>	<u>Total Annual Assessment Available For Debt Service</u>
2001 (2)	0	0	0	\$ 0	\$ 0	\$ 0	\$416,725
2002	343	343	45	\$204,347	\$67,152	\$225,338	\$496,837
2003	145	488	175	\$290,732	\$152,487	\$ 53,618	\$496,837
2004	90	578	217	\$344,351	\$152,487	\$ 0	\$496,837
2005	0	578	124	\$344,351	\$152,487	\$ 0	\$496,837
2006	0	578	17	\$344,351	\$152,487	\$ 0	\$496,837
TOTAL	<u>578</u>	<u>578</u>	<u>578</u>				

Footnotes

- (1) It is assumed that one commercial parcel is sold in year 2002 and 2003.
(2) The first year's debt service is interest only and is to be funded through a capitalized interest reserve.

EXHIBIT C

BURKE HANSON TRANSMITAL LETTER



September 26, 2001

STONE & YOUNGBERG
 Attn: Mr. Sohail Bengali
 50 California Street
 San Francisco, California

RE: An Appraisal Of 11 Parcels Comprising Most Of Desert Village, A Residential Community
 Within Estrella Mountain Ranch In Goodyear, Arizona

Dear Mr. Bengali:

At your request, we have inspected the above-captioned property in connection with preparing the attached complete appraisal, the purpose of which is to form an opinion of the wholesale (bulk) value of each of the 11 ground parcels referenced above which are more specifically identified as follows:

Production Housing			
	<u>Parcel No.</u>	<u>Size in Acres*</u>	<u>Lot Count</u>
	67/69	46.866	94
	68	38.743	98
	70	25.156	92
	71	19.432	59
	72	44.182	67
	74	36.757	101
	75	9.965	20
Custom Housing			
	73	34.360	15
	76	33.962	32
Commercial			
	47	13.157	N/A
	48	16.767	N/A
Totals		319.347	578

* This is a net acreage figure that includes hillside and other open areas.

The report has been prepared with the intent of complying with:

- ◆ The Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation; and
- ◆ The Code of Professional Ethics and Uniform Standards of Professional Appraisal Practice of the Appraisal Institute.

The definition of market value adopted for purposes of this report is as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:

- ◆ Buyer and seller are typically motivated;
- ◆ Both parties are well informed or well advised and each acting in what he considers his own best interest;
- ◆ A reasonable time is allowed for exposure in the open market;
- ◆ Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- ◆ The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The wholesale values estimated in the attached report reflect an important hypothetical condition described as follows:

As a general statement, the 11 subject parcels are undeveloped. Within the accompanying report, the 11 subject parcels are appraised under the hypothetical condition the supporting infrastructure is in place. A part of the infrastructure is in place and the cost of completing the remainder will be covered by CFD funds and/or by the developer.

The property rights addressed in this report represent the Fee Simple Estate which is defined as follows:

Absolute ownership unencumbered by any other interest or estate subject only to the four powers of government.

The subject property was inspected in August and September 2001 and the wholesale value estimate, of each parcel, as of September 10, 2001, subject to the hypothetical condition stated above, is summarized as follows:

Parcel No.	Size-Net Acres	Size-Developable Acres	No. of Lots	Estimated Wholesale Value			
				Total	Avg. per Net Acre	Avg. per Developable Acre	Avg. per Lot
67/69	46.866	30.67	94	\$2,700,000	\$57,611	\$88,034	\$28,723
68	38.743	24.11	98	\$2,300,000	\$59,366	\$95,396	\$23,469
70	25.156	18.59	92	\$1,770,000	\$70,361	\$95,212	\$19,239
71	19.432	17.54	59	\$1,300,000	\$66,900	\$74,116	\$22,034
72	44.182	20.17	67	\$1,900,000	\$43,004	\$94,199	\$28,358
73	34.360	10.43	15	\$625,000	\$18,190	\$59,923	\$41,667
74	36.757	25.12	101	\$2,170,000	\$62,845	\$86,385	\$22,871
75	9.965	6.06	20	\$490,000	\$49,172	\$80,858	\$24,500
76	33.962	18.34	32	\$1,100,000	\$33,420	\$59,978	\$34,394
47	13.157	13.157	N/A	\$2,150,000	\$163,411	\$163,411	N/A
48	<u>16.767</u>	<u>16.767</u>	<u>N/A</u>	<u>\$2,600,000</u>	<u>\$155,066</u>	<u>\$155,066</u>	<u>N/A</u>
Totals	319.347	200.954	578	\$19,105,000	\$59,825 average	\$95,072 average	

The aggregate value of the nine residential parcels is \$14,355,000, equivalent to an overall average of \$24,835 per lot or \$83,933 per net developable acre.

The aggregate current value of the two commercial parcels is \$4,750,000, equivalent to an overall average of \$158,735 per acre.

As a result of our investigation and analysis, it is concluded the wholesale (bulk) value potential of the nine residential parcels and the present value of the two commercial parcels, subject to the underlying assumptions and contingent conditions contained herein, as of September 10, 2001, is:

Parcels 67/69
TWO MILLION SEVEN HUNDRED THOUSAND DOLLARS
(\$2,700,000)

Parcel 68
TWO MILLION THREE HUNDRED THOUSAND DOLLARS
(\$2,300,000)

Parcel 70
ONE MILLION SEVEN HUNDRED SEVENTY THOUSAND DOLLARS
(\$1,770,000)

Parcel 71
ONE MILLION THREE HUNDRED THOUSAND DOLLARS
(\$1,300,000)

Parcel 72
ONE MILLION NINE HUNDRED THOUSAND DOLLARS
(\$1,900,000)

Parcel 74
TWO MILLION ONE HUNDRED SEVENTY THOUSAND DOLLARS
(\$2,170,000)

Parcel 75
FOUR HUNDRED NINETY THOUSAND DOLLARS
(\$490,000)

Parcel 73
SIX HUNDRED TWENTY-FIVE THOUSAND DOLLARS
(\$625,000)

Parcel 76
ONE MILLION ONE HUNDRED THOUSAND DOLLARS
(\$1,100,000)

Parcel 47
TWO MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS
(\$2,150,000)

Parcel 48
TWO MILLION SIX HUNDRED THOUSAND DOLLARS
(\$2,600,000)

The aggregate value of the 11 subject parcels is \$19,105,000, equivalent to an overall average of \$95,072 per developable acre.

Disclosure of the contents of this appraisal report is governed by the By-laws and Regulations of the Appraisal Institute. Neither all, nor any part, of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm of Burke Hansen, LLC, nor any reference to the Appraisal Institute or the MAI designation) shall be disseminated to the public through advertising media, or any other public means of communication, without prior written consent and approval of the undersigned.

The undersigned do hereby certify, except as otherwise noted in this appraisal report, that:

- (1) We have no present or contemplated future interest in the real estate that is the subject of this appraisal report.
- (2) We have no personal interest or bias with respect to the subject matter of this appraisal report or the parties involved.
- (3) To the best of our knowledge and belief, the statements of fact contained in this appraisal report, upon which analyses, opinions and conclusions expressed herein are based, are true and correct.

- (4) This appraisal report sets forth all the limiting conditions (imposed by the scope of our assignment and/or by the undersigned) affecting the analyses, opinions and conclusions contained in this report.
- (5) The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- (6) No one, other than the undersigned, prepared the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal report.
- (7) Disclosure of the contents of this appraisal report is governed by the By-laws and Regulations of the Appraisal Institute.

Neither all, nor any part, of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm of Burke Hansen, LLC, nor any reference to the Appraisal Institute or the MAI designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication, without the prior written consent and approval of the undersigned.

- (8) The Appraisal Institute conducts a voluntary program of continuing education for its designated members. Frank R. Kleinman, MAI, CRE, is currently certified under this program.
- (9) As requested, we have written this appraisal to conform with guidelines set forth by the Appraisal Institutes' policies.
- (10) This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- (11) In connection with our inspection and valuation of the subject property, no significant natural, cultural, recreational, or scientific values were noted.
- (12) Compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- (13) We have made a personal inspection of the property that is the subject of this report.

We appreciate this opportunity to serve you and request you contact us if there are any questions.

Respectfully submitted,



Frank R. Kleinman, MAI, CRE
Certified General Real Estate Appraiser
Arizona Certificate No. 30207, Exp. 8/31/02

APPENDIX A

Legal Description for the

Estrella Mountain Ranch Community Facilities District

February 27, 1997

LEGAL DESCRIPTION
ESTRELLA - LEGAL 3

PARCEL 1

That part of Sections 1, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 28, 31, 32, 33, 34, 35 and 36, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the Northeast Corner of said Section 1, as shown on the "Estrella Phase One, Map of Dedication", as recorded in Book 318 of Maps, Page 38, Maricopa County Records;

Thence South $00^{\circ}20'21''$ West (measured), South $00^{\circ}20'03''$ West (record), along the East line of said Section 1, a distance of 2,710.50 feet (measured), 2708.61 feet (record) to the East Quarter Corner of said Section 1;

Thence South $00^{\circ}13'59''$ West (measured), South $00^{\circ}14'18''$ West (record), continuing along the East line of said Section 1, a distance of 2,640.94 feet (measured), 2641.11 feet (record) to the Northeast Corner of said Section 12;

Thence South $00^{\circ}28'03''$ West (measured), South $00^{\circ}28'10''$ West (record), along the East line of said Section 12, a distance of 2,641.29 feet (measured) 2641.01 feet (record) to the East Quarter Corner of said Section 12;

Thence South $00^{\circ}13'23''$ West (measured), South $00^{\circ}13'30''$ West (record), continuing along the East line of said Section 12, a distance of 2,646.70 feet to the Northeast Corner of said Section 13;

Thence South $00^{\circ}07'53''$ West, along the East line of said Section 13, a distance of 2,644.87 feet to the East Quarter Corner of said Section 13;

Thence South $00^{\circ}13'33''$ West, continuing along the East line of said Section 13, a distance of 2,617.62 feet to the Northeast Corner of said Section 24;

Thence South $00^{\circ}13'33''$ West, along the East line of said Section 24, a distance of 2,653.28 feet to the East Quarter Corner of said Section 24;

Thence South $00^{\circ}17'47''$ West, continuing along the East line of said Section 24, a distance of 2,643.64 feet to the Northeast Corner of said Section 25;

Thence South $00^{\circ}08'16''$ West, along the East line of said Section 25, a distance of 2,640.90 feet to the East Quarter Corner of said Section 25;

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Thence South $00^{\circ}12'04''$ West, continuing along the East line of said Section 25, a distance of 2,633.25 feet to the Northeast Corner of said Section 36;

Thence North $89^{\circ}13'00''$ West, along the North line of said Section 36, a distance of 1,624.40 feet to the Northwest Corner of the Northeast Quarter of the Northeast Quarter of the Northwest Quarter of the Northeast Quarter of said Section 36;

Thence South $00^{\circ}31'11''$ West, along the West line of the Northeast Quarter of the Northeast Quarter of the Northwest Quarter of the Northeast Quarter of said Section 36, a distance of 332.14 feet to the Southwest Corner thereof;

Thence South $89^{\circ}15'58''$ East, along the South line of the Northeast Quarter of the Northeast Quarter of the Northwest Quarter of the Northeast Quarter of said Section 36, a distance of 325.17 feet to a point on the East line of the Northwest Quarter of the Northeast Quarter of said Section 36;

Thence South $00^{\circ}28'07''$ West, along said East line, a distance of 995.59 feet to the Southeast Corner of the Northwest Quarter of the Northeast Quarter of said Section 36;

Thence North $89^{\circ}24'51''$ West, along the South line of the Northwest Quarter of the Northeast Quarter of said Section 36, a distance of 1,304.25 feet to a point on the North-South mid-section line of said Section 36;

Thence South $00^{\circ}40'22''$ West, along said North-South mid-section line, a distance of 3,968.88 feet to the South Quarter Corner of said Section 36;

Thence North $89^{\circ}36'54''$ West, along the South line of said Section 36, a distance of 2,638.53 feet to the Southeast Corner of said Section 35;

Thence North $89^{\circ}36'09''$ West, along the South line of said Section 35, a distance of 2,633.38 feet to the South Quarter Corner of said Section 35;

Thence North $89^{\circ}34'19''$ West, continuing along the South line of said Section 35, a distance of 2,644.84 feet to the Southeast Corner of said Section 34;

Thence North $89^{\circ}29'43''$ West, along the South line of said Section 34, a distance of 2,637.81 feet to the South Quarter Corner of said Section 34;

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Thence North $89^{\circ}29'43''$ West, continuing along the South line of said Section 34, a distance of 964.18 feet to a point on the Northeasterly right-of-way line of "Rainbow Valley Road," as recorded in Book 10 of Road Maps, Page 25 & 26, Maricopa County Records;

Thence North $37^{\circ}50'26''$ West, along the Northeasterly right-of-way line of said "Rainbow Valley Road," a distance of 2,704.64 feet to a point on the East line of said Section 33;

Thence North $00^{\circ}21'07''$ East, along said East line, a distance of 564.43 feet to the East Quarter Corner of said Section 33;

Thence North $89^{\circ}49'56''$ West, along the East-West mid-section line of said Section 33, a distance of 442.93 feet to a point on the Northeasterly right-of-way line of said "Rainbow Valley Road";

Thence North $37^{\circ}50'26''$ West, along said Northeasterly right-of-way line of "Rainbow Valley Road," a distance of 6,709.50 feet to a point on the East-West mid-section line of said Section 28;

Thence South $89^{\circ}27'48''$ East, along said East-West mid-section line, a distance of 4,600.62 feet to the West Quarter Corner of said Section 27;

Thence North $00^{\circ}28'09''$ East, along the West line of said Section 27, a distance of 2,657.12 feet to the Southwest Corner of said Section 22;

Thence North $00^{\circ}14'06''$ East, along the West line of said Section 22, a distance of 2,630.12 feet to the West Quarter Corner of said Section 22;

Thence South $89^{\circ}51'29''$ East, along the East-West mid-section line of said Section 22, a distance of 1,319.81 feet to the Southeast Corner of the West Half of the Northwest Quarter of said Section 22;

Thence North $00^{\circ}11'40''$ East, along the East line of the West Half of the Northwest Quarter of said Section 22, a distance of 2,641.50 feet to the Northeast Corner of the West Half of the Northwest Quarter of said Section 22;

Thence North $89^{\circ}24'39''$ West, along the North line of the West Half of the Northwest Quarter of said Section 22, a distance of 1,321.54 feet to the Southwest Corner of said Section 15;

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Thence North $00^{\circ}03'52''$ East, along the West line of said Section 15, a distance of 2,651.85 feet to the West Quarter Corner of said Section 15, said point also being the Southwesterly Boundary Corner of said "Estrella Phase One, Map of Dedication;"

Thence North $01^{\circ}27'57''$ East (measured), North $01^{\circ}27'59''$ East (record), continuing along the West line of said Section 15, a distance of 2,614.84 feet (measured), 2,614.86 feet (record) to the Southwest Corner of said Section 10;

Thence North $02^{\circ}27'13''$ East (measured), North $02^{\circ}27'17''$ East (record), along the West line of said Section 10, a distance of 2,633.92 feet (measured), 2,633.92 feet (record) to the West Quarter Corner of said Section 10;

Thence North $02^{\circ}22'18''$ East (measured), North $02^{\circ}22'31''$ East (record), continuing along the West line of said Section 10, a distance of 2,635.09 feet (measured), 2,635.54 feet (record) to the Northwest Corner of said Section 10;

Thence South $89^{\circ}13'00''$ East (measured), South $89^{\circ}12'35''$ East (record), along the North line of said Section 10, a distance of 2,650.33 feet (measured), 2,650.49 feet (record) to the North Quarter Corner of said Section 10;

Thence South $89^{\circ}22'02''$ East (measured), South $89^{\circ}21'52''$ East (record), continuing along the North line of said Section 10, a distance of 2,638.74 feet (measured), 2,639.03 feet (record) to the Northwest Corner of said Section 11;

Thence South $89^{\circ}31'04''$ East (measured), South $89^{\circ}31'03''$ East (record), along the North line of said Section 11, a distance of 2,649.70 feet (measured), 2,649.92 feet (record) to the North Quarter Corner of said Section 11;

Thence South $89^{\circ}39'41''$ East (measured), South $89^{\circ}39'05''$ East (record), continuing along the North line of said Section 11, a distance of 2,649.36 feet (measured), 2,649.51 feet (record) to the Southwest Corner of said Section 1;

Thence North $00^{\circ}39'36''$ East (measured), North $00^{\circ}39'46''$ East (record), along the West line of said Section 1, a distance of 2,606.21 feet (measured), 2,606.59 feet (record) to the West Quarter Corner of said Section 1;

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Thence North $02^{\circ}11'20''$ West (measured), North $02^{\circ}10'59''$ West (record), continuing along the West line of said Section 1, a distance of 2,694.65 feet (measured), 2,694.49 feet (record) to the Northwest Corner of said Section 1;

Thence North $89^{\circ}37'33''$ East (measured), North $89^{\circ}37'44''$ East (record), along the North line of said Section 1, a distance of 2,470.13 feet (measured) to the Southeast Corner of Section 36, Township 1 North, Range 2 West of the Gila and Salt River Meridian, Maricopa County, Arizona;

Thence North $89^{\circ}43'37''$ East (measured), North $89^{\circ}37'44''$ East (record), continuing along the North line of said Section 1, a distance of 70.26 feet (measured) to the North Quarter Corner of said Section 1;

Thence North $89^{\circ}43'37''$ East (measured), North $89^{\circ}46'12''$ East (record), continuing along the North line of said Section 1, a distance of 2,521.98 feet (measured), 2,521.62 feet (record) to the Point of Beginning.

Containing 10,067.869 Acres more or less.

PARCEL 2

That part of the Southwest Quarter of Section 34, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the Southwest Corner of said Section 34;

Thence North $00^{\circ}21'07''$ East, along the West line of said Section 34, a distance of 1,991.83 feet to a point on the Southwesterly right-of-way line of "Rainbow Valley Road," as recorded in Book 10 of Road Maps, Page 25 & 26, Maricopa County Records;

Thence South $37^{\circ}50'26''$ East, along the Southwesterly right-of-way line of "Rainbow Valley Road," a distance of 2,539.67 feet to a point on the South line of said Section 34;

Thence North $89^{\circ}29'43''$ West, along said South line, a distance of 1,570.30 feet to the Point of Beginning.

Containing 35.902 Acres more or less.

PARCEL 3

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That part of the Southwest Quarter of Section 28, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the Southwest Corner of said Section 28;

Thence North $00^{\circ}08'04''$ East, along the West line of said Section 28, a distance of 2,641.56 feet to the West Quarter Corner of said Section 28;

Thence South $89^{\circ}27'48''$ East, along the East-West mid-section line of said Section 28, a distance of 583.08 feet to a point on the Southwesterly right-of-way line of "Rainbow Valley Road," as recorded in Book 10 of Road Maps, Page 25 & 26, Maricopa County Records;

Thence South $37^{\circ}50'26''$ East, along the Southwesterly right-of-way line of said "Rainbow Valley Road," a distance of 3,329.90 feet to a point on the South line of said Section 28;

Thence South $89^{\circ}51'39''$ West, along the South line of said Section 28, a distance of 2,632.04 feet to the Point of Beginning.

Containing 97,276 Acres more or less.

PARCEL 4

That part of the North Half of Section 33 and the South Half of the North Half of Section 32, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the East Quarter Corner of said Section 32;

Thence North $89^{\circ}48'26''$ West, along the East-West mid-section line of said Section 32, a distance of 5,208.80 feet to a point on the Easterly right-of-way line of "Tuthill Road," as recorded in Book 33 of Road Maps, Page 39 and Instrument #92-109925, Maricopa County Records, said line being parallel with and 40.00 feet Easterly, as measured at right angles, from the West line of said Section 32;

Thence North $01^{\circ}01'17''$ West, along the Easterly right-of-way line of said "Tuthill Road," a distance of 1,338.76 feet to point on the North line of the South Half of the North Half of said Section 32;

Legal Description for
Estrella - Legal 3
February 27, 1997
Page 7 of 8

Thence South $89^{\circ}39'25''$ East, along the North line of the South Half of the North Half of said Section 32, a distance of 5,241.38 feet to the Northwest Corner of the South Half of the Northwest Quarter of said Section 33;

Thence South $89^{\circ}59'09''$ East, along the North line of the South Half of the Northwest Quarter of said Section 33, a distance of 2,644.85 feet to a point on the North-South mid-section line of said Section 33;

Thence North $00^{\circ}31'52''$ East, along said North-South mid-section line, a distance of 1,310.78 feet to a point on the Southwesterly right-of-way line of "Rainbow Valley Road";

Thence South $37^{\circ}50'26''$ East, along the Southwesterly right-of-way line of said "Rainbow Valley Road," a distance of 3,353.83 feet to a point on the East-West mid-section line of said Section 33;

Thence North $89^{\circ}49'56''$ West, along said East-West mid-section line, a distance of 4,723.13 feet to the Point of Beginning.

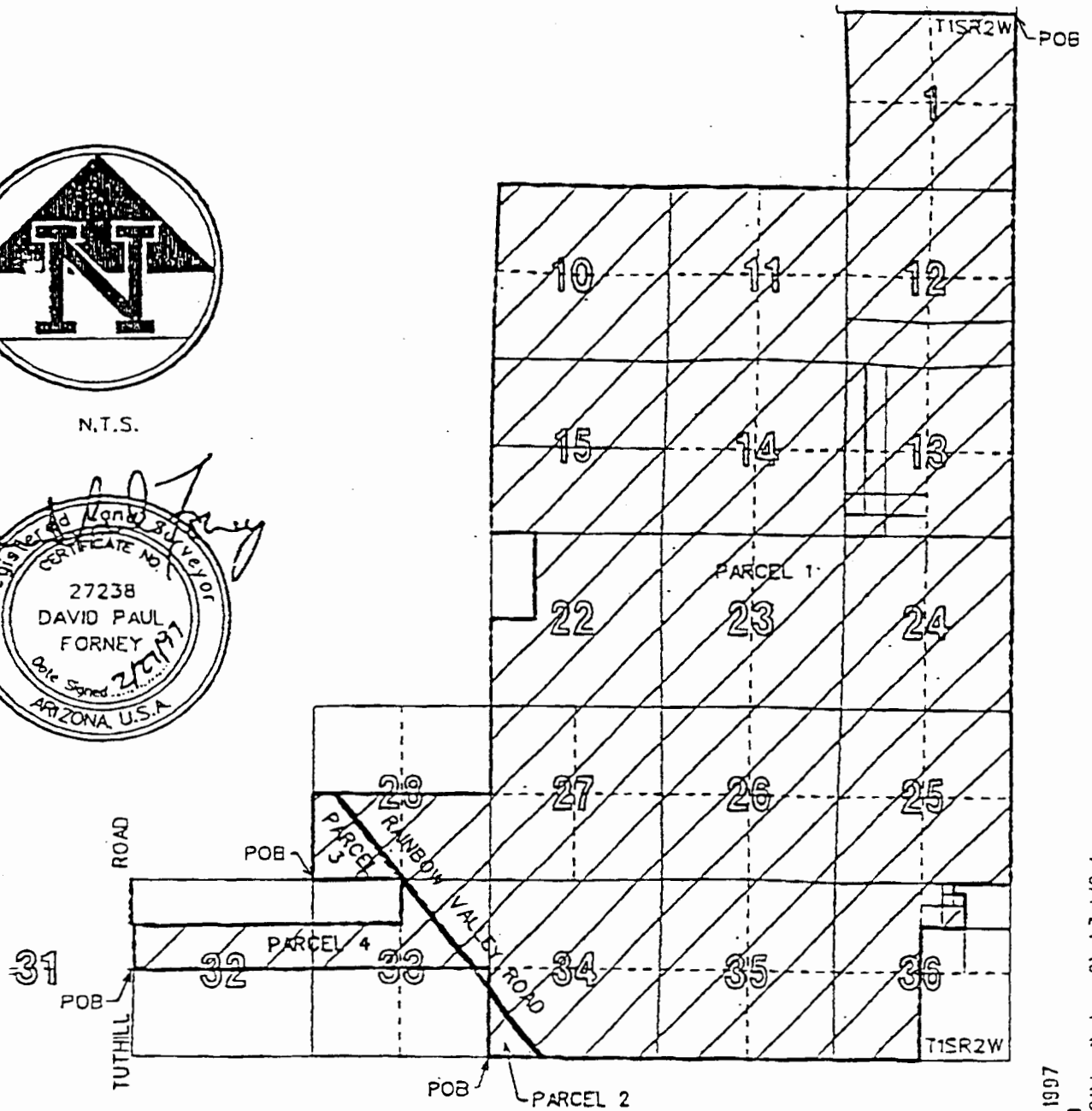
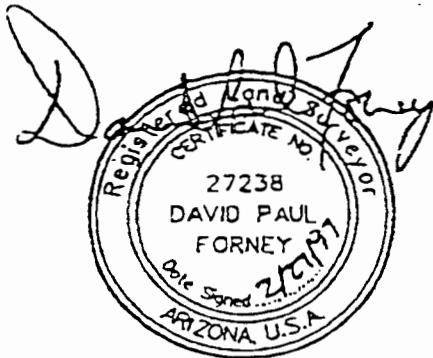
Containing 303.465 acres more or less.

Containing 10,504.512 acres total more or less.

Legal Description for
Estrella - Legal 3
February 27, 1997
Page 8 of 8



N.T.S.



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EXHIBIT

ESTRELLA - LEGAL 3

JOB NO

46002501

4550 NORTH 12TH STREET

SHEET

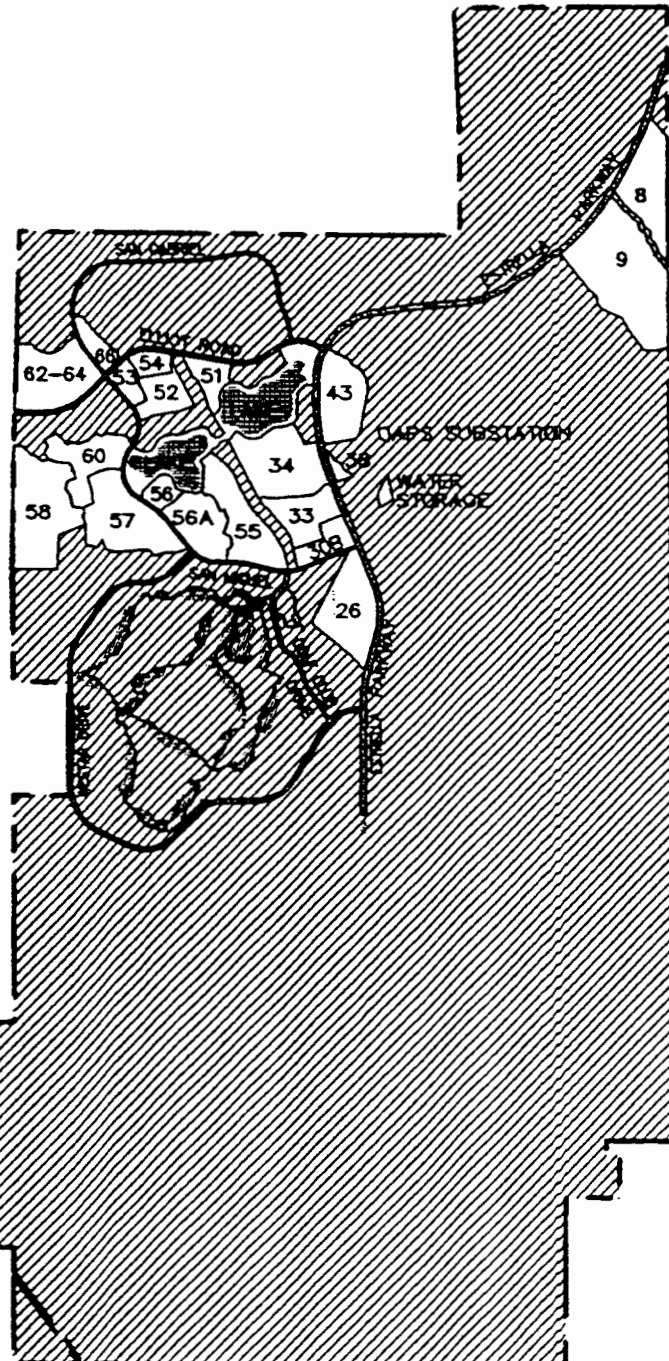
EXCEPT the following parcels, legally described as follows:

- a) Estrella Parcel 8, according to Book 318 of Maps, Page 39, Records of Maricopa County, Arizona.
- b) Lots 22, 23, 24, 28 - 32, 38, 39, 75, and Tracts A, B, C and D of Estrella Parcel 9, according to Book 318 of Maps, Page 40, Records of Maricopa County, Arizona.
- c) Sunchase at Estrella Parcel 33, according to 451 of Maps, Page 21, Instrument No. 97-0697454 Records of Maricopa County, Arizona.
- d) Estrella Parcel 34, according to Book 329 of Maps, Page 34, Records of Maricopa County, Arizona.
- e) Estrella Mountain Ranch Parcel 43, according to Book 482 of Maps, Page 50, Instrument No. 98-0938131 Records of Maricopa County, Arizona.
- f) Estrella Parcel 51, according to Book 325 of Maps, Page 41; and Affidavit of Correction recorded in Instrument No. 90-387749 Records of Maricopa County, Arizona.
- g) Estrella Parcel 55, according to Book 325 of Maps, Page 42, and Affidavit of Correction recorded in Instrument No. 89-475003 records of Maricopa County, Arizona.
- h) Estrella Parcel 56, according to Book 329 of Maps, Page 33, records of Maricopa County, Arizona.
- i) Estrella Parcel 56A, according to Book 419 of Maps, Page 42 in Instrument No. 96-0488725 records of Maricopa County, Arizona.
- j) Estrella Parcel 57 amended, according to Book 329 of Maps, Page 12, records of Maricopa County, Arizona.
- k) Estrella Parcel 58, according to Book 321 of Maps, Page 31; and Affidavit of Correction recorded in Instrument No. 89-303317, records of Maricopa County, Arizona.
- l) Estrella Parcel 60, according to Book 321 of Maps, Page 30; and Affidavit of Correction recorded in Instrument No. 89-336248, records of Maricopa County, Arizona.
- m) Sunchase at Estrella Parcels 62-64, according to Book 438 of Maps, Page 42 in Instrument No. 97-0236401, records of Maricopa County, Arizona.
- n) Sunchase at Estrella Parcel 66, according to Book 442 of Maps, Page 03 in Instrument No. 97-0339182.
- o) Parcel 30B, in Instrument No. 89-0098746 records of Maricopa County, Arizona.
- p) Parcel 30B, landscape tract in Instrument No. 94-474763, records of Maricopa County, Arizona.
- q) Parcel 38, in Instrument No. 88-571563 records of Maricopa County, Arizona.

- r) Parcel 38, landscape tract in Instrument No. 94-474764, records of Maricopa County, Arizona.
- s) Parcel 53, in Instrument No. 90-387712, records of Maricopa County, Arizona.
- t) Parcel 53, landscape tract in Instrument No. 94-474765, records of Maricopa County, Arizona.
- u) North Lake and South Lake, in Instrument No. 90-538581, records of Maricopa County, Arizona.
- v) Lakes common area, in Instrument No. 94-474760, records of Maricopa County, Arizona.
- w) Lakes common area, in Instrument No. 94-481850, records of Maricopa County, Arizona.
- x) Parcel 54 (ballfield), in Instrument No. 97-0911325, records of Maricopa County, Arizona.
- y) APS sub-station, in Instrument No. 88-618019, records of Maricopa County, Arizona.
- z) Estrella Parcel 52 amended, according to Book 512 of Maps, Page 31, Instrument No. 99-0878298, records of Maricopa County, Arizona.
- aa) Parcel 26 according to Book 508 of Maps, Page 38, Instrument No. 99-072948, records of Maricopa County, Arizona.
- bb) Land described as tax parcel 400 – 03 – 022N and any other real property including rights-of-way owned by the City of Goodyear or any other governmental entity.
- cc) Land described as tax parcel 400-52-211R.

EXCEPTION PARCELS:

- A) ESTRELLA PARCEL 8, ACCORDING TO BOOK 318 OF MAPS, PAGE 39, RECORDS OF MARICOPA COUNTY, ARIZONA.
- B) LOTS 22, 23, 24, 28-32, 38, 39, 75, AND TRACTS A, B, C, & D OF ESTRELLA PARCEL 9, ACCORDING TO BOOK 318 OF MAPS, PAGE 40, RECORDS OF MARICOPA COUNTY, AZ.
- C) SUNCHASE AT ESTRELLA PARCEL 33, ACCORDING TO 451 OF MAPS, PAGE 21, INSTRUMENT NO. 97-0697454 RECORDS OF, MARICOPA COUNTY, ARIZONA.
- D) ESTRELLA PARCEL 34, ACCORDING TO BOOK 329 OF MAPS, PAGE 34, RECORDS OF MARICOPA COUNTY, ARIZONA.
- E) ESTRELLA MOUNTAIN RANCH PARCEL 43, ACCORDING TO BOOK 482 OF MAPS, PAGE 50, INSTRUMENT NO. 98-0938131 RECORDS OF MARICOPA COUNTY, ARIZONA.
- F) ESTRELLA PARCEL 51, ACCORDING TO BOOK 325 OF MAPS, PAGE 41; AND AFFIDAVIT OF CORRECTION RECORDED IN INSTRUMENT NO. 90-387749 RECORDS OF MARICOPA COUNTY, ARIZONA.
- G) ESTRELLA PARCEL 55, ACCORDING TO BOOK 325 OF MAPS, PAGE 42, AND AFFIDAVIT OF CORRECTION RECORDED IN INSTRUMENT NO. 89-475003 RECORDS OF MARICOPA COUNTY, ARIZONA.
- H) ESTRELLA PARCEL 56, ACCORDING TO BOOK 329 OF MAPS, PAGE 33, RECORDS OF MARICOPA COUNTY, ARIZONA.
- I) ESTRELLA PARCEL 56A, ACCORDING TO BOOK 419 OF MAPS, PAGE 42 IN INSTRUMENT NO. 96-0488725, RECORDS OF MARICOPA COUNTY, AZ.
- J) ESTRELLA PARCEL 57 AMENDED, ACCORDING TO BOOK 329 OF MAPS, PAGE 12, RECORDS OF MARICOPA COUNTY, ARIZONA.
- K) ESTRELLA PARCEL 58, ACCORDING TO BOOK 321 OF MAPS, PAGE 31; AND AFFIDAVIT OF CORRECTION RECORDED IN INSTRUMENT NO. 89-303317, RECORDS OF MARICOPA COUNTY, ARIZONA.
- L) ESTRELLA PARCEL 60, ACCORDING TO BOOK 321 OF MAPS, PAGE 30; AND AFFIDAVIT OF CORRECTION RECORDED IN INSTRUMENT NO. 89-338248, RECORDS OF MARICOPA COUNTY, AZ.
- M) SUNCHASE AT ESTRELLA PARCELS 62-64, ACCORDING TO BOOK 438 OF MAPS, PAGE 42 IN INSTRUMENT NO. 97-0238401, RECORDS OF MARICOPA COUNTY, ARIZONA.
- N) SUNCHASE AT ESTRELLA PARCEL 66, ACCORDING TO BOOK 442 OF MAPS, PAGE 03 IN INSTRUMENT NO. 97-0339182.
- O) PARCEL 308, IN INSTRUMENT NO. 89-0098746 RECORDS OF MARICOPA COUNTY, AZ.
- P) PARCEL 308, LANDSCAPE TRACT IN INSTRUMENT NO. 94-474763, RECORDS OF MARICOPA COUNTY, AZ.
- Q) PARCEL 38, IN INSTRUMENT NO. 88-571563 RECORDS OF MARICOPA COUNTY, AZ.
- R) PARCEL 38, LANDSCAPE TRACT IN INSTRUMENT NO. 94-474764, RECORDS OF MARICOPA COUNTY, AZ.
- S) PARCEL 53, IN INSTRUMENT NO.90-387712 RECORDS OF MARICOPA COUNTY, AZ.
- T) PARCEL 53, LANDSCAPE TRACT IN INSTRUMENT NO. 94-474765, RECORDS OF MARICOPA COUNTY, AZ.
- U) NORTH LAKE & SOUTH LAKE, IN INSTRUMENT NO. 90-538581, RECORDS OF MARICOPA COUNTY, AZ.
- V) LAKES COMMON AREA, IN INSTRUMENT NO. 94-474760, RECORDS OF MARICOPA COUNTY, AZ.
- W) LAKES COMMON AREA, IN INSTRUMENT NO. 94-481850, RECORDS OF MARICOPA COUNTY, AZ.
- X) PARCEL 54 (BALLFIELD), IN INSTRUMENT NO. 97-0911325, RECORDS OF MARICOPA COUNTY, AZ.
- Y) APS SUB-STATION, IN INSTRUMENT NO. 88-618019, RECORDS OF MARICOPA COUNTY, AZ.
- Z) ESTRELLA PARCEL 52 AMENDED, ACCORDING TO BOOK 512 OF MAPS, PAGE 31, INSTRUMENT NO. 99-0878298, RECORDS OF MARICOPA COUNTY, ARIZONA.
- AA) PARCEL 26 ACCORDING TO BOOK 508 OF MAPS, PAGE 38, INSTRUMENT NO. 99-072948, RECORDS OF MARICOPA COUNTY, ARIZONA.
- BB) LAND DESCRIBED AS TAX PARCEL 400-03-022N AND ANY OTHER REAL PROPERTY INCLUDING RIGHTS-OF-WAY OWNED BY THE CITY OF GOODYEAR OR ANY OTHER GOVERNMENTAL AGENCY.
- CC) LAND DESCRIBED AS TAX PARCEL 400-52-211R.



COMMUNITY FACILITIES EXHIBIT B
ESTRELLA MOUNTAIN RANCH



CMX GROUP INC.
 1515 E. MISSOURI, #115
 PHOENIX, AZ 85014
 PH (602)279-8436

APPENDIX B

Legal Description for the

Assessment Area and Allocation of Assessments

LEGAL DESCRIPTION
Desert Village

November 9, 2001

LEGAL DESCRIPTION FOR
ESTRELLA MOUNTAIN RANCH
COMBINED PARCELS 47, 48, 67/69, 68, 70, 71, 72, 73, 74, 75, 76,
SURPLUS AREA EAST AND SURPLUS AREA WEST - INCLUDES SAN GABRIEL DRIVE

That part of Sections 10 and 11, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the Northwest Corner of said Section 10;

Thence South $89^{\circ}12'35''$ East, along the North line of the Northwest Quarter of said Section 10, a distance of 2,650.49 feet to the North Quarter Corner of said Section 10;

Thence South $89^{\circ}21'52''$ East, along the North line of the Northeast Quarter of said Section 10, a distance of 2,639.03 feet to the Northeast Corner of said Section 10 and the Northwest Corner of said Section 11;

Thence South $89^{\circ}31'03''$ East, along the North line of the Northwest Quarter of said Section 11, a distance of 2,581.36 feet;

Thence South $36^{\circ}03'52''$ East, a distance of 374.46 feet;

Thence South $54^{\circ}21'17''$ East, a distance of 295.32 feet;

Thence South $27^{\circ}07'23''$ East, a distance of 74.51 feet;

Thence South $52^{\circ}29'13''$ East, a distance of 118.81 feet;

Thence South $34^{\circ}49'44''$ East, a distance of 207.75 feet;

Thence South $13^{\circ}04'33''$ West, a distance of 1,021.79 feet to a point on the Northerly right-of-way line of "Estrella Parkway", said point being on a 1,690.00 foot radius non-tangent curve, whose center bears South $13^{\circ}23'16''$ East;

Thence, along said Northerly right-of-way line, the following courses:

Thence Southwesterly, along said curve, through a central angle of $35^{\circ}41'54''$, a distance of 1,052.96 feet;

Thence South $44^{\circ}37'32''$ West, a distance of 104.77 feet to a point on a 1,700.00 foot radius non-tangent curve, whose center bears South $52^{\circ}36'43''$ East;

Thence Southwesterly, along said curve, through a central angle of $07^{\circ}12'20''$, a distance of 213.79 feet;

Legal Description For
Estrella Mountain Ranch
Combined Parcels 47, 48, 67/69, 68, 70, 71, 72, 73, 74, 75, 76,
Surplus Area East and Surplus Area West – Includes San Gabriel Drive
November 9, 2001

Thence South $73^{\circ}53'36''$ West, a distance of 30.18 feet to a point on the Northerly right-of-way line of "Elliott Road";

Thence, along said Northerly right-of-way line, the following courses:

Thence North $62^{\circ}02'31''$ West, a distance of 104.60 feet to the beginning of a tangent curve of 945.00 foot radius, concave Southerly;

Thence Westerly, along said curve, through a central angle of $61^{\circ}44'36''$, a distance of 1,018.36 feet;

Thence South $56^{\circ}12'53''$ West, a distance of 400.00 feet to the beginning of a tangent curve of 855.00 foot radius, concave Northwesterly;

Thence Southwesterly, along said curve, through a central angle of $43^{\circ}11'32''$, a distance of 644.54 feet;

Thence North $80^{\circ}35'36''$ West, a distance of 1,919.07 feet to the beginning of a tangent curve of 1,045.00 foot radius, concave Southeasterly;

Thence Southwesterly, along said curve, through a central angle of $51^{\circ}29'14''$, a distance of 939.06 feet;

Thence South $47^{\circ}55'10''$ West, a distance of 85.45 feet to a point on a 30.00 foot radius non-tangent curve, whose center bears North $50^{\circ}44'57''$ East;

Thence Northwesterly, departing said Northerly right-of-way line of "Elliott Road" and along said curve, through a central angle of $46^{\circ}27'52''$, a distance of 24.33 feet;

Thence North $07^{\circ}12'49''$ East, a distance of 80.97 feet;

Thence North $03^{\circ}09'01''$ West, a distance of 33.88 feet to the beginning of a tangent curve of 140.00 foot radius, concave Southwesterly;

Thence Northwesterly, along said curve, through a central angle of $72^{\circ}41'42''$, a distance of 177.63 feet to the beginning of a tangent reverse curve of 150.00 foot radius, concave Northeasterly;

Thence Northwesterly, along said curve, through a central angle of $24^{\circ}32'07''$, a distance of 64.23 feet;

Legal Description For
Estrella Mountain Ranch
Combined Parcels 47, 48, 67/69, 68, 70, 71, 72, 73, 74, 75, 76,
Surplus Area East and Surplus Area West – Includes San Gabriel Drive
November 9, 2001

Thence North $50^{\circ}39'30''$ West, a distance of 376.44 feet; Thence North $44^{\circ}47'51''$ West, a distance of 536.44 feet;

Thence North $42^{\circ}52'37''$ West, a distance of 109.07 feet to the beginning of a tangent curve of 50.00 foot radius, concave Southwesterly;

Thence Northwesterly, along said curve, through a central angle of $31^{\circ}25'32''$, a distance of 27.42 feet;

Thence North $74^{\circ}18'09''$ West, a distance of 166.70 feet to a point on a 50.00 foot radius non-tangent curve, whose center bears South $15^{\circ}42'08''$ West;

Thence Northwesterly, along said curve, through a central angle of $18^{\circ}30'20''$, a distance of 16.15 feet;

Thence South $87^{\circ}11'48''$ West, a distance of 27.42 feet;

Thence South $87^{\circ}04'40''$ West, a distance of 60.00 feet to a point on a 1,460.00 foot radius non-tangent curve, whose center bears North $87^{\circ}04'40''$ East;

Thence Northerly, along said curve, through a central angle of $01^{\circ}41'51''$, a distance of 43.26 feet;

Thence South $87^{\circ}52'56''$ West, a distance of 185.85 feet to the beginning of a tangent curve of 200.00 foot radius, concave Northeasterly;

Thence Northwesterly, along said curve, through a central angle of $67^{\circ}21'17''$, a distance of 235.11 feet;

Thence North $24^{\circ}45'46''$ West, a distance of 441.73 feet;

Thence North $35^{\circ}48'03''$ West, a distance of 544.63 feet;

Thence North $24^{\circ}41'01''$ West, a distance of 202.46 feet;

Thence North $13^{\circ}33'59''$ West, a distance of 274.95 feet to the beginning of a tangent curve of 295.00 foot radius, concave Southwesterly;

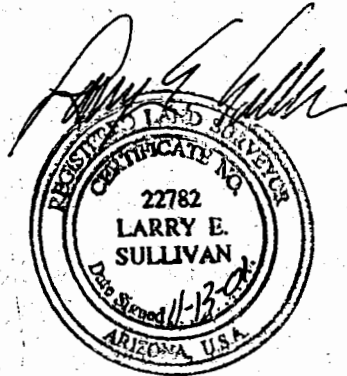
Thence Northwesterly, along said curve, through a central angle of $25^{\circ}24'56''$, a distance of 130.86 feet;

Thence North $38^{\circ}58'54''$ West, a distance of 215.18 feet to the West line of the Northwest Quarter of said Section 10;

Legal Description For
Estrella Mountain Ranch
Combined Parcels 47, 48, 67/69, 68, 70, 71, 72, 73, 74, 75, 76,
Surplus Area East and Surplus Area West – Includes San Gabriel Drive
November 9, 2001

Thence North 02°22'31" East, along said West line of the Northwest Quarter of Section 10, a distance of 240.00 feet to the Point of Beginning.

Containing 456.056 Acres, more or less.



LEGAL DESCRIPTION

Desert Village – Assessment Areas

May 21, 2001

LEGAL DESCRIPTION FOR
ESTRELLA MOUNTAIN RANCH
PARCEL 47 - EXCLUDING SAN GABRIEL DRIVE

That part of Section 11, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the Northwest Corner of said Section 11;

Thence South $41^{\circ}25'46''$ East, a distance of 3,195.69 feet to a point on the Westerly right-of-way line of "Estrella Parkway" and the True Point of Beginning;

Thence, the following courses along said right-of-way line;

Thence South $44^{\circ}37'32''$ West, a distance of 23.63 feet to a point on a 1,700.00 foot radius non-tangent curve, whose center bears South $52^{\circ}36'43''$ East;

Thence Southwesterly, along said curve, through a central angle of $07^{\circ}12'20''$, a distance of 213.79 feet;

Thence South $73^{\circ}53'36''$ West, a distance of 30.18 feet to the Northerly right-of-way line of "Elliot Road";

Thence, the following courses along said right-of-way line;

Thence North $62^{\circ}02'31''$ West, a distance of 104.60 feet to the beginning of a tangent curve of 945.00 foot radius, concave Southwesterly;

Thence Northwesterly, along said curve, through a central angle of $35^{\circ}29'25''$, a distance of 585.35 feet;

Thence, departing said right-of-way line, North $54^{\circ}23'48''$ West, a distance of 30.33 feet;

Thence North $10^{\circ}37'28''$ West, a distance of 234.48 feet to the beginning of a tangent curve of 680.00 foot radius, concave Southwesterly;

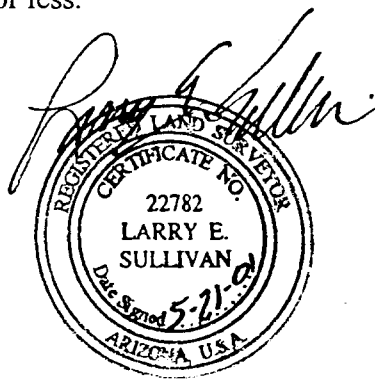
Thence Northwesterly, along said curve, through a central angle of $21^{\circ}29'56''$, a distance of 255.15 feet;

Legal Description for
Estrella Mountain Ranch
Parcel 47 – Excluding San Gabriel Drive
May 21, 2001

Thence North 32°07'24" West, a distance of 228.44 feet;
Thence North 67°52'14" East, a distance of 355.24 feet;
Thence South 64°16'45" East, a distance of 417.39 feet;

Thence South 34°40'16" East, a distance of 703.87 feet to the True Point of Beginning.

Containing 13.157 Acres, more or less.



May 21, 2001

LEGAL DESCRIPTION FOR
ESTRELLA MOUNTAIN RANCH
PARCEL 48 - EXCLUDING SAN GABRIEL DRIVE

That part of Section 11, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the Northwest Corner of said Section 11;

Thence South 25°46'08" East, a distance of 2,738.78 feet to a point on the Northerly right-of-way line of "Elliot Road", being on a 945.00 foot radius non-tangent curve, whose center bears South 13°43'01" East, and the True Point of Beginning;

Thence, the following courses along said right-of-way line;

Thence Southwesterly, along said curve, through a central angle of 20°04'06", a distance of 330.99 feet;

Thence South 56°12'53" West, a distance of 400.00 feet to the beginning of a tangent curve of 855.00 foot radius, concave Northwesterly;

Thence Southwesterly, along said curve, through a central angle of 03°27'59", a distance of 51.73 feet;

Thence, departing said right-of-way, North 30°19'08" West, a distance of 394.99 feet;

Thence North 07°34'45" West, a distance of 486.17 feet;

Thence North 40°04'43" East, a distance of 239.51 feet;

Thence North 69°11'46" East, a distance of 514.77 feet to a point on a 680.00 foot radius non-tangent curve, whose center bears North 69°11'46" East;

Thence Southeasterly, along said curve, through a central angle of 11°19'10", a distance of 134.34 feet;

Thence South 32°07'24" East, a distance of 254.07 feet to the beginning of a tangent curve of 620.00 foot radius, concave Southwesterly;

Thence Southeasterly, along said curve, through a central angle of 21°29'56", a distance of 232.64 feet;

Legal Description for
Estrella Mountain Ranch
Parcel 48 – Excluding San Gabriel Drive
May 21, 2001

Thence South 10°37'28" East, a distance of 234.48 feet;

Thence South 33°08'51" West, a distance of 30.33 feet to the True Point of Beginning.

Containing 16.767 Acres, more or less.



May 21, 2001

LEGAL DESCRIPTION FOR
ESTRELLA MOUNTAIN RANCH
PARCEL 67/69 - EXCLUDING SAN GABRIEL DRIVE

That part of Section 10, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the Northeast Corner of said Section 10;

Thence South $64^{\circ}40'32''$ West, a distance of 4,444.47 feet to a point on a 1,400.00 foot radius non-tangent curve, whose center bears North $87^{\circ}04'40''$ East, and the True Point of Beginning;

Thence Northeasterly, along said curve, through a central angle of $21^{\circ}25'24''$, a distance of 523.47 feet to the beginning of a tangent compound curve of 1,020.00 foot radius, whose center bears South $71^{\circ}29'57''$ East;

Thence Northeasterly, along said curve, through a central angle of $25^{\circ}20'01''$, a distance of 451.00 feet;

Thence South $46^{\circ}09'56''$ East, a distance of 120.74 feet to the beginning of a tangent curve of 400.00 foot radius, concave Southwesterly;

Thence Southeasterly, along said curve, through a central angle of $10^{\circ}55'53''$, a distance of 76.32 feet;

Thence South $35^{\circ}14'03''$ East, a distance of 110.69 feet to the beginning of a tangent curve of 400.00 foot radius, concave Northeasterly;

Thence Southeasterly, along said curve, through a central angle of $15^{\circ}18'29''$, a distance of 106.87 feet;

Thence South $50^{\circ}32'32''$ East, a distance of 129.95 feet to the beginning of a tangent curve of 557.25 foot radius, concave Southwesterly;

Thence Southeasterly, along said curve, through a central angle of $05^{\circ}53'01''$, a distance of 57.22 feet;

Thence North $45^{\circ}20'29''$ East, a distance of 107.40 feet to the beginning of a tangent curve of 300.00 foot radius, concave Southeasterly;

Thence Northeasterly, along said curve, through a central angle of $50^{\circ}00'57''$, a distance of 261.88 feet;

Legal Description for
Estrella Mountain Ranch
Parcels 67/69 – Excluding San Gabriel Drive
May 21, 2001

Thence South $84^{\circ}38'34''$ East, a distance of 548.73 feet to the beginning of a tangent curve of 625.00 foot radius, concave Southwesterly;

Thence Southeasterly, along said curve, through a central angle of $09^{\circ}19'33''$, a distance of 101.73 feet;

Thence South $75^{\circ}19'01''$ East, a distance of 63.89 feet;
Thence North $14^{\circ}40'59''$ East, a distance of 37.00 feet;
Thence South $75^{\circ}19'01''$ East, a distance of 25.00 feet;
Thence South $39^{\circ}29'28''$ East, a distance of 178.94 feet;
Thence South $17^{\circ}21'02''$ West, a distance of 969.79 feet;

Thence South $14^{\circ}18'56''$ East, a distance of 268.10 feet to a point on the Northerly right-of-way line of "Elliot Road", said point being on a 1,045.00 foot radius non-tangent curve, whose center bears South $12^{\circ}40'14''$ East;

Thence, the following courses along said right-of-way line;

Thence Southwesterly, along said curve, through a central angle of $29^{\circ}24'36''$, a distance of 536.40 feet;

Thence South $47^{\circ}55'10''$ West, a distance of 85.45 feet to a point on a 30.00 foot radius non-tangent curve, whose center bears North $50^{\circ}44'57''$ East;

Thence, departing said right-of-way line, Northwesterly, along said curve, through a central angle of $46^{\circ}27'52''$, a distance of 24.33 feet;

Thence North $07^{\circ}12'49''$ East, a distance of 80.97 feet;

Thence North $03^{\circ}09'01''$ West, a distance of 33.88 feet to the beginning of a tangent curve of 140.00 foot radius, concave Southwesterly;

Thence Northwesterly, along said curve, through a central angle of $72^{\circ}41'42''$, a distance of 177.63 feet to the beginning of a tangent reverse curve of 150.00 foot radius, concave Northeasterly;

Thence Northwesterly, along said curve, through a central angle of $24^{\circ}32'07''$, a distance of 64.23 feet;

Thence North $50^{\circ}39'30''$ West, a distance of 376.44 feet;

Legal Description for
Estrella Mountain Ranch
Parcels 67/69 – Excluding San Gabriel Drive
May 21, 2001

Thence North 44°47'51" West, a distance of 536.44 feet;

Thence North 42°52'37" West, a distance of 109.07 feet to the beginning of a tangent curve of 50.00 foot radius, concave Southwesterly;

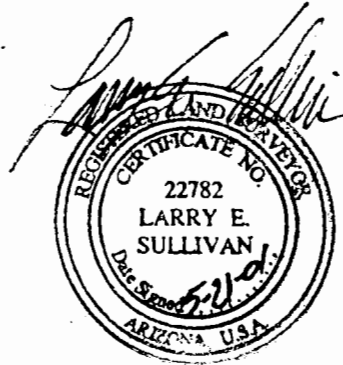
Thence Northwesterly, along said curve, through a central angle of 31°25'32", a distance of 27.42 feet;

Thence North 74°18'09" West, a distance of 166.70 feet to a point on a 50.00 foot radius non-tangent curve, whose center bears South 15°42'08" West;

Thence Northwesterly, along said curve, through a central angle of 18°30'20", a distance of 16.15 feet;

Thence South 87°11'48" West, a distance of 27.42 feet to the True Point of Beginning.

Containing 46.866 Acres, more or less.



May 21, 2001

LEGAL DESCRIPTION FOR
ESTRELLA MOUNTAIN RANCH
PARCEL 68 - EXCLUDING SAN GABRIEL DRIVE

That part of Section 10, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the Northwest Corner of said Section 10;

Thence South $89^{\circ}12'35''$ East, along the North line of said Section 10, a distance of 529.65 feet;

Thence South $32^{\circ}02'37''$ East, a distance of 212.22 feet;

Thence South $74^{\circ}47'20''$ East, a distance of 548.02 feet;

Thence South $50^{\circ}54'57''$ East, a distance of 327.23 feet;

Thence South $29^{\circ}51'36''$ East, a distance of 321.99 feet;

Thence South $37^{\circ}04'35''$ East, a distance of 121.29 feet to a point on a 1,080.00 foot radius non-tangent curve, whose center bears South $37^{\circ}04'35''$ East;

Thence Southwesterly, along said curve, through a central angle of $34^{\circ}25'21''$, a distance of 648.85 feet to the beginning of a tangent compound curve of 1,460.00 foot radius, concave Southeasterly;

Thence Southwesterly, along said curve, through a central angle of $19^{\circ}43'33''$, a distance of 502.65 feet;

Thence South $87^{\circ}52'56''$ West, a distance of 185.85 feet to a point on a 200.00 foot radius non-tangent curve, whose center bears North $02^{\circ}07'04''$ West;

Thence Northwesterly, along said curve, through a central angle of $67^{\circ}21'17''$, a distance of 235.11 feet;

Thence North $24^{\circ}45'46''$ West, a distance of 441.73 feet;

Thence North $35^{\circ}48'03''$ West, a distance of 544.63 feet;

Thence North $24^{\circ}41'01''$ West, a distance of 202.46 feet;

Thence North $13^{\circ}33'59''$ West, a distance of 274.95 feet to the beginning of a tangent curve of 295.00 foot radius, concave Southwesterly;

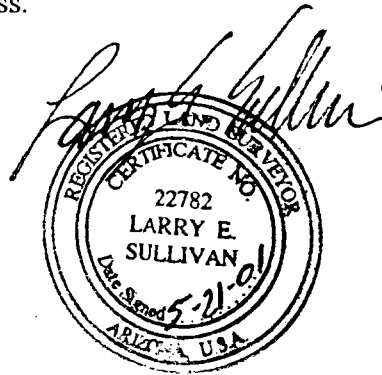
Thence Northwesterly, along said curve, through a central angle of $25^{\circ}24'56''$, a distance of 130.86 feet;

Legal Description for
Estrella Mountain Ranch
Parcel 68 – Excluding San Gabriel Drive
May 21, 2001

Thence North 38°58'54" West, a distance of 215.18 feet to the West line of said Section 10;

Thence North 02°22'31" East, along said West line, a distance of 240.00 feet to the Point of Beginning.

Containing 38.743 Acres, more or less.



May 21, 2001

LEGAL DESCRIPTION FOR
ESTRELLA MOUNTAIN RANCH
PARCEL 70 - EXCLUDING SAN GABRIEL DRIVE

That part of Section 10, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the Northwest Corner of said Section 10;

Thence South $89^{\circ}12'35''$ East, along the North line of said Section 10, a distance of 529.65 feet to the True Point of Beginning;

Thence continuing South $89^{\circ}12'35''$ East, along said North line, a distance of 2,085.80 feet;

Thence South $00^{\circ}17'16''$ East, a distance of 657.32 feet;

Thence South $89^{\circ}42'44''$ West, a distance of 314.36 feet to the beginning of a tangent curve of 1,080.00 foot radius, concave Southeasterly;

Thence Southwesterly, along said curve, through a central angle of $36^{\circ}47'19''$, a distance of 693.45 feet;

Thence North $37^{\circ}04'35''$ West, a distance of 121.29 feet;

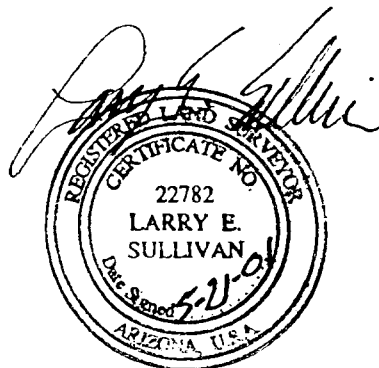
Thence North $29^{\circ}51'36''$ West, a distance of 321.99 feet;

Thence North $50^{\circ}54'57''$ West, a distance of 327.23 feet;

Thence North $74^{\circ}47'20''$ West, a distance of 548.02 feet;

Thence North $32^{\circ}02'37''$ West, a distance of 212.22 feet to the True Point of Beginning.

Containing 25.156 Acres, more or less.



May 21, 2001

LEGAL DESCRIPTION FOR
ESTRELLA MOUNTAIN RANCH
PARCEL 71 - EXCLUDING SAN GABRIEL DRIVE

That part of Section 10, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the Northeast Corner of said Section 10;

Thence South $74^{\circ}53'48''$ West, a distance of 3,848.24 feet to a point on a 1,020.00 foot radius non-tangent curve, whose center bears South $46^{\circ}09'56''$ East, and the True Point of Beginning;

Thence Northeasterly, along said curve, through a central angle of $45^{\circ}52'40''$, a distance of 816.73 feet;

Thence North $89^{\circ}42'44''$ East, a distance of 842.85 feet;

Thence South $00^{\circ}17'16''$ East, a distance of 91.95 feet to the beginning of a tangent curve of 500.00 foot radius, concave Northwesterly;

Thence Southwesterly, along said curve, through a central angle of $14^{\circ}58'15''$, a distance of 130.64 feet;

Thence South $14^{\circ}40'59''$ West, a distance of 467.20 feet;

Thence North $75^{\circ}19'01''$ West, a distance of 63.89 feet to the beginning of a tangent curve of 625.00 foot radius, concave Southwesterly;

Thence Northwesterly, along said curve, through a central angle of $09^{\circ}19'33''$, a distance of 101.73 feet;

Thence North $84^{\circ}38'34''$ West, a distance of 548.73 feet to the beginning of a tangent curve of 300.00 foot radius, concave Southeasterly;

Thence Southwesterly, along said curve, through a central angle of $50^{\circ}00'57''$, a distance of 261.88 feet;

Thence South $45^{\circ}20'29''$ West, a distance of 107.40 feet to a point on a 557.25 foot radius non-tangent curve, whose center bears South $45^{\circ}20'29''$ West;

Legal Description for
Estrella Mountain Ranch
Parcel 71 – Excluding San Gabriel Drive
May 21, 2001

Thence Northwesterly, along said curve, through a central angle of $05^{\circ}53'01''$, a distance of 57.22 feet;

Thence North $50^{\circ}32'32''$ West, a distance of 129.95 feet to the beginning of a tangent curve of 400.00 foot radius, concave Northeasterly;

Thence Northwesterly, along said curve, through a central angle of $15^{\circ}18'29''$, a distance of 106.87 feet;

Thence North $35^{\circ}14'03''$ West, a distance of 110.69 feet to the beginning of a tangent curve of 400.00 foot radius, concave Southwesterly;

Thence Northwesterly, along said curve, through a central angle of $10^{\circ}55'53''$, a distance of 76.32 feet;

Thence North $46^{\circ}09'56''$ West, a distance of 120.74 feet to the True Point of Beginning.

Containing 19.432 Acres, more or less.



November 15, 2001

LEGAL DESCRIPTION FOR
ESTRELLA MOUNTAIN RANCH
PARCEL 72 - EXCLUDING SAN GABRIEL DRIVE

That part of Sections 10 and 11, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the Northeast Corner of said Section 10;

Thence South 72°16'01" West, a distance of 2,248.67 feet to the True Point of Beginning;

Thence North 89°42'44" East, a distance of 793.83 feet to the beginning of a tangent curve of 3,530.00 foot radius, concave Northerly;

Thence Easterly, along said curve, through a central angle of 09°19'41", a distance of 574.71 feet;

Thence South 36°19'40" East, a distance of 1,015.44 feet;

Thence South 32°49'55" West, a distance of 492.75 feet;

Thence North 76°45'51" West, a distance of 1,733.09 feet;

Thence North 39°29'28" West, a distance of 178.94 feet;

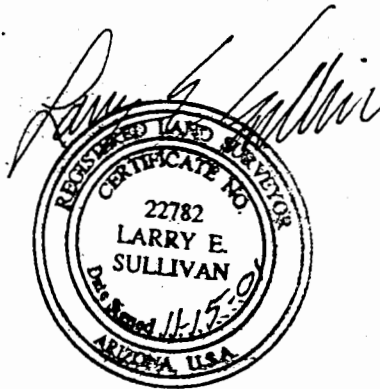
Thence North 75°19'01" West, a distance of 25.00 feet;

Thence North 14°40'59" East, a distance of 430.20 feet to the beginning of a tangent curve of 500.00 foot radius, concave Northwesterly;

Thence Northeasterly, along said curve, through a central angle of 14°58'15", a distance of 130.64 feet;

Thence North 00°17'16" West, a distance of 91.95 feet to the True Point of Beginning.

Containing 40.399 Acres, more or less.



May 21, 2001

LEGAL DESCRIPTION FOR
ESTRELLA MOUNTAIN RANCH
PARCEL 73 - EXCLUDING SAN GABRIEL DRIVE

That part of Sections 10 and 11, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the Northeast Corner of said Section 10;

Thence South 28°03'37" East, a distance of 1,881.07 feet to the True Point of Beginning;

Thence South 69°11'46" West, a distance of 514.77 feet;

Thence South 40°04'43" West, a distance of 239.51 feet;

Thence North 36°19'40" West, a distance of 1,731.14 feet;

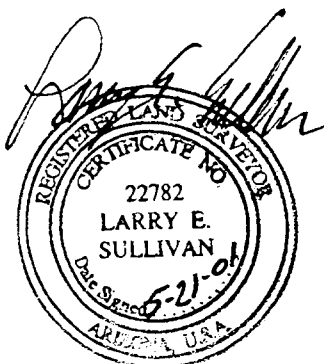
Thence North 80°23'03" East, a distance of 886.84 feet to the beginning of a tangent curve of 620.00 foot radius, concave Southwesterly;

Thence Southeasterly, along said curve, through a central angle of 96°37'50", a distance of 1,045.64 feet;

Thence South 02°59'07" East, a distance of 392.16 feet to the beginning of a tangent curve of 680.00 foot radius, concave Northeasterly;

Thence Southeasterly, along said curve, through a central angle of 17°49'07", a distance of 211.48 feet to the True Point of Beginning.

Containing 34.360 Acres, more or less.



May 21, 2001

LEGAL DESCRIPTION FOR
ESTRELLA MOUNTAIN RANCH
PARCEL 74 - EXCLUDING SAN GABRIEL DRIVE

That part of Section 10, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the Northeast Corner of said Section 10;

Thence South 01°14'39" West, along the East line of said Section 10, a distance of 440.75 feet;

Thence South 80°23'03" West, a distance of 787.60 feet to the beginning of a tangent curve of 3,470.00 foot radius, concave Northerly;

Thence Westerly, along said curve, through a central angle of 09°19'41", a distance of 564.94 feet;

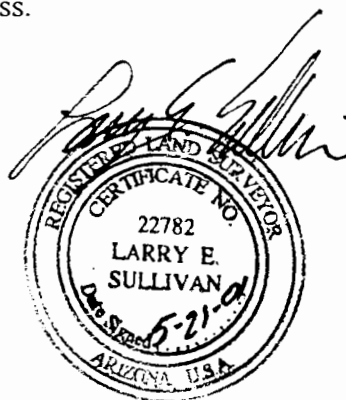
Thence South 89°42'44" West, a distance of 1,322.31 feet;

Thence North 00°17'16" West, a distance of 657.32 feet to the North line of said Section 10;

Thence South 89°12'35" East, along said North line, a distance of 35.05 feet to the North Quarter Corner of said Section 10;

Thence South 89°21'52" East, continuing along said North line, a distance of 2,639.03 feet to the Point of Beginning.

Containing 36.757 Acres, more or less.



May 21, 2001

LEGAL DESCRIPTION FOR
ESTRELLA MOUNTAIN RANCH
PARCEL 75 - EXCLUDING SAN GABRIEL DRIVE

That part of Section 11, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the Northwest Corner of said Section 11;

Thence South 89°31'03" East, along the North line of said Section 11, a distance of 844.40 feet;

Thence South 00°28'57" West, a distance of 245.00 feet;

Thence South 07°43'43" East, a distance of 335.00 feet;

Thence South 04°45'20" West, a distance of 70.46 feet;

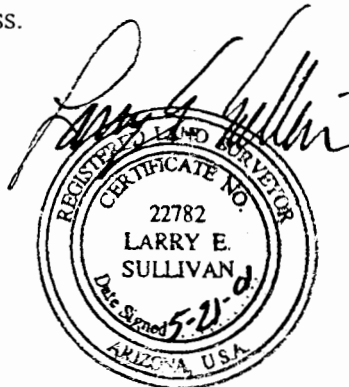
Thence South 54°22'23" West, a distance of 129.95 feet to a point on a 680.00 foot radius non-tangent curve, whose center bears South 57°34'58" West;

Thence Northwesterly, along said curve, through a central angle of 67°11'55", a distance of 797.53 feet;

Thence South 80°23'03" West, a distance of 99.24 feet to the West line of said Section 11;

Thence North 01°14'39" East, along said West line, a distance of 440.75 feet to the Point of Beginning.

Containing 9.965 Acres, more or less.



May 21, 2001

LEGAL DESCRIPTION FOR
ESTRELLA MOUNTAIN RANCH
PARCEL 76 - EXCLUDING SAN GABRIEL DRIVE

That part of Section 11, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the Northwest Corner of said Section 11;

Thence South 89°31'03" East, along the North line of said Section 11, a distance of 844.40 feet to the True Point of Beginning;

Thence continuing South 89°31'03" East, along said North line, a distance of 1,500.66 feet;

Thence South 00°28'57" West, a distance of 293.63 feet;

Thence South 33°18'23" West, a distance of 800.05 feet;

Thence South 52°26'16" West, a distance of 194.38 feet;

Thence South 79°35'47" West, a distance of 834.47 feet;

Thence South 87°00'53" West, a distance of 37.35 feet;

Thence North 02°59'07" West, a distance of 194.31 feet to the beginning of a tangent curve of 680.00 foot radius, concave Southwesterly;

Thence Northwesterly, along said curve, through a central angle of 29°25'55", a distance of 349.31 feet;

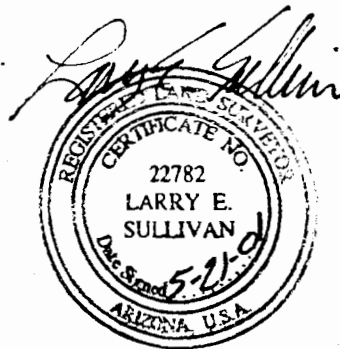
Thence North 54°22'23" East, a distance of 129.95 feet;

Thence North 04°45'20" East, a distance of 70.46 feet;

Thence North 07°43'43" West, a distance of 335.00 feet;

Thence North 00°28'57" East, a distance of 245.00 feet to the True Point of Beginning.

Containing 33.962 Acres, more or less.



APPENDIX B

ASSESSMENT AREA AND ALLOCATION OF ASSESSMENT ESTIMATES DESERT VILLAGE DESERT VILLAGE

<u>Description</u>	<u>Total Allocation of Assessment Amount (1)</u>	<u>Number of Units(2)</u>	<u>Special Assessment Per Lot (2)</u>
Planning Area – 67/69	\$ 613,092	94	\$ 6,522
Planning Area – 68	\$ 581,231	98	\$ 5,931
Planning Area – 70	\$ 498,441	92	\$ 5,418
Planning Area – 71	\$ 369,677	59	\$ 6,266
Planning Area – 72	\$ 436,991	67	\$ 6,522
Planning Area – 73	\$ 136,316	15	\$ 9,088
Planning Area – 74	\$ 599,024	101	\$ 5,931
Planning Area – 75	\$ 130,445	20	\$ 6,522
Planning Area – 76	\$ 290,808	33	\$ 9,088
Planning Area – 47 (3)	\$ 712,967	N/A	\$712,967
Planning Area – 48 (3)	\$ 906,009	N/A	\$906,009
TOTAL	<u>\$5,275,000</u>	<u>578</u>	

FOOTNOTES

- (1) Special assessment liens will not be placed upon public right-of-way, property owned by the District, or other governmental/public entities.
- (2) Special assessments are subject to adjustment based upon refinements and changes in product type, density and market considerations. All numbers are rounded.
- (1) Commercially zoned parcel.

NOTE: Tentative special assessment lien allocations are subject to the approval of the District Engineer.

APPENDIX C

Impact of Assessments on Tax Burdens

APPENDIX C

Impact of Assessments On Tax Burdens

<u>Description</u>	<u>Special Assessment Per Lot (1)</u>	<u>Annual Assessment Payment (1)</u>
Planning Area – 67/69	\$ 6,522	\$ 614
Planning Area – 68	\$ 5,931	\$ 559
Planning Area – 70	\$ 5,418	\$ 510
Planning Area – 71	\$ 6,266	\$ 590
Planning Area – 72	\$ 6,522	\$ 614
Planning Area – 73	\$ 9,088	\$ 856
Planning Area – 74	\$ 5,931	\$ 559
Planning Area – 75	\$ 6,522	\$ 614
Planning Area – 76	\$ 9,088	\$ 856
Planning Area – 47 (2)	\$712,967	\$67,152
Planning Area – 48 (2)	\$906,009	\$85,334

FOOTNOTES

(1) Special assessments are subject to adjustment based upon refinements and changes in product type, density and market considerations. All numbers are rounded.

(2) Commercially zoned parcels.

NOTE: Tentative special assessment lien allocations are subject to the approval of the District Engineer.

APPENDIX D

An Analysis Of The Project Infrastructure And Market Absorption

APPENDIX D

ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT DESERT VILLAGE SERIES 2001 ANTICIPATED ABSORPTION SCHEDULE

(A) Fiscal Year	(B) Builder Residential Lot Sales	(C) Cumulative Builder Residential Lot Sales	(D) Estimated Home Closings	(E) Annual Residential Assessments Available For Debt Service	(F) Annual Commercial Assessments Available For Debt Service	(G) Annual Developer Assessments Available For Debt Service	(E)+(F)+(G) Total Annual Assessments Available For Debt Service
2001 (1)	0	0	0	\$ 0	\$ 0	\$ 0	\$416,725
2002	343	343	45	\$204,347	\$67,152	\$225,338	\$496,837
2003	145	488	175	\$290,732	\$152,487	\$ 53,618	\$496,837
2004	90	578	217	\$344,351	\$152,487	\$ 0	\$496,837
2005	0	578	124	\$344,351	\$152,487	\$ 0	\$496,837
2006	0	578	17	\$344,351	\$152,487	\$ 0	\$496,837
TOTAL	<u>578</u>	<u>578</u>	<u>578</u>				

Footnotes

- (1) It is assumed that one commercial parcel is sold in year 2002 and 2003.
- (2) The first year's debt service is interest only and is to be funded through a capitalized interest reserve.

APPENDIX E

Engineer's Cost Estimates

ESTRELLA - SAN GABRIEL DRIVE PHASE 1
EXECUTIVE SUMMARY OF CONSTRUCTION COSTS
MASTER DEVELOPER COSTS

PROFESSIONAL FEES, REVIEW FEES, PERMITS, ETC.

NPDES Permit				\$2,000
City of Goodyear Fees	Sheets	Each	Plus	
Plan Review Fees	35	\$124	\$250	\$4,590
Permit Fees (See Page 20)				\$58,534
Maricopa County Health Department Fees				\$700
Maricopa County Dust Control Permit				\$326
Landscape Consultant Design Fee				\$21,321
Planning, Engineering, Survey, Soils				\$127,550
			Subtotal	\$215,021

MISCELLANEOUS COSTS

Miscellaneous Cleanup (See Page 15)				\$0
Printing and Reimbursables (See Page 16)				\$2,000
Soils Inspection/Testing (See Page 17)				\$24,507
Construction Staking (See Page 18)				\$50,376
Dry Utility Contractor Charges (See Page 9)				
			Subtotal	\$76,883

CONSTRUCTION COSTS

Grub & Grading (See Page 2)				\$174,590
Paving (See Page 3)				\$188,101
Concrete (See Page 4)				\$162,451
Storm Drain (See Page 5)				\$495,649
Water (See Page 6)				\$131,920
Non-Potable Water (See Page 7)				\$77,626
Sewer (See Page 8)				\$20,699
Landscape (See Page 12)				\$84,044
Concrete Replacement (See Page 13)				\$0
Signage & Striping (See Page 14)				\$20,423
Street Lights (See Page 19)				\$72,000
Walls and Monuments (See Page 10)				
			Subtotal	\$1,427,503
Contingencies		5.0%		\$71,375
City, State & County Sales Taxes		7.7%		\$109,918
Payment & Performance Bonds		1.5%		\$21,413
			Subtotal	\$1,630,209



TOTAL COSTS	\$1,922,113
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Some unit prices and multipliers are per the request of the developer or his agent. Construction costs do not reflect hard digging or blasting.

The costs for hard digging or blasting could range from \$200,000 to \$500,000.

Note: CVL has no control over the costs of labor, materials or equipment or over any contractor's methods of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent CVL's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. CVL cannot and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable costs prepared by CVL.

The City of Goodyear fees included in this estimate were provided to CVL by the City of Goodyear.

ESTRELLA - SAN GABRIEL DRIVE PHASE 2
EXECUTIVE SUMMARY OF CONSTRUCTION COSTS
MASTER DEVELOPER COSTS

PROFESSIONAL FEES, REVIEW FEES, PERMITS, ETC.

NPDES Permit					\$2,000
City of Goodyear Fees	Sheets	Each	Plus		
Plan Review Fees	41	\$124	\$250		\$5,334
Permit Fees (See Page 20)					\$75,852
Maricopa County Health Department Fees					\$700
Maricopa County Dust Control Permit					\$326
Landscape Consultant Design Fee					\$35,000
Planning, Engineering, Survey, Soils					\$140,710
				Subtotal	\$259,922

MISCELLANEOUS COSTS

Miscellaneous Cleanup (See Page 15)					\$0
Printing and Reimbursables (See Page 16)					\$2,000
Soils Inspection/Testing (See Page 17)					\$37,980
Construction Staking (See Page 18)					\$78,070
Dry Utility Contractor Charges (See Page 9)					
				Subtotal	\$118,050

CONSTRUCTION COSTS

Grub & Grading (See Page 2)					\$204,308
Paving (See Page 3)					\$262,744
Concrete (See Page 4)					\$300,658
Storm Drain (See Page 5)					\$128,220
Water (See Page 6)					\$217,385
Non-Potable Water (See Page 7)					\$110,633
Sewer (See Page 8)					\$59,960
Landscape (See Page 12)					\$121,760
Concrete Replacement (See Page 13)					\$0
Signage & Striping (See Page 14)					\$31,650
Street Lights (See Page 19)					\$63,000
Walls and Monuments (See Page 10)					
				Subtotal	\$1,500,318
Contingencies			5.0%		\$75,016
City, State & County Sales Taxes			7.7%		\$115,524
Payment & Performance Bonds			1.5%		\$22,505
				Subtotal	\$1,713,363



TOTAL COSTS **\$2,091,335**

Some unit prices and multipliers are per the request of the developer or his agent. Construction costs do not reflect hard digging or blasting. The costs for hard digging or blasting could range from \$200,000 to \$500,000.

Note: CVL has no control over the costs of labor, materials or equipment or over any contractor's methods of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent CVL's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. CVL cannot and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable costs prepared by CVL.

The City of Goodyear fees included in this estimate were provided to CVL by the City of Goodyear.



RECEIVED
NOV 21 2001

DESIGN plus WEST
LANDSCAPE ARCHITECTURE
GOLF ARCHITECTURE
PLANNING

November 20, 2001

LARRY McDONOUGH
SUNCHASE - ESTRELLA
6001 N. 24th. Street
Suite A
Phoenix, Arizona 85016

RE: San Gabriel Drive
Landscape Installation - Desert Village Project

Assuming Additional Funds Become Available This Is How The Money
Could Be Utilized For Enhancing San Gabriel Drive.

Landscape Enhancement Along San Gabriel Drive : \$83,250.00

If Additional Funds Were To Become Available The Landscape
Along San Gabriel Drive Could Be Enhanced. The Total Length Of
San Gabriel Drive Is 6,943 Linear Feet. If We Would Install An
Upgrade Tree Costing An Additional \$450.00 Each At 75' Intervals
Along Each Side Of The Roadway, (6,943 Linear Feet x 2 Sides/per 75'
Would Equal:185 Total Trees), The Additional Cost Would Be \$83,250.00

Best Regards,



Joseph F. Romano

JOE ROMANO

APPENDIX F

Title Report

Transnation Title Insurance Company
Report of Title

Order No. **301016**

Associated File No. **Estrella C.F.D.**

Dated: November 7, 2001 at 7:30 a.m.

Transnation Title Insurance Company hereby reports that an examination of the title to the land described in Schedule A is vested as shown in Schedule A, subject to the liens, encumbrances, and defects as shown in Schedule B.

This is a report of status of title **ONLY** and is neither a guarantee of title, a commitment to insure nor a policy of title insurance.

The total liability of the Company is limited to the fee paid for this report.

SCHEDULE A

1. Title to the estate or interest covered by this report is vested in:

SunChase Estrella Limited Partnership, a Delaware limited partnership

2. The estate or interest in the land hereinafter described in this report is a

fee

3. The land referred to in this report is situated in **Maricopa** County, Arizona, and is described as follows:

See Attached Legal Description

REQUIREMENTS

Order No. **301016**

The following are Requirements to be complied with in the event a Policy of Title Insurance is requested to be issued.

If said Requirements are not complied with or eliminated to the satisfaction of the Company, additional matters may appear as exceptions to coverage under Schedule B of any policy to be issued.

1. None

TAX NOTE:

Year 2001, Parcel No. 400-03-019B 8, Total Amount \$718.40, First half \$359.20 Second half \$359.20 (COVERS A PORTION)

TAX NOTE:

Year 2001, Parcel No. 400-03-109R 1, Total Amount \$33,436.16, First half \$16,718.08 Second half \$16,718.08 (COVERS A PORTION AND OTHER PROPERTY)

TAX NOTE:

Year 2001, Parcel No. 400-52-211Z 7, Total Amount \$24,284.23, First half \$12,142.33 Second half \$12,142.33 (COVERS A PORTION AND OTHER PROPERTY)

TAX NOTE:

Year 2001, Parcel No. 400-52-999 3, Total Amount \$1.30, First half \$1.30 Second half \$0.00 (COVERS A PORTION)

TITLE FILE NOTE:

SEARCH AS: Arb Nos. 400-03-012G; and 400-52-025B and 025P

END OF REQUIREMENTS

SCHEDULE B

Order No. 301016

(All recording data refer to records in the office of the County Recorder of the County in which the land is situated .)

At the date hereof exceptions to title are:

- A. The exceptions and/or exclusions contained in any form policy that might be requested.
1. TAXES AND ASSESSMENTS collectible by the County Treasurer, a lien payable but not yet due for the year 2001, first half of which is delinquent.
 2. OBLIGATIONS imposed upon said land by its inclusion within any district formed pursuant to Title 48, Arizona Revised Statutes, excluding however Municipal or County Improvement Districts.
 3. RIGHT OF ENTRY to prospect for, mine and remove the minerals in said land as reserved in Patent to said land.
 4. EASEMENT for cable television facilities and rights incident thereto, as set forth in instrument recorded in Document No. 87-762849.
 5. EASEMENTS, restrictions, reservations and conditions as set forth as shown on the plat recorded in Book 318 of Maps, page 38 and amended in instrument recorded in Document No. 94-481797 and amended by partial abandonment recorded in Document No. 00-1000871.
 6. EASEMENT for communication facilities and rights incident thereto, as set forth in instrument recorded in Document No. 90-173099.
 7. UNRECORDED AGREEMENT for cable television facilities, dated March 23, 1989, as disclosed by Assignment and Assumption of Rights and Responsibilities recorded June 20, 1994 in Document No. 94-481860.
 8. EASEMENT for sewer line and rights incident thereto, as set forth in instrument recorded in Document No. 97-59151.
 9. LEASE under the terms and conditions contained therein made by Sunchase Estrella Limited Partnership, a Delaware limited partnership, Lessor and Estrella Community Association, an Arizona corporation, Lessee, dated March 3, 1993, for a term of 5 years with automatic renewals, recorded April 7, 1997, in Document No. 97-226577.

301016

10. DEED OF TRUST given to secure the original amount of \$20,000,00.00, and any other amounts payable under the terms thereof, dated April 23, 1998, recorded April 24, 1998, in Document No. 98-330690, Sunchase Estrella Limited Partnership, a Delaware limited partnership, as Trustor, Transnation Title Insurance Company, as Trustee, and Residential Funding Corporation, a Delaware corporation, as Beneficiary.

And thereafter Amended and Restated Deed of Trust dated April 24, 1998, recorded July 22, 1998, in Document No. 98-630758.

The Beneficial Interest under said Deed of Trust was assigned by instrument dated December 22, 1998, recorded May 20, 1999, in Document No. 99-480131 to RFC Construction Funding Corp., a Delaware corporation.

And thereafter an Amendment Agreement dated April 24, 2000, recorded May 26, 2000, in Document No. 00-402312.

11. FINANCING STATEMENT between SunChase Estrella Limited Partnership, Debtor, and Residential Funding Corporation, Secured Party, recorded April 24, 1998, in Document No. 98-330691.

And thereafter amended by Amendment recorded July 22, 1998, in Document No. 98-630759.

And assigned to RFC Construction Funding Corp., a Delaware corporation, by instrument recorded December 30, 1998, in Document No. 98-1184927.

12. EASEMENT for gas pipe line and rights incident thereto, as set forth in instrument recorded in Document No. 98-904102, amended in Document No. 01-445698 and amended in Document No. 01-753944.

13. DEVELOPMENT, Financing Participation and Intergovernmental Agreement No. 1 (Estrella Mountain Ranch Community Facilities Agreement), dated August 1, 2000, recorded August 18, 2000 in Document No. 00-635059.

14. EASEMENTS, restrictions, reservations and conditions as shown on the plat recorded in Book 553 of Maps, page 36.

15. EASEMENT for public sidewalk and landscaping and rights incident thereto, as set forth in instrument recorded in Document No. 01-326370.

END OF EXCEPTIONS

EXHIBIT A

Order Number: 301016

LEGAL DESCRIPTION

That part of Sections 10 and 11, Township 1 South, Range 2 West, of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the Northwest corner of said Section 10;

THENCE South $89^{\circ} 12' 35''$ East, along the North line of the Northwest quarter of said Section 10, a distance of 2650.49 feet to the North quarter corner of said Section 10;

THENCE South $89^{\circ} 21' 52''$ East, along the North line of the Northeast quarter of said Section 10, a distance of 2639.03 feet to the Northeast corner of said Section 10 and the Northwest corner of said Section 11;

THENCE South $89^{\circ} 31' 03''$ East, along the North line of the Northwest quarter of said Section 11, a distance of 2581.36 feet;

THENCE South $36^{\circ} 03' 52''$ East, 374.46 feet;

THENCE South $54^{\circ} 21' 17''$ East, 295.32 feet;

THENCE South $27^{\circ} 07' 23''$ East, 74.51 feet;

THENCE South $52^{\circ} 29' 13''$ East, 118.81 feet;

THENCE South $34^{\circ} 49' 44''$ East, 207.75 feet;

THENCE South $13^{\circ} 04' 33''$ West, 1021.79 feet to a point on the Northerly right of way line of Estrella Parkway, as shown on Estrella Phase One Map of Dedication, according to Book 318 of Maps, page 38, records of Maricopa County, Arizona, said point being on a non-tangent curve, the center of which bears South $13^{\circ} 23' 16''$ East, 1690.00 feet;

THENCE Southwesterly along said curve, through a central angle of $35^{\circ} 41' 54''$, a distance of 1052.96 feet;

THENCE South $44^{\circ} 37' 32''$ West, 104.77 feet to a point on a non-tangent curve, the center of which bears South $52^{\circ} 36' 43''$ East, 1700.00 feet;

THENCE Southwesterly along said curve, through a central angle of $07^{\circ} 12' 20''$, a distance of 213.79 feet;

THENCE South $73^{\circ} 53' 36''$ West, 30.18 feet to a point on the Northerly right of way line of Elliott Road, as shown on Estrella Phase One Map of Dedication, according to Book 318 of Maps, page 38, records of Maricopa County, Arizona;

THENCE along said Northerly right of way line, the following courses:

THENCE North $62^{\circ} 02' 31''$ West, 104.60 feet to the beginning of a tangent curve, concave Southerly and having a radius of 945 feet;

THENCE Westerly along said curve, through a central angle of $61^{\circ} 44' 36''$, a distance of 1018.36 feet;

THENCE South $56^{\circ} 1' 53''$ West, 400.00 feet to the beginning of a tangent curve, concave Northwesterly and having a radius of 855.00 feet;

THENCE Southwesterly along said curve, through a central angle of $43^{\circ} 11' 32''$, 644.54 feet;

THENCE North $80^{\circ} 35' 36''$ West, 1919.07 to the beginning of a tangent curve, concave Southeasterly and having a radius of 1045.00 feet;

THENCE Southwesterly along said curve, through a central angle of $51^{\circ} 29' 14''$, a distance of 939.06 feet;

THENCE South $47^{\circ} 55' 10''$ West, 85.45 feet to a point on a non-tangent curve, the center of which bears North $50^{\circ} 44' 57''$ East, 30.00 feet, said point being on the Easterly line of Sunchase At Estrella Parcel No. 65, according to Book 442 of Maps, page 3, records of Maricopa County, Arizona;

THENCE along the Easterly line of said Sunchase At Estrella Parcel No. 65, the following courses:

THENCE Northwesterly, departing said Northerly right of way line of Elliott Road and along said curve, through a central angle of $46^{\circ} 27' 52''$, a distance of 24.33 feet;

THENCE North $07^{\circ} 12' 49''$ East, 80.97 feet;

THENCE North $03^{\circ} 09' 01''$ West, 33.88 feet to the beginning of a tangent curve concave Southwesterly and having a radius of 140.00 feet;

THENCE Northwesterly along said curve, through a central angle of $72^{\circ} 41' 42''$, a distance of 177.63 feet to the beginning of a tangent reverse curve concave Northeasterly and having a radius of 150.00 feet;

THENCE Northwesterly along said curve, through a central angle of $24^{\circ} 32' 07''$, a distance of 64.23 feet;

THENCE North $50^{\circ} 39' 30''$ West, 376.44 feet;

THENCE North $44^{\circ} 47' 51''$ West, 536.44 feet;

THENCE North $42^{\circ} 52' 37''$ West, 109.77 feet to the beginning of a tangent curve concave Southwesterly and having a radius of 50.00 feet;

THENCE Northwesterly along said curve, through a central angle of $31^{\circ} 25' 32''$, a distance of 27.42 feet to a point on the Easterly right of way line of South San Gabriel Drive West as shown on Estrella Phase One Map of Dedication, according to Book 318 of Maps, page 38 and amended in Document No. 00-611091, records of Maricopa County, Arizona;

THENCE departing said Easterly line, North $74^{\circ} 18' 09''$ West, 166.70 feet to a point on a non-tangent curve, the center of which bears South $15^{\circ} 42' 08''$ West, 50.00 feet;

THENCE Northwesterly along said curve, through a central angle of $18^{\circ} 30' 20''$, a distance of 16.15 feet;

THENCE South $87^{\circ} 11' 48''$ West, 27.42 feet;

THENCE South $87^{\circ} 04' 40''$ West, 60.00 feet to a point on a non-tangent curve, the center of which bears North $87^{\circ} 04' 40''$ East, 1460.00 feet;

THENCE Northerly along said curve, through a central angle of $01^{\circ} 41' 51''$, a distance of 43.26 feet;

THENCE South $87^{\circ} 52' 56''$ West, 185.85 feet to the beginning of a tangent curve concave Northeasterly and having a radius of 200.00 feet;

THENCE Northwesterly along said curve, through a central angle of $67^{\circ} 21' 17''$, a distance of 235.11 feet;

THENCE North $24^{\circ} 45' 46''$ West, 441.73 feet;

THENCE North $35^{\circ} 48' 03''$ West, 544.63 feet;

THENCE North $24^{\circ} 41' 01''$ West, 202.46 feet;

THENCE North $13^{\circ} 33' 59''$ West, 274.95 feet to the beginning of a tangent curve concave Southwesterly and having a radius of 295.00 feet;

THENCE Northwesterly along said curve, through a central angle of $25^{\circ} 24' 56''$, a distance of 130.86 feet;

THENCE North $38^{\circ} 58' 54''$ West, 215.18 feet to the West line of said Section 10;

THENCE North $02^{\circ} 22' 31''$ East, along said West line, 240.00 feet to the POINT OF BEGINNING

EXCEPT all oil and gas as reserved in Patent from United States of America.