

RESOLUTION WRCFD NO. 98-10

RESOLUTION OF THE BOARD OF DIRECTORS OF THE WILDFLOWER RANCH COMMUNITY FACILITIES DISTRICT APPROVING THE FEASIBILITY AND BENEFITS STUDY RELATING TO THE ACQUISITION AND FINANCING OF CERTAIN IMPROVEMENTS BENEFITTING WILDFLOWER RANCH COMMUNITY FACILITIES DISTRICT; DECLARING ITS INTENTION TO ACQUIRE AND FINANCE CERTAIN IMPROVEMENTS AS DESCRIBED IN THE FEASIBILITY STUDY RELATING TO SUCH IMPROVEMENTS; DETERMINING THAT NOT TO EXCEED \$750,000 GENERAL OBLIGATION BONDS WILL BE ISSUED TO FINANCE THE COSTS AND EXPENSES THEREOF UNDER THE PROVISIONS OF TITLE 48, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, AND ALL AMENDMENTS THERETO.

WHEREAS, pursuant to Section 48-715, Arizona Revised Statutes ("A.R.S."), as amended, the Board of Directors of the Wildflower Ranch Community Facilities District has caused a study of the feasibility and benefits of the Project (as such term and all other initially capitalized terms are defined hereinafter) to be prepared, relating to certain public infrastructure provided for in the General Plan of the District and to be financed with the proceeds of the sale of general obligation bonds of the District, which study includes, among other things, a description of certain public infrastructure to be acquired and all other information useful to understand the Project, an estimate of the cost to acquire, operate and maintain the Project, an estimated schedule for completion of the Project, a map or description of the area to be benefited by the Projects and a plan for financing the Project, a copy of which is on file with Clerk of the District; and

WHEREAS, pursuant to Section 48-715, A.R.S., as amended, a public hearing on the Feasibility Study was held on the date hereof, after provision for publication of notice thereof as provided by law;

BE IT RESOLVED BY THE DISTRICT BOARD OF THE WILDFLOWER RANCH COMMUNITY FACILITIES DISTRICT, that:

Section 1. Definitions. In this resolution, the following terms shall have the following meanings:

"Act" shall mean Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended.

"Board" shall mean this board of directors of the District.

"Bonds" shall mean the District's General Obligation Bonds, Series 1998.

"Clerk" shall mean the Clerk of the District.

"District" shall mean the Wildflower Ranch Community Facilities District.

"Feasibility Study" shall mean the feasibility and benefits study pertaining to the Project on file with the Clerk prior to the date and time of this resolution, discussing the matters required by Section 48-715, A.R.S., as amended.

"General Plan" shall mean the General Plan dated May 9, 1996 for the District.

"Project" shall mean the acquisition of public infrastructure (as such term is defined in the Act) described in the Feasibility Study, including particularly the acquisition and/or construction by the District of the improvements described on Exhibit A hereto.

"Seller" means Wildflower Ranch Limited Partnership, a Delaware limited partnership.

Section 2. Approval of Feasibility Study. Based on the review by the Board and the presentation of the Feasibility Study at the public hearing on December 7, 1998, the Feasibility Study is hereby adopted and approved in the form submitted to the Board. The Feasibility Study has been filed with the Clerk prior to adoption of this resolution. The publication by the Clerk of the notice of the hearing on the Feasibility Study is hereby ratified and approved.

Section 3. Resolution of Intent. This Board hereby identifies the public infrastructure of the Project, the areas benefited, the expected method of financing and the system of providing revenues to operate and maintain the Project, all as identified and provided for in the Feasibility Study, for any and all purposes of the Act. Any portion of the costs of the Project not financed by the proceeds of the Bonds shall remain eligible to be financed through the sale of future bonds of the District.

Section 4. Preliminary Approval to Issue and Sell Bonds. The Board hereby declares its intent to proceed with the financing of the Project in substantially the manner presented in the Feasibility Study and hereby declares its intent to issue not to exceed \$750,000.00 principal amount of Bonds to finance the costs of the Project.

PASSED, ADOPTED AND APPROVED on December 7, 1998.

Chairman

Clerk

Attachments: Exhibit A - Description of Improvements

CERTIFICATE

I hereby certify that the above and foregoing Resolution was duly passed by the Board of Directors of the Wildflower Community Facilities District at a regular meeting held on December 7, 1998, and that a quorum was present thereat and that the vote thereon was 6-0 ayes and 0 nays; 0 did not vote or were absent.


Clerk



EXHIBIT A

"Project" shall mean the acquisition of public infrastructure (as such term is defined in the Act) described in the Feasibility Study, including particularly the acquisition by the District of the following:

1. **Harrison Road (East and West Entries)** – Full street improvements
2. **Roosevelt Irrigation District Canal (Sarival Road)** – Tiling of irrigation pipe.
3. **Sarival Road Paving** – One-half street improvements (east side) including paving, curb, gutter and sidewalk for approximately 3600 feet.
4. **Landscaping** – Plantings and irrigation improvements within Yuma Road parkway, South Wildflower Drive parkway (excluding median area), and South Shooting Star Loop parkway area.
5. **Park Improvements** - Park and recreation improvements to the approximately six-acre park/greenbelt area within the District.

The total cost of the Project set forth above is \$715,000. The actual amount to be paid to Seller for the Project is expected to be approximately \$642,500.

FEASIBILITY STUDY

For The Issuance of

**Not To Exceed
\$750,000 Principal Amount**

of

**WILDFLOWER RANCH
COMMUNITY FACILITIES DISTRICT
(CITY OF GOODYEAR, ARIZONA)**

**DISTRICT GENERAL OBLIGATION BONDS,
SERIES 1998**

November 25, 1998

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SECTION ONE

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

INTRODUCTION

This Feasibility Study (the "Study") has been prepared for presentation to the District Board (the "Board") of Wildflower Ranch Community Facilities District (the "District") in connection with the proposed issuance by the District of its General Obligation Bonds, Series 1998 (the "Bonds") in an approximate aggregate principal amount of not to exceed \$750,000, pursuant to the Community Facilities Act of 1989, Title 48, Chapter 4, Article 6 of Arizona Revised Statutes (the "Act").

PURPOSE OF FEASIBILITY STUDY

This Study has been prepared for consideration of the feasibility and benefits of the public infrastructure (as defined in the Act) to be financed by the Bonds and of the plan for financing such public infrastructure in accordance with the provisions of the Act. Pursuant to the Act, this Study includes (i) a description of the public infrastructure to be constructed or acquired (Section Two); (ii) a map showing, in general, the location of the project to which this Study relates (Section Three); (iii) an estimate of the cost to construct, acquire, operate and maintain such project (Section Four); (iv) an estimate schedule for completion of such project (Section Five); (v) a map or description of the area to be benefited by such project (Section Six); (vi) and a plan for financing the project (Section Seven).

This Study has been prepared for the Board's exclusive consideration. It is not intended or anticipated that this Study will be relied upon by other persons, including, but not limited to, purchasers of the Bonds. This Study does not attempt to address the quality of the Bonds as investments or the likelihood of repayment of the Bonds. In preparing this Study, financial advisors, appraisers, counsel, engineers, staff of the City of Goodyear, Arizona (the "City") and other experts have been consulted as deemed appropriate.

GENERAL DESCRIPTION OF DISTRICT

Formation of the District was approved by the City on May 14, 1996 upon the request of the sole landowner within the District.

The District is located within the city limits of the City and comprises approximately 155 acres which will include 603 single-family homes and 17 acres of parks/schools site.

The District was created to finance and acquire a portion of public infrastructure (the "Public Infrastructure") within and adjacent to the District which is part of the project known as Wildflower Ranch (the "Project" or "Wildflower Ranch"). The Project boundaries include Yuma Road to the south and Sarival Road to the west. A map of the location of the Project within the City is included in this Section. A legal description of the property within the District is included as Appendix A to this Study. Wildflower Ranch L.P. ("Wildflower") is the developer of the Project.

SECTION TWO

DESCRIPTION OF PUBLIC INFRASTRUCTURE

DESCRIPTION OF PUBLIC INFRASTRUCTURE

The acquisition by the District of the following Public Infrastructure projects will be financed with the proceeds of the Bonds and acquired by the District.

1. **Harrison Road (East and West Entries)** - Full Street improvements, including median islands. This road represents the approximate one-half mile collector.
2. **Roosevelt Irrigation District Canal (Sarival Road)** - "Tiling" or undergrounding of a 36-inch pipe used for regional distribution of irrigation water.
3. **Sarival Road (Paving)** - One-half street improvements (east side), and including paving, curb and gutter and sidewalk for a distance of approximately 3600 feet.
4. **Landscaping** - All remaining landscaping with Wildflower Ranch, and including "streetscenes" for Sarival Road, Harrison Road, Wildflower Ranch Drive and Shooting Star Drive; and, the greenbelt common area.
5. **Park Improvements** - Park recreation improvements to the approximately six-acre park/greenbelt area within Wildflower Ranch.

SECTION THREE

**MAP SHOWING LOCATION OF
PUBLIC INFRASTRUCTURE**

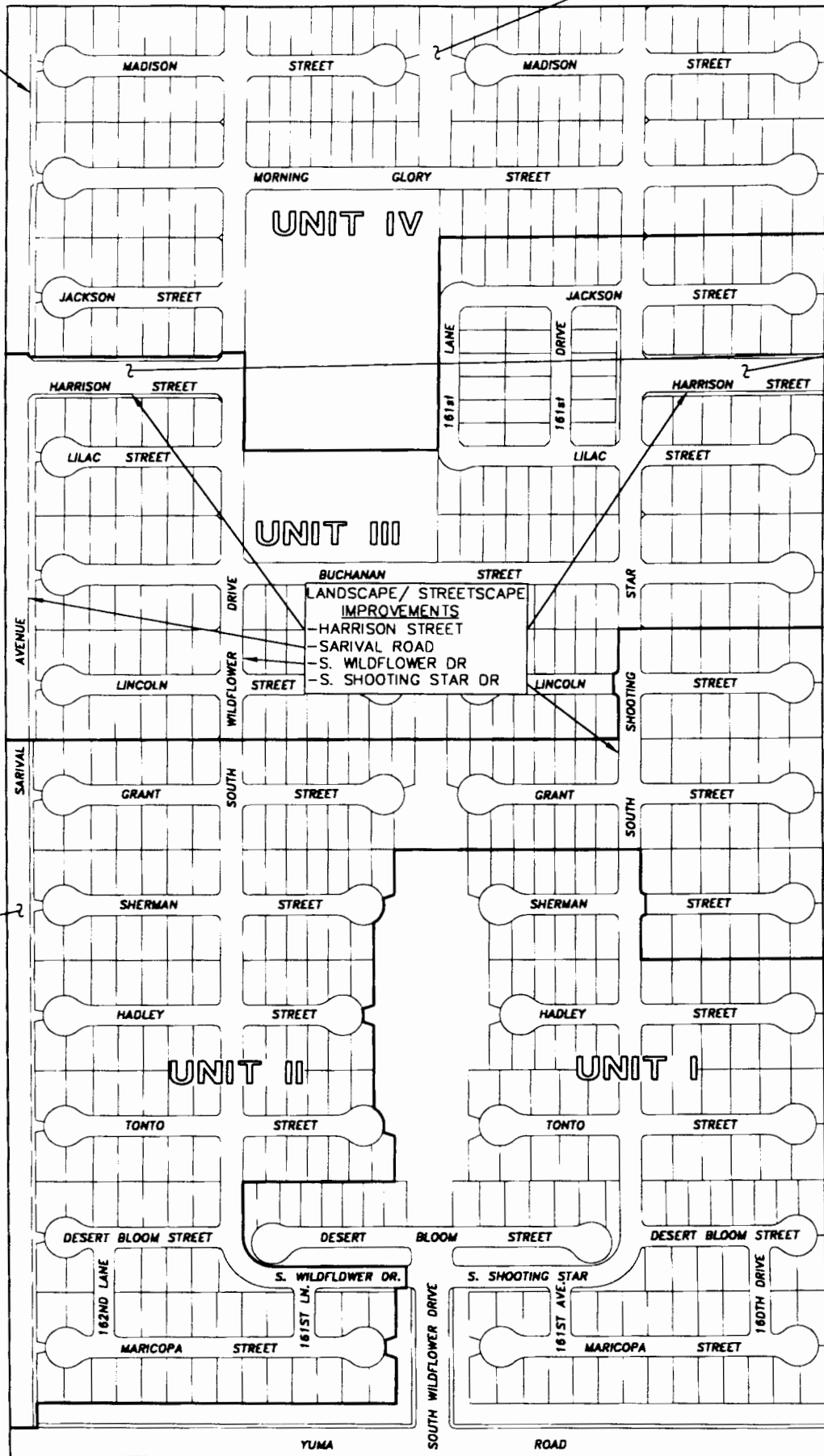
WILDFLOWER RANCH

PARK/ LANDSCAPE IMPROVEMENTS

R.I.D. CANAL IMPROVEMENTS

SERIVAL ROAD STREET IMPROVEMENTS

HARRISON STREET IMPROVEMENTS



SECTION FOUR

**ESTIMATE OF COST OF
PUBLIC INFRASTRUCTURE**

ESTIMATE OF COST OF PUBLIC INFRASTRUCTURE

Listed below are the estimated costs of acquiring the Public Infrastructure described in Section 2 herein. Proceeds from the sale of the Bonds, after the payment of the costs of issuance, will be used to reimburse Wildflower for expenditures to construct the following projects which will be acquired by and accepted by the District:

Wildflower Ranch District Infrastructure

<u>Description of Improvement</u>	<u>Cost</u>
1. Harrison Road (East/West entries)	\$ 80,000
2. Roosevelt Irrigation District Canal (Sarival Road)	102,000
3. Sarival Road (paving)	254,000
4. Landscaping (installed through 11/30/98)	210,000
5. Park Improvements	<u>69,000</u>
Total	<u>\$715,000*</u>

*Note that the actual amount of reimbursement is expected to be approximately \$652,500. See SECTION SEVEN - Plan of Finance.

Upon acquisition, the District will dedicate all portions of the Public Infrastructure to the City. Accordingly, the District will have no costs to physically operate or maintain the Public Infrastructure.

SECTION FIVE

**TIMETABLE FOR ACQUISITION
OF PUBLIC INFRASTRUCTURE**

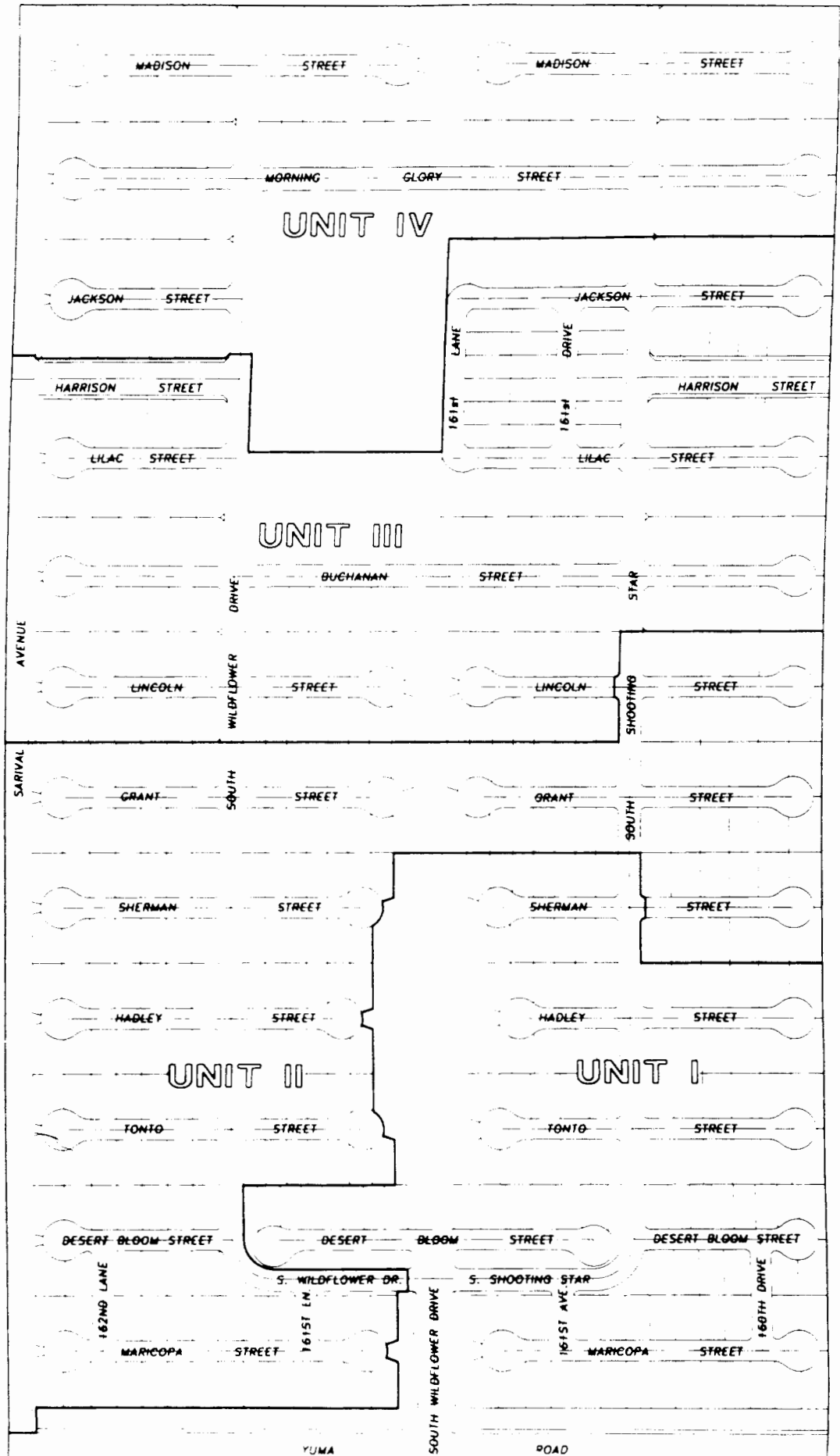
**TIMETABLE FOR
ACQUISITION OF PUBLIC INFRASTRUCTURE**

The Public Infrastructure described in Section Two is complete. Portions of the Public Infrastructure have been acquired by the District and dedicated to the City. The remaining Public Infrastructure is ready to be acquired by the District and dedicated to the City. Proceeds of the Bonds, after payment of costs of issuance, will be used to reimburse Wildflower for monies expended, pursuant to a public bidding process, for the construction of the Public Infrastructure by Wildflower.

SECTION SIX

MAP OF AREA TO BE BENEFITTED

WILDFLOWER RANCH



SECTION SEVEN

PLAN OF FINANCE

PLAN OF FINANCE

The Public Infrastructure will be acquired by the District by way of a Plan of Finance herein described. This Plan of Finance is subject to modification to accommodate market conditions at the time of the actual sales of the Bonds and to the extent necessary to comply with federal and State law.

(1) Formation and Authorization

- (a) The City Council, in response to a petition from the owners of 100% of the property within the District, adopted a resolution forming the District on May 14, 1996.
- (b) A bond election was held on November 14, 1996 authorizing \$2,000,000 of District general obligation bonds to be issued over time.

(2) Existing Debt

The District currently has \$650,000 principal amount of General Obligation Bonds, Series 1997 ("1997 Bonds") outstanding.

(3) Proposed Bond Sale

It is proposed that the District issue general obligation bonds in a principal amount not to exceed \$750,000 to acquire the Public Infrastructure. The Bonds will have a 25 year maturity with one year of interest only and principal amortized to produce level debt service in combination with the existing 1997 Bonds. (See Table One of this section for an estimated debt service schedule for the Bonds and Table Two for a combined debt service schedule including the 1997 Bonds.)

(4) Sources and Uses of Funds

The Sources and Uses of Funds relating to the issuance of the Bonds (exclusive of accrued interest and original issue discount, if any) follows:

Sources

Series 1998 Bonds	<u>\$750,000</u>
Total	<u>\$750,000</u>

Uses

Public Infrastructure	\$652,500
Costs of Issuance	75,000
Underwriter's Discount	<u>22,500</u>
Total	<u>\$750,000</u>

(5) Use of Proceeds

The proceeds of the sale of the Bonds will be applied by the District to acquire the Public Infrastructure listed in Section Two of this study.

(6) Sale of the Bonds

The Bonds will be unrated and sold through a limited offering (private offering pursuant to A.R.S. 48-722). Purchasers of the Bonds are required to sign a qualified investor letter and meet certain investor criteria. (See criteria listed in Table Three of this section.)

(7) Existing Tax Base, Absorption and Projected Home Sales

- (a) The full cash value and secondary assessed valuation for the District for fiscal years 1997-98 and 1998-99 and estimated for 1999-00 is:

	<u>Full Cash</u>	<u>Secondary</u>
1997-98	\$ 5,102,408	\$ 594,349
1998-99	24,105,444	2,443,555
1999-00	35,741,512*	3,598,723*

* Full Cash Value and Net Secondary Assessed Valuation Estimate from the Maricopa County Assessor's Office Abstract date 9/24/98.

Source: Maricopa County Assessor.

- (b) Approximately 555 homes will have been completed or started by December 31, 1998 at an average price of approximately \$108,000. Of this amount, approximately 500 homes are closed or under contract as of November 15, 1998. The remaining approximately 43 homes will be completed or under construction by the end of 1999.

(8) District Tax Rate

- (a) Pursuant to agreement between the City and the Landowner, the tax rate to be levied by the Board is \$2.60. The amount applied to the debt service of the Bonds is \$2.30; the remaining \$.30 will be applied to maintenance and operation of the parks within the District.
- (b) The \$2.30 tax levy, given the existing tax base after payment of the debt service of the 1997 Bonds, is not currently sufficient to provide for the proposed debt service of the Bonds. As a consequence, Wildflower will enter into a standby contribution agreement (the "Contribution Agreement") whereby at closing with respect to the Bonds and on each July 1 of each fiscal year thereafter, Wildflower will make a payment to the District in amounts necessary to maintain the tax rate at \$2.30 for debt service given the then existing tax base and the debt service requirements of the Bonds. The Contribution Agreement will be in effect for the life of the Bonds and is only subject to release if certain conditions are met, principally that the \$2.30 tax rate for debt service, after payment of the debt service of the 1997 Bonds, can provide for annual maximum debt service of the Bonds.

- (c) Additionally, Wildflower will deliver at closing \$52,000, pursuant to a payment agreement (the "Payment Agreement"), which is the amount of shortfall Wildflower may need to provide during the first two years with respect to debt service for the Bonds. This requirement will be met by Wildflower and the District assigning their respective rights under the depository agreement relating to the 1997 Bonds (the "1997 Depository Agreement") to monies in the same amount held under that 1997 Depository Agreement which are expected to be released pursuant to a formula in the same agreement on or about September 1, 1999.

Thereafter, Wildflower will deposit sufficient monies each year pursuant to the Payment Agreement so that there is always two years' of projected shortfall on deposit. This money will be drawn on if Wildflower fails to pay under the Contribution Agreement in each case pursuant to a Depository Agreement for the 1998 Bonds (the "1998 Depository Agreement") between the District and the Trustee for the holders of the Bonds. Wildflower's payment under the Contribution Agreement and monies deposited pursuant to the Payment Agreement and held pursuant to the 1998 Depository Agreement will not be released until the \$2.30 tax rate for debt service produces 100% of the maximum annual debt service on the Bonds and the 1997 Bonds then Outstanding and the District agrees to release Wildflower from such obligations.

Given the number of homes built to date and under construction, it is expected that the tax base will provide for the debt service of the 1997 Bonds and the Bonds by fiscal year 2000-01 with the \$2.30 tax rate.

(9) Tax Base Margin

The total amount of proposed debt provides for a cushion of about 7.5% of the estimated total build-out of the homes within the District. Given a \$2.30 tax rate and 555 homes on the tax rolls at the current prices of the homes, the tax base should be sufficient to amortize the maximum annual debt service of the District. Since total build-out of the property within the District is anticipated to be 603 homes, there should be approximately \$10,000 a year which is proposed be used to call bonds.

**WILDFLOWER RANCH
COMMUNITY FACILITIES DISTRICT
(CITY OF GOODYEAR, ARIZONA)
GENERAL OBLIGATION BONDS
SERIES 1998**

Dated 12/1/98
Delivery 12/29/98

Fiscal Year Ending	Series 1998 Bonds			Total Debt Service Requirements
	\$750,000 Principal	Coupon	Interest	
1999			23,479 *	23,479
2000	10,000	5.750%	43,125	53,125
2001	15,000	5.750%	42,550	57,550
2002	15,000	5.750%	41,688	56,688
2003	20,000	5.750%	40,825	60,825
2004	20,000	5.750%	39,675	59,675
2005	15,000	5.750%	38,525	53,525
2006	20,000	5.750%	37,663	57,663
2007	20,000	5.750%	36,513	56,513
2008	25,000	5.750%	35,363	60,363
2009	20,000	5.750%	33,925	53,925
2010	25,000	5.750%	32,775	57,775
2011	25,000	5.750%	31,338	56,338
2012	25,000	5.750%	29,900	54,900
2013	30,000	5.750%	28,463	58,463
2014	30,000	5.750%	26,738	56,738
2015	30,000	5.750%	25,013	55,013
2016	35,000	5.750%	23,288	58,288
2017	40,000	5.750%	21,275	61,275
2018	40,000	5.750%	18,975	58,975
2019	45,000	5.750%	16,675	61,675
2020	45,000	5.750%	14,088	59,088
2021	45,000	5.750%	11,500	56,500
2022	50,000	5.750%	8,913	58,913
2023	105,000	5.750%	6,038	111,038
Total	<u>750,000</u>		<u>708,304</u>	<u>1,458,304</u>

* Net of accrued interest.

**WILDFLOWER RANCH
COMMUNITY FACILITIES DISTRICT
CITY OF GOODYEAR, ARIZONA**

TABLE TWO

PROJECTED REVENUES AND DISTRICT DEBT SERVICE

Fiscal Year Ending	DISTRICT DEBT SERVICE			PROJECTED DISTRICT REVENUES			
	\$650,000	\$750,000	Total	Secondary Assessed Valuation	Projected	Difference (3)	Tax rate
	Series 1997 Debt Service	Proposed Series 1998 Debt Service (1)	Debt Service Requirements		District Tax Revenues (2)		
1999	40,369	23,479	63,848	2,443,555 *	56,202	(7,646)	2.30
2000	55,369	53,125	108,494	3,598,723 **	82,771	(25,723)	2.30
2001	54,488	57,550	112,038		122,824	10,786	2.30
2002	53,606	56,688	110,294		122,824	12,530	2.30
2003	52,725	60,825	113,550		122,824	9,274	2.30
2004	51,844	59,675	111,519		122,824	11,305	2.30
2005	55,963	53,525	109,488		122,824	13,336	2.30
2006	54,788	57,663	112,450		122,824	10,374	2.30
2007	53,613	56,513	110,125		122,824	12,699	2.30
2008	52,438	60,363	112,800		122,824	10,024	2.30
2009	56,238	53,925	110,163		122,824	12,661	2.30
2010	54,738	57,775	112,513		122,824	10,311	2.30
2011	53,238	56,338	109,575		122,824	13,249	2.30
2012	56,738	54,900	111,638		122,824	11,186	2.30
2013	54,938	58,463	113,400		122,824	9,424	2.30
2014	53,063	56,738	109,800		122,824	13,024	2.30
2015	56,188	55,013	111,200		122,824	11,624	2.30
2016	54,000	58,288	112,288		122,824	10,536	2.30
2017	51,813	61,275	113,088		122,824	9,736	2.30
2018	54,625	58,975	113,600		122,824	9,224	2.30
2019	52,025	61,675	113,700		122,824	9,124	2.30
2020	54,425	59,088	113,513		122,824	9,311	2.30
2021	56,500	56,500	113,000		122,824	9,824	2.30
2022	53,250	58,913	112,163		122,824	10,661	2.30
2023		111,038	111,038		122,824	11,786	2.30
Total	\$1,286,975	\$1,458,304	\$2,745,279	\$6,042,278	\$2,963,921		

* 1999 Revenue is based on actual secondary assessed valuation provided by Maricopa County Assessor's Office.

** 2000 Revenue is based on estimated secondary assessed valuation from the Maricopa County Assessor's Office Abstract dated 9/24/98.

(1) Interest is estimated at 5.75%

(2) Fiscal year 2000 revenues based on estimate from the Maricopa County Assessors Office. Following years are based on projected absorption assuming an average home price of \$108,000 and therefore a FCV of \$88,560.

(3) By contractual obligation, Wildflower Ranch, L.P. to provide for shortfall prior to build-out. Surplus to be used to call or defease Bonds, subject to Bond Counsel review.

TABLE THREE

QUALIFIED INVESTOR CRITERIA

Among other things, purchasers of the Bonds will certify that they are one of the following:

- (1) a bank as defined in Section 3(a)(2) of the Securities Act of 1933, or savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act of 1933, whether acting in its individual or fiduciary capacity; broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; insurance company as defined in Section 2(13) of the Securities Act of 1933; investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; plan established and maintained by a state, its political subdivision, or any agency or instrumentality of a state or its political subdivision, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- (2) a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;
- (3) an organization described in Section 501(c)(3) of the Internal Revenue Code with total assets in excess of \$5,000,000;
- (4) a natural person whose individual net worth, or joint net worth with that person's spouse, at the time of purchase exceeds \$1,000,000;
- (5) a natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with the person's spouse in excess of \$300,000 in each of those years and who reasonably expects reaching the same income level the current year;
- (6) the general partner, limited partner and any member of the general or limited partner and the general manager of any member of the general or limited partner, of Wildflower Ranch L.P.;
- (7) any officer of Dain Rauscher Incorporated;
- (8) an entity in which all of the equity owners, either directly or indirectly, are of the type described under paragraph (1), (2), (3), (4), (5), (6) or (7) above.

APPENDIX A

**Legal Description for Wildflower
Ranch Community Facilities District
of Goodyear, Arizona**

A portion of the West half of Section 7, Township 1 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona and more particularly described as follows:

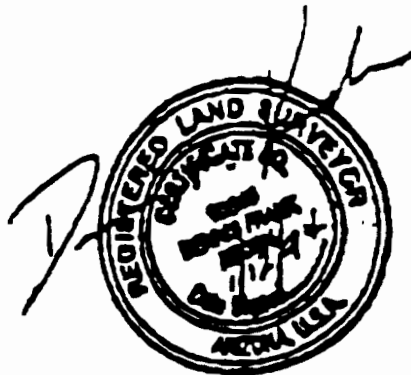
Beginning at the Southwest corner of said Section 7; thence North $0^{\circ} 41' 53''$ West and along the West line of said Section 7, a distance of 2646.52 feet to the Northwest corner of the Southwest quarter of said Section 7; thence North $0^{\circ} 21' 58''$ West and continuing along the West line of said Section 7, a distance of 892.87 feet; thence North $89^{\circ} 58' 11''$ East and parallel to the North line of said Section 7, a distance of 1977.32 feet; thence South $0^{\circ} 19' 02''$ East, a distance of 3536.29 feet to a point on the South line of said Section 7; thence South $89^{\circ} 53' 00''$ West and along the South line of said Section 7, a distance of 1958.95 feet to the Point of Beginning.

EXCEPT the West 55 feet thereof and,

EXCEPT the South 74 feet thereof

Said parcel contains a Gross Area of 6,969,608 square feet or 160.00 acres and a Net Area of 6,634,048 square feet or 152.296 acres more or less.

DESCRIPTION
Block RT
Type 0
Prod. 1 RD
Prod. 2 _____
RECORDED IN



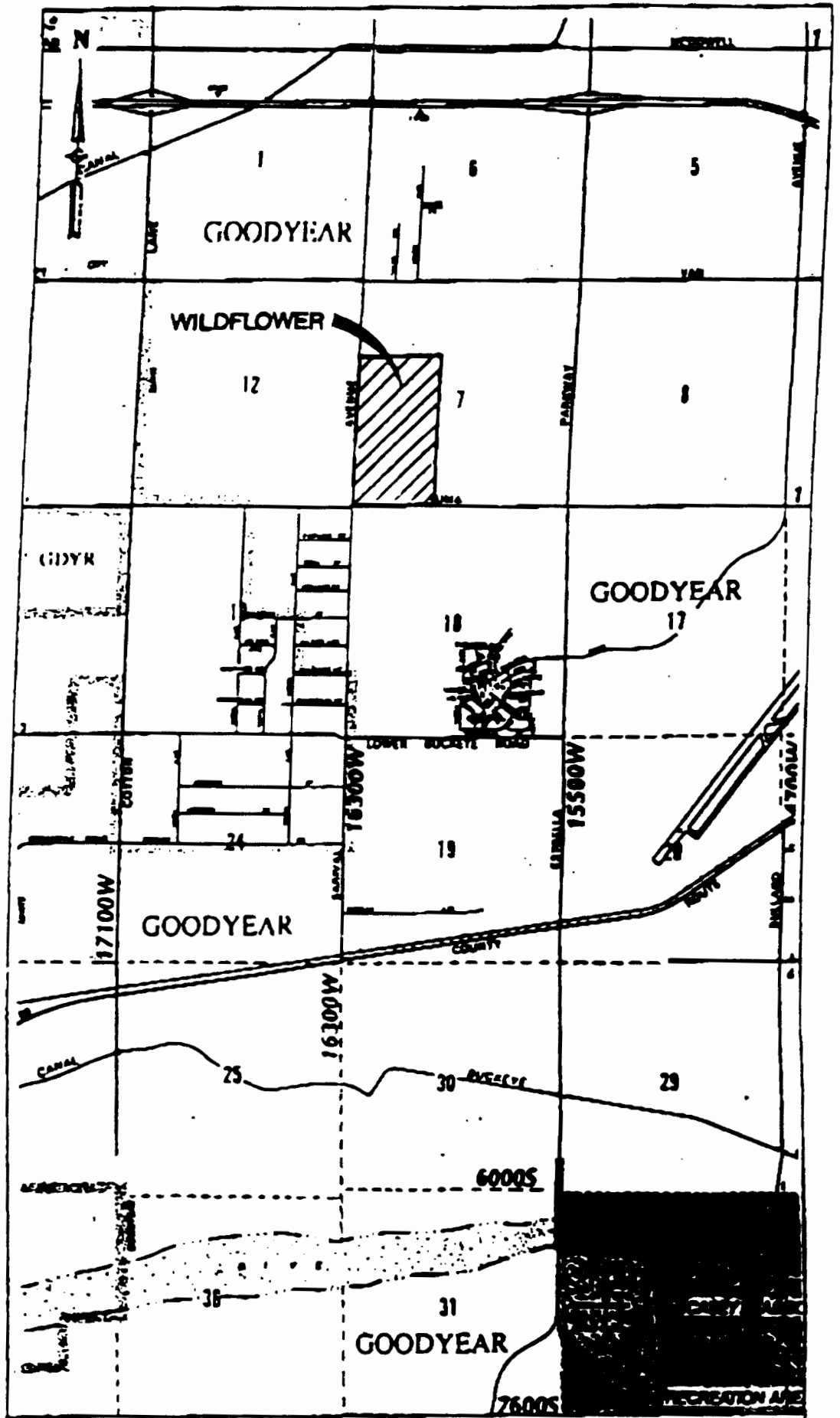


EXHIBIT B

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 B

The impact of the District financing on the tax rate or other charges borne by the property owner will be \$2.30 per \$100 of secondary assessed valuation which will be levied on all of the taxable property located within the District and used to pay debt service on the Bonds. In addition, the District also levies a \$.30 per \$100 of secondary assessed valuation on all of the taxable property within the District for operation and maintenance expenses. The combined \$2.60 tax rate to be levied by the District represents the only expenses or charges borne by the property owners within the District.

The following is a summary of tax rate information for selected community facilities districts and master planned communities.

<u>Combined Tax Rates for Other Developments:</u>	<u>1998-99 Total Tax Rate</u>
Wildflower Ranch (Goodyear)	\$17.5536
Estrella (Goodyear)	\$14.9536
Palm Valley (Goodyear)	\$17.9144
Pebble Creek (Goodyear)	\$16.9144
Garden Lakes (Avondale)	\$17.1943
Arrowhead Ranch (Glendale)	\$15.0281
Westbrook Village (Peoria)	\$15.0477
Sun City	\$3.4403
Tatum Ranch (Phoenix)	\$14.0915
McDowell Mountain Ranch (Scottsdale)	\$13.8568
Scottsdale Mountain (Scottsdale)	\$13.8568
Troon (Scottsdale)	\$9.2406

APPENDIX C

**An analysis of the effect on the City of
Goodyear's general financing abilities**

APPENDIX C

The District's financing is not expected to adversely effect the City's general financing abilities. The Bonds of the District are secured solely from revenues derived from a \$2.30 per \$100 of secondary assessed valuation levied on all taxable property within by the District and the City is under no legal requirement to secure any portion of the financing's debt service payments.

However, because of the location of the District within the City limits, the impact of a default on the Bonds on the City's financing capabilities may be detrimental in the opinion of the financial community. Additionally, the issuance of District debt, in combination with other overlapping political subdivisions, may be a factor when the City's own debt ratings are reviewed by Moody's Investor Service and Standard and Poor's Corporation. While one agency has chosen to upgrade the City's rating, the other has kept it the same.

APPENDIX D

**An analysis of the project infrastructure
demand and market absorption**

APPENDIX D

Wildflower has provided the following data as to home sales and construction projected as of November 30, 1998:

	<u>Units</u>	<u>Total Sales</u>	<u>Per Unit</u>
Closed escrow	452	\$48,759,000	\$107,873
Sold, in escrow	60	6,563,460	109,391
Unsold	91	9,954,581	109,391

All necessary Public Infrastructure for these homes has been constructed.

555 homes are expected to be built or under construction by the time of the December, 1998 Bond Sale.