

EMRCFD RES 2023-160

**A RESOLUTION OF THE BOARD OF DIRECTORS OF ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT (CITY OF GOODYEAR, ARIZONA), ACCEPTING AND APPROVING THE FEASIBILITY REPORT RELATING TO THE ACQUISITION AND FINANCING OF CERTAIN IMPROVEMENTS BENEFITING THE DISTRICT; AND DECLARING ITS PRELIMINARY INTENTION TO ISSUE NOT TO EXCEED \$15,500,000 GENERAL OBLIGATION BONDS TO FINANCE THE ACQUISITION OF CERTAIN IMPROVEMENTS AS DESCRIBED IN THE FEASIBILITY REPORT RELATING TO SUCH IMPROVEMENTS PURSUANT TO THE PROVISIONS OF TITLE 48, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, AND ALL AMENDMENTS THERETO.**

**WHEREAS**, pursuant to Arizona Revised Statutes (“A.R.S.”) § 48-715, as amended, the Board of Directors of Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) has caused a Report to be prepared, which Report is a study of the feasibility and benefits of the Project (as such terms and all other initially capitalized terms are defined hereinafter) relating to certain public infrastructure (as defined in the Act) provided for in the General Plan of the District to be financed with the proceeds of the sale of general obligation bonds of the District, which Report 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, information concerning the completion of the Project, a map or description of the area to be benefited by the Project and a plan for financing the Project, a copy of which is on file with the District Clerk; and

**WHEREAS**, pursuant to A.R.S. § 48-715, as amended, a public hearing on the Report was held on the date hereof, after provision for publication and mailing of notice thereof as provided by law.

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

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

“*Act*” shall mean A.R.S. Title 48, Chapter 4, Article 6, as amended.

“*Board*” shall mean the Board of Directors of the District.

“*Bonds*” shall mean the District’s General Obligation Bonds, Series 2023.

“*District*” shall mean Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona).

“*District Clerk*” shall mean the Clerk of the District.

“*Project*” shall mean the acquisition of public infrastructure (as such term is defined in the Act) described in the Report, including particularly the acquisition by the District of the improvements described on *Exhibit A* hereto.

“*Report*” shall mean the Feasibility Report dated November 13, 2023, pertaining to the Project on file with the District Clerk prior to the date and time hereof, discussing the matters required by A.R.S. § 48-715, as amended, as such matters relate to the Project.

**Section 2. Approval of Feasibility Report.** Published notice of the public hearing on the Report has been provided by the District Clerk not less than 10 days in advance of the date of the public hearing on the Report and such publication is hereby ratified and approved. The District Clerk has provided the Report and notice of public hearing on the Report to the governing body of the City of Goodyear, Arizona, not less than 10 days in advance of the date of the public hearing. Based on the review by the Board and the presentation of the Report at the public hearing on November 13, 2023, the Report is hereby accepted, adopted and approved in the form submitted to the Board.

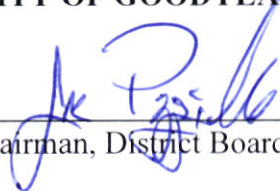
**Section 3. Resolution of Intent.** Pursuant to A.R.S. § 48-715, as amended, the Board hereby identifies the public infrastructure of the Project, the areas benefited, the expected method of financing and the system of providing revenues to operate and maintain the Project, all as identified and provided for in the Report, 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 Intent 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 Report, and if such financing is consummated, to acquire the Project. Nothing contained in this Resolution shall be construed to limit the Board’s sole, unfettered discretion in making its final decision to issue bonds to finance the Project.

[Signatures on Following Page]

**PASSED AND ADOPTED** by the Board of Directors of the Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) on November 13, 2023, with a vote of \_\_\_\_\_.

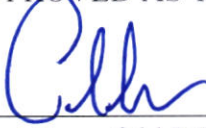
**ESTRELLA MOUNTAIN RANCH  
COMMUNITY FACILITIES DISTRICT  
(CITY OF GOODYEAR, ARIZONA)**

  
\_\_\_\_\_  
Chairman, District Board

ATTEST:

  
\_\_\_\_\_  
District Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Gust Rosenfeld P.L.C.  
Bond Counsel

**EXHIBIT A  
TO  
EMRCFD RES 2023-160**

[Description of Public Infrastructure]

See following page.

## DESCRIPTION OF PUBLIC INFRASTRUCTURE

The Public Infrastructure, which has been publicly bid and constructed pursuant to State statutes and the acquisition of which is to be financed by the Bonds, consists of the following:

Public Infrastructure Description	Total Estimated Cost	Certified Engineer's Cost	To Be Paid By the Bonds (a)	Paid by Prior Bonds	Eligible for Funding from Future Bonds	Completion Date
<b>1. Willis Road Phase 1</b>	\$ 7,530,099	\$ 7,530,099	\$ 7,530,099	\$ -	\$ -	Mar. 2010
<p>This project consists of underground utility and roadway improvements from Rainbow Valley Road to Estrella Parkway. Costs include engineering, design, survey, review fees, construction permits, testing, native plant salvage, blasting, grading, sanitary sewer installation, potable water installation, reclaimed water installation, storm drain installation, curb and gutter placement, sidewalk placement, trail installation, asphalt pavement placement, landscaping and streetlight installation. Construction of Willis Road is complete and was accepted by the City on March 25, 2010.</p>						
<b>2. Cotton Lane Bridge</b>	8,000,000	8,000,000	3,546,316	\$ -	4,453,684	Jul. 2008
<p>This project consists of a bridge across the Gila River, and the extension of Cotton Lane south from MC 85 to the proposed bridge and from the southern boundary of the property known as King Ranch to Estrella Parkway. Costs include engineering, design, survey, review fees, construction permits, testing, native plant salvage, blasting, grading, sanitary sewer installation, potable water installation, storm drainage installation, dry utility sleeving, traffic loop conduit, curb and gutter placement, and asphalt pavement placement. Construction of the Cotton Lane Bridge &amp; Cotton Lane is complete and was accepted by the City on September 2, 2008.</p>						
Totals (a)(b):	\$15,530,099	\$15,530,099	\$11,076,415	\$ -	\$4,453,684	

(a) Subject to change.

(b) Total may not add due to rounding.

All work completed on the referenced Public Infrastructure was per the approved plans, MAG Specifications and Details, and the City's Engineering Design Standards and Policies Manual. Total construction costs represent actual costs incurred. See the maps in Section Three for the location of the improvements and the corresponding area of benefit.



CERTIFICATION

STATE OF ARIZONA )  
 ) ss.  
COUNTY OF MARICOPA )

I, Darcie McCracken, District Clerk of the Estrella Mountain Ranch Community Facilities District Board of Directors for the City of Goodyear, Arizona, do hereby certify, under the penalty of perjury, that the attached Resolution No. 2023-160 is a true, correct and exact copy of Resolution No. 2023-160 entitled "A RESOLUTION OF THE BOARD OF DIRECTORS OF ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT (CITY OF GOODYEAR, ARIZONA), ACCEPTING AND APPROVING THE FEASIBILITY REPORT RELATING TO THE ACQUISITION AND FINANCING OF CERTAIN IMPROVEMENTS BENEFITING THE DISTRICT; AND DECLARING IT PRELIMINARY INTENTION TO ISSUE NOT TO EXCEED \$15,500,000 GENERAL OBLIGATION BONDS TO FINANCE THE ACQUISITION OF CERTAIN IMPROVEMENTS AS DESCRIBED IN THE FEASIBILITY REPORT RELATING TO SUCH IMPROVEMENTS PURSUANT TO THE PROVISIONS OF TITLE 48, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, AND ALL AMENDMENTS THERETO"; passed and adopted at a regular meeting of the Board of Directors of the Estrella Mountain Ranch Community Facilities District of the City of Goodyear, Arizona, held on the 13th day of November 2023, at which a quorum was present and, that it was so adopted by the following vote:

AYES: PIZZILLO, KAINO, LAURITANO, CAMPBELL, STIPP, HAMPTON, GILLIS  
NAYS: NONE  
ABSENT: NONE  
ABSTAINED: NONE

  
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Darcie McCracken, MMC, District Clerk  
Estrella Mountain Ranch Community Facilities District

**FEASIBILITY REPORT**

**For The Issuance of**

**Not to Exceed  
\$15,500,000 Principal Amount**

**OF**

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

**GENERAL OBLIGATION BONDS,  
SERIES 2023**

**Public Hearing Date: November 13, 2023**

## TABLE OF CONTENTS

	<u>SECTION</u>
<b>Introduction; Purpose of Feasibility Report; General Description of District</b>	<b>ONE</b>
<b>Description of Public Infrastructure</b>	<b>TWO</b>
<b>Maps of the District</b>	<b>THREE</b>
<b>Estimate of Cost and Timetable for Acquisition of Public Infrastructure</b>	<b>FOUR</b>
<b>Plan of Finance</b>	<b>FIVE</b>
	<u>APPENDIX</u>
<b>Legal Description for Estrella Mountain Ranch Community Facilities District</b>	<b>A</b>



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**SECTION ONE**

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

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## INTRODUCTION

This Feasibility Report (this “Report”) has been prepared for presentation to the Board of Directors of the Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) (the “District”) in connection with the proposed issuance by the District of its General Obligation Bonds, Series 2023 (the “Bonds”) in a principal amount of not to exceed \$15,500,000, pursuant to the Community Facilities District Act of 1988, Title 48, Chapter 4, Article 6 of Arizona Revised Statutes (“A.R.S.”).

## PURPOSE OF FEASIBILITY REPORT

This Report has been prepared for consideration of the feasibility and benefits of the Public Infrastructure and Public Infrastructure Purposes (each as defined in A.R.S. § 48-701) to be financed by the Bonds (together the “Public Infrastructure”) and of the plan for financing such Public Infrastructure 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 Public Infrastructure to be financed – Section Two; (ii) maps showing, in general, the location of the Public Infrastructure and the area to be benefitted by the Public Infrastructure – Section Three; (iii) an estimate of the cost to construct/acquire the Public Infrastructure and schedule for the completion of the Public Infrastructure – Section Four; and (iv) a plan for financing the Public Infrastructure – Section Five. Additionally, this Report includes the legal description of the District – Appendix A.

This Report has been prepared for the consideration of the Board of Directors of the District only. 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, financial advisors, appraisers, counsel, engineers, District staff, staff of the City of Goodyear (the “City”) staff and other experts have been consulted as deemed appropriate.

## GENERAL DESCRIPTION OF THE DISTRICT

Formation of the District was approved by the City upon the request of SunChase Estrella Limited Partnership, a Delaware limited partnership (“SunChase”), as the owner of all the land within the District as of formation on November 22, 1999. Residential Funding Corporation, a Delaware corporation, consented to the formation of the District as a holder of a lien interest in such land as of formation.

The District was created to finance the construction and acquisition of various public infrastructure described in the General Plan for the District, which was record on November 23, 1999, as Document No. 99-1063338, for the mixed use, master planned community known as Estrella Mountain Ranch (“Estrella Mountain Ranch”). The District will be benefitted by the Public Infrastructure described in Section Two of this Report. Maps of the District and the general location of the Public Infrastructure are in Section Three of this Report. See Appendix A for a legal description of the District.

Estrella Mountain Ranch is being developed in phases with individual development areas. Although the number of acres devoted to each particular type of land use may ultimately vary from those presented, at the time the land-use plan was prepared, the build-out of Estrella Mountain Ranch was expected to include the following:

<u>Total District</u>	<u>Approximate District Acres</u>
Residential	5,146
Open Spaces & Parks	3,129
Other Non-Residential (a)	1,496
Total	<u>9,771</u>

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(a) Includes commercial, school, municipal and miscellaneous land uses.

## Ownership History

Subsequent to the formation of the District, a Development, Financing Participation and Intergovernmental Agreement No. 1 (the “Development Agreement”) was entered into between the District, the City, SunChase and Residential Funding Corporation. Ryland Group, Inc. (which subsequently obtained a contractual interest in certain property contained within the District) consented and agreed to the Development Agreement.

In 2003, SunChase conveyed Estrella Mountain Ranch and assigned its interests in the Development Agreement to Sun MP, LLC (“Sun MP”), a limited liability company formed in connection with a restructuring and a new capital investment in Estrella Mountain Ranch by an unrelated party. In October 2003, the City and the District consented to the assignment of SunChase’s interests to Sun MP.

Pursuant to an option agreement, in a series of transactions from May 16, 2005, through July 31, 2013, Sun MP conveyed all of its interest in the District land and in the various agreements related to the District (all of which were consented to by the City and the District), to NNP III-Estrella Mountain Ranch, LLC and its affiliated entities. NNP III-Estrella Mountain Ranch, LLC acquired a total of approximately 6,461 acres from Sun MP. Of this total, 6,130 acres were within the District and 331 acres were near but outside the District. NNP III-EMR 3, LLC acquired approximately 2,750 acres from Sun MP. Of this total, 2,430 acres were within the District and 320 acres were near but outside the District. NNP III-EMR 4, LLC acquired approximately 9,058 acres from Sun MP. Of this total, 177 acres were within the District and 8,881 acres were near but outside the District. Combined, NNP III-Estrella Mountain Ranch, LLC and its affiliated entities acquired approximately 18,269 acres from Sun MP. Of the total, approximately 8,737 acres were within the District and 9,532 acres were near but outside the District. NNP III – Estrella Mountain Ranch, LLC and NNP III-EMR 3, LLC were wholly-owned by NNP III – Estrella, LLC, a Delaware limited liability company (“NP III – Estrella”). NNP III – Estrella and NNP III-EMR 4, LLC, a Delaware limited liability company were wholly-owned by Estrella Mountain Ranch Developers LLC, a Delaware limited liability company (“NP III”). NP III was wholly owned by Land Management Company, LLC.

In 2021, pursuant to a purchase and sale agreement, NNP III-Estrella Mountain Ranch, LLC, and its affiliated entities referenced above (collectively, the “NP Entities”) sold their entire holdings within the District and all additional properties outside the District to Estrella Partners, LP, and affiliated entities. In particular, all property and interests of the NP Entities within the District were conveyed to Estrella North LLC (“Major Landowner”) and all properties and interests outside the District were conveyed to Estrella South LLC. All documents related to the District, including the Development Agreement, were assigned to Estrella North LLC in October 2021, and such assignment was consented to by the District and the City. Estrella North LLC and Estrella South LLC are both wholly owned subsidiaries of Estrella Partners, LP.

The parties, that through affiliates, own Estrella Partners, LP and its general partner, Goodyear EMR GP, LLC, are Harvard Investments, Inc., a Nevada corporation, and Toll Southwest LLC, a Delaware limited liability company, a subsidiary of homebuilder, Toll Bros., Inc., a Pennsylvania corporation (collectively, “Toll Brothers”). Varde Partners (defined below) is a limited partner in Estrella Partners, LP.

Harvard Investments, Inc. and its affiliates (collectively, “Harvard”), are headquartered in Scottsdale, Arizona, and are the United States real estate investment and development arm of the Hill Companies, a Canadian land development company, which has operated as a privately held company since its inception in 1903. Harvard’s real estate holdings, through its affiliates and various joint ventures, are located throughout the southwestern United States. Harvard’s current and past real estate holdings include more than 80 projects, including residential master planned communities, golf courses, custom home site projects and commercial developments. Since 1982, Harvard is currently developing, or has developed, more than 20 residential master planned communities, which includes entitlement development and sale of over 30,000 residential lots through Arizona, Texas and New Mexico. Harvard will manage the day-to-day operations of land development within the District.

Toll Brothers is a national homebuilder based in Horsham, Pennsylvania. Toll Brothers is the eighth largest homebuilder in the U.S. based on closings and builds to the higher end of the homebuilding market. Toll Brothers has also undertaken development in other real estate sectors including multi-family. Toll Brothers operates in hundreds of communities across 20 states. Toll Brothers is publicly traded on the New York Stock Exchange. Toll Brothers is subject to reporting the information required by the Securities Exchange Act of 1934, as amended, and in accordance therewith files quarterly and annual reports, proxy statements and other required information (collectively, the “Filings”) with the Securities Exchange Commission (the “Commission”). The Filings may be inspected and copied at the public reference

facilities maintained by the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 and Northwestern Atrium Center, 400 West Madison Street, Suite 400, Chicago, Illinois. Copies of the Filings can be obtained from the public reference section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. In addition, the Filings may also be inspected at the offices of the New York Stock Exchange at 20 Broad Street, New York, NY 10005. The Filings may also be obtained through the Internet on the Commission’s EDGAR database at <http://www.sec.gov>. None of the District, the Financial Advisor to the District, Bond Counsel to the District, the Underwriter of the Bonds or counsel to such Underwriter has examined the information set forth in the Filings for accuracy or completeness, nor do they assume responsibility for the same.

The primary investor in Estrella Partners, LP is an affiliate of Varde Partners, Inc., a Minnesota corporation (collectively, “Varde Partners”). Varde Partners is a global investment manager founded in 1993 specializing in alternative investments with discretionary fund assets of approximately US \$15 billion and over 300 employees. Varde Partners maintains 14 offices across the globe. Headquarter offices are located in Minneapolis for North America, London for Europe, and Singapore for the Asia Pacific region. The firm invests across five segments: corporate and traded credit, financial services, real estate, mortgages and real assets and infrastructure. Varde Partners benefits from a broad and diverse investor base, including endowments and foundations, pension funds, insurance companies, private clients and other institutional investors. Since its founding, Varde Partners has focused on making and managing investments in real estate, mortgages, homebuilding and infrastructure. In the United States, since 2009, Varde Partners has invested and managed over \$4.7 billion of fund capital in residential development, homebuilding and residential mortgages.

The remaining land within the District is owned by various parties including home builders, homeowners, the homeowners’ association, commercial and civic users and other investors.

**Debt Issuance History**

The Bonds, if issued, would represent the fourth series of general obligation bonds issued by the District to acquire or construct Public Infrastructure. The table below summarizes the currently outstanding general obligation bond debt and the public infrastructure financed or refinanced with the proceeds of such bonds.

**Estrella Mountain Ranch Community Facilities District  
General Obligation Bonds Outstanding**

Series	Public Infrastructure Financed or Refinanced	Original Principal	Final Maturity	Principal Outstanding
2017 Refunding (a)	Acquisition of a 16” water line, a 24” effluent line, the Lum lift station, and Estrella Parkway Phase 3A extension (Projects of Series 2005); Balance of the extension of Estrella Parkway Phase 3A, Estrella Parkway Phase 3B, Estrella Parkway Phase 3C, Rainbow Valley Water, Reclaimed Water, Sewer and Sewage Force Mains, H-7 Well Site Water Main Extension and H-10 Well Site Water Main Extension (Projects of 2007)	\$14,050,000	2032	\$6,985,000
			Total	<u>\$6,985,000</u>

(a) The proceeds of which were applied to refund the District’s General Obligation Bonds, Series 2007 issued to finance the Public Infrastructure described.

In addition to the general obligation bonds issued by the District, twelve series of special assessment bonds comprised of eight series issued to acquire or construct Public Infrastructure and four refundings, have also been issued. The table below summarizes the currently outstanding series of special assessment bonds and the infrastructure financed or refinanced with the proceeds of such bonds.

**Estrella Mountain Ranch Community Facilities District  
Special Assessment Revenue Bonds Outstanding**

Series	Public Infrastructure Financed or Refinanced	Assessment District	Original Principal	Final Maturity	Principal Outstanding
2015	182nd WMV Ph1, 182nd WMV Ph2 and Calistoga 2-1	Montecito No. 2	\$4,980,000	2039	\$ 3,717,000
2018 Refunding (a)	Westar and Golf Club Drive, a sewer force main, a sewer lift station, and the Estrella Parkway Extension (Projects of Series 2001A)	Golf Village No. 1	1,785,000	2024	173,000
2018 Refunding (a)	San Gabriel Road Phase I, San Gabriel Road Phase II, and enhanced landscaping along San Gabriel Road (Projects of Series 2002)	Desert Village	1,985,000	2026	709,000
2018 Refunding (a)	Calistoga Drive Phase I (Project of Series 2007)	Montecito No. 1	5,329,000	2031	3,341,000
2018 Refunding (a)	Westar Drive Phases II – IV (Projects of Series 2007)	Golf Village No. 2	4,789,000	2030	2,807,000
2019	Hillside Drive, 16” and 12” Waterlines, Lift Station and Parallel Force Main , Zone 2 Water System	Lucero No. 1	6,913,000	2043	6,141,000
2021	Calistoga Drive 3-1	Montecito No. 3	598,000	2046	570,000
2022	Hillside Drive, 16” and 12” Waterlines, Lift Station and Parallel Force Main , Zone 2 Water System	Lucero No. 2	4,429,000	2046	4,429,000
				Total	<u><u>\$21,887,000</u></u>

(a) The proceeds of which were applied to refund the District’s Special Assessment Revenue Bonds, Series 2001A (Golf Village No. 1), Special Assessment Revenue Bonds, Series 2002 (Desert Village), Special Assessment Revenue Bonds, Series 2007 (Montecito No. 1), and Special Assessment Revenue Bonds, Series 2007 (Golf Village No. 2) issued to finance the Public Infrastructure described.

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**SECTION TWO**

**DESCRIPTION OF PUBLIC INFRASTRUCTURE**

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## DESCRIPTION OF PUBLIC INFRASTRUCTURE

The Public Infrastructure subject to this Report has been publicly bid pursuant to state statutes and District guidelines and will be financed by the Bonds and/or subsequent bond issues and other sources, if necessary. It is expected that the Public Infrastructure listed below will be acquired by the District with estimated cost and construction timing as noted.

Public Infrastructure Description	Total Estimated Cost	Certified Engineer's Cost	To Be Paid By the Bonds (a)	Paid by Prior Bonds	Eligible for Funding from Future Bonds	Completion Date
<b>1. Willis Road Phase 1</b>	\$ 7,530,099	\$ 7,530,099	\$ 7,530,099	\$ -	\$ -	Mar. 2010
This project consists of underground utility and roadway improvements from Rainbow Valley Road to Estrella Parkway. Costs include engineering, design, survey, review fees, construction permits, testing, native plant salvage, blasting, grading, sanitary sewer installation, potable water installation, reclaimed water installation, storm drain installation, curb and gutter placement, sidewalk placement, trail installation, asphalt pavement placement, landscaping and streetlight installation. Construction of Willis Road is complete and was accepted by the City on March 25, 2010.						
<b>2. Cotton Lane Bridge</b>	8,000,000	8,000,000	3,546,316	\$ -	4,453,684	Jul. 2008
This project consists of a bridge across the Gila River, and the extension of Cotton Lane south from MC 85 to the proposed bridge and from the southern boundary of the property known as King Ranch to Estrella Parkway. Costs include engineering, design, survey, review fees, construction permits, testing, native plant salvage, blasting, grading, sanitary sewer installation, potable water installation, storm drainage installation, dry utility sleeving, traffic loop conduit, curb and gutter placement, and asphalt pavement placement. Construction of the Cotton Lane Bridge & Cotton Lane is complete and was accepted by the City on September 2, 2008.						
Totals (a)(b):	\$15,530,099	\$15,530,099	\$11,076,415	\$ -	\$4,453,684	

(a) Subject to change.

(b) Total may not add due to rounding.

All work completed on the referenced Public Infrastructure was per the approved plans, MAG Specifications and Details, and the City's Engineering Design Standards and Policies Manual. Total construction costs represent actual costs incurred. See the maps in Section Three for the location of the improvements and the corresponding area of benefit.

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**SECTION THREE**

**MAPS OF THE DISTRICT**

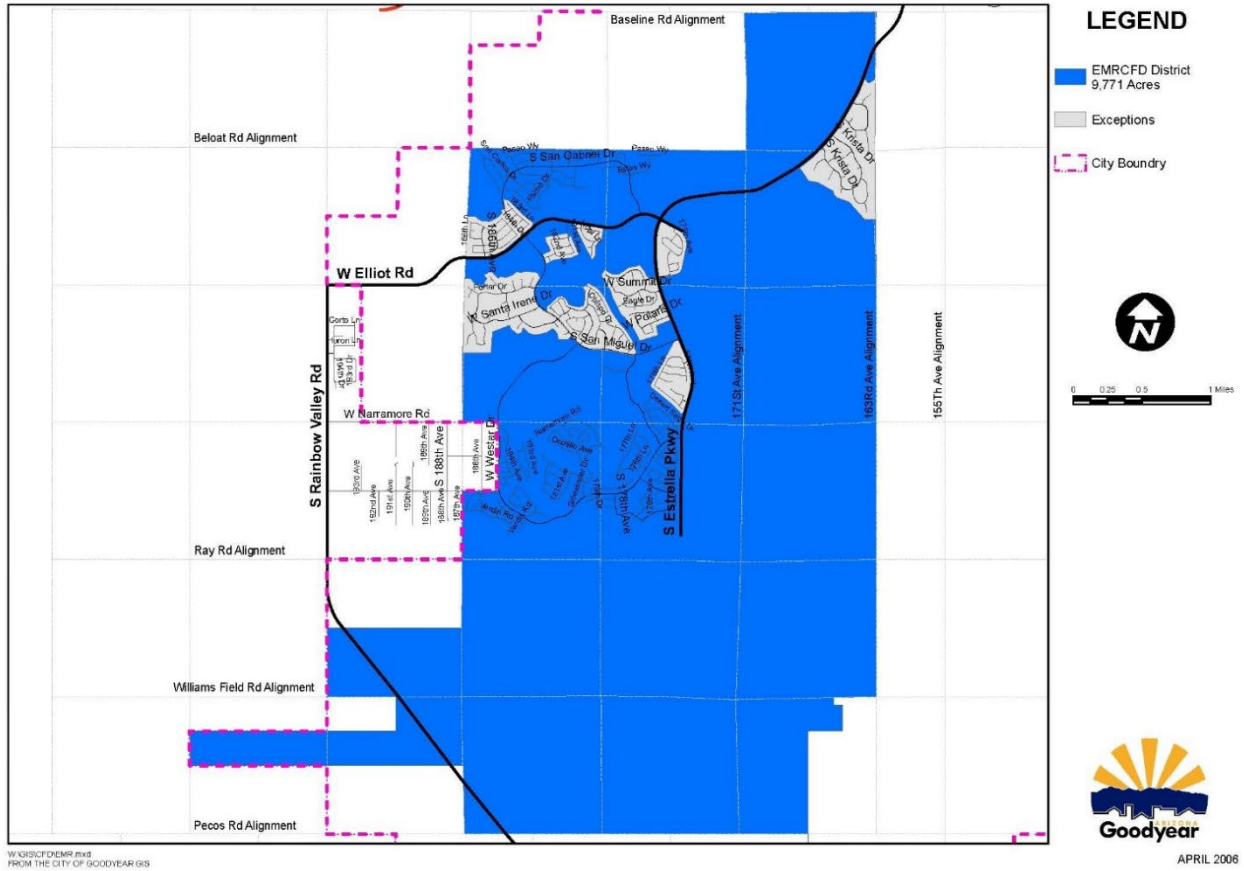
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# The District

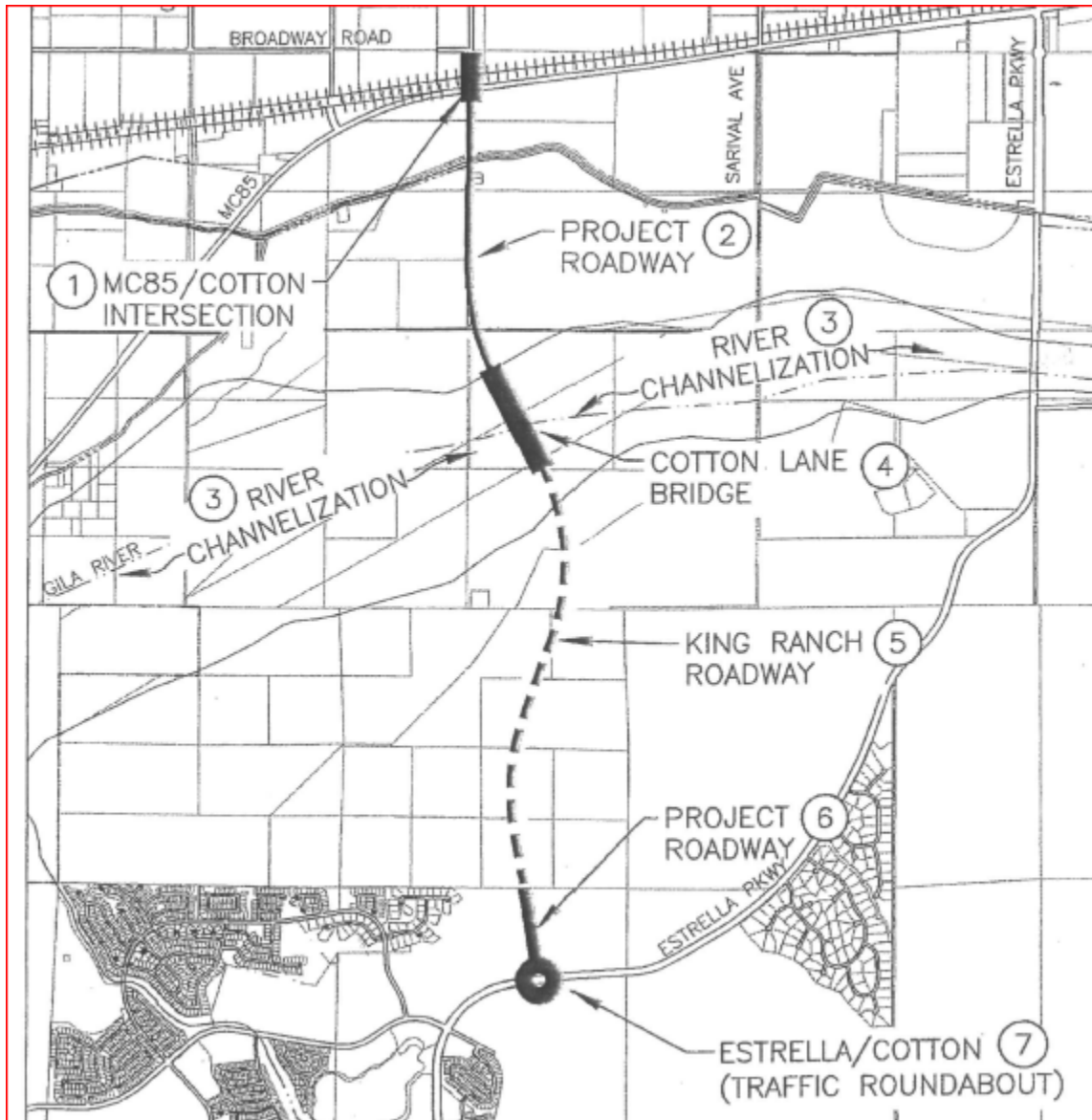
## ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT

Formed November 22, 1999



# The Public Infrastructure in Context of the District

## Cotton Lane Bride and Cotton Lane Road



# The Public Infrastructure in Context of the District

## Willis Road Improvement Exhibit



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**SECTION FOUR**

**ESTIMATE OF COST AND TIMETABLE FOR  
ACQUISITION OF PUBLIC INFRASTRUCTURE**

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**ESTIMATE OF COST AND TIMETABLE FOR  
ACQUISITION OF PUBLIC INFRASTRUCTURE**

The table in Section Two outlines the cost estimate and completion dates for the construction of the Public Infrastructure. Proceeds of the Bonds will be used to finance the acquisition of all or a portion of the Public Infrastructure listed in Section Two and to pay certain costs of issuance of the Bonds. It is anticipated that unfunded Public Infrastructure costs will be included in future bond issues of the District.

Listed below is an estimated draw schedule of the proceeds of the Bonds for the acquisition of the Public Infrastructure.

Public Infrastructure Description	Estimated Acquisition Price	Acceptance Date	Funds Draw Date
<b>1. Willis Road Phase 1</b>	\$7,530,099	03-25-10	Q4 2023
<b>2. Cotton Lane Bridge</b>	3,546,316	09-02-08	Q4 2023
Total	<u>\$11,076,415</u>		

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**SECTION FIVE**

**PLAN OF FINANCE**

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**PLAN OF FINANCE**

Below is a financing plan that describes the process for financing a portion of the Public Infrastructure benefiting the property within the District. This Plan of Finance is subject to modification to accommodate market conditions at the time of the actual sale of the Bonds and to the extent necessary to comply with federal and state law.

**(i) Formation and Authorization.**

In response to a petition from SunChase, the City Council formed the District on November 22, 1999. On December 13, 1999, SunChase, by designation of the landowners in the District at the time, authorized an election general obligation bonded debt in an amount not to exceed \$200,000,000 and will have an estimated \$170,818,585\* of such amount remaining after issuance of the Bonds. Such remaining authorized but unissued amount is subject to further reduction based on the amount of net premium on the general obligation bonds of the District. The District has previously sold its general obligation bonds in the aggregate original principal amount of \$32,005,000, comprised of \$17,955,000 of bonds to acquire or construct Public Infrastructure and \$14,050,000 of refunding bonds. The District currently has \$6,985,000 of general obligation bonds outstanding.

**(ii) Proposed Bond Sale.**

The District currently has \$6,985,000 of general obligation bonded debt outstanding. The estimated debt service schedule for the Bonds is included in this section. It is anticipated that the Bonds will be sold in approximately November 2023 and delivered in December 2023. The amount shown on the cover of this Report is a not-to-exceed amount and the actual aggregate principal amount of the Bonds issued may be lower (as shown in the sources and uses of funds table below and the estimated debt service schedule herein). It is currently estimated that the Bonds will have a final maturity of approximately 20 years and be structured to achieve an aggregate declining debt service. The Bonds will likely be rated by a rating agency based on the expected purchase of a municipal bond insurance policy from an insurer.

**(iii) Estimated Sources and Uses of Funds.**

The proceeds of the Bonds will be applied by the District to finance all or a portion of the Public Infrastructure listed in Section Two of this Report. The estimated sources and uses of funds related to the sale of the Bonds are:

<b><u>SOURCES*:</u></b>	
Principal Amount of Bonds	\$11,000,000.00
Net Original Issue Premium	200,611.00
Major Landowner Contribution (a)	<u>232,610.00</u>
Total	<u>\$11,433,221.00</u>
 <b><u>USES*:</u></b>	
Cost of Public Infrastructure	\$11,076,415.48
Estimated Costs of Issuance (a)	232,610.00
Bond Insurance Premium	<u>124,195.52</u>
Total	<u>\$11,433,221.00</u>

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(a) All costs of issuance and underwriter fees will be paid by the Major Landowner.

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\* Preliminary, subject to change.

**ESTIMATED COSTS OF ISSUANCE \***

Underwriter's Discount	\$ 82,610.00
Underwriter's Counsel	30,000.00
Bond Counsel	40,000.00
Financial Advisor	35,000.00
Rating	23,000.00
Trustee	3,250.00
Official Statement Preparation	10,000.00
Official Statement Printing	2,000.00
Miscellaneous	6,750.00
Total	<u>\$232,610.00</u>

**(iv) District Tax Rate, Standby Contribution Agreement and Homeowner's Property Tax Obligation.**

All Public Infrastructure that may be acquired by the District with any proceeds of the Bonds will be dedicated to and accepted by the City. The obligations pertaining to the operation and maintenance of the Public Infrastructure have been negotiated between the City, the District and the Major Landowner and are set forth in the various development agreements among the parties. The costs associated with the operation and maintenance of the Public Infrastructure, as well as the administrative costs, of the District will be provided by several sources of funds: A District property tax levy of \$0.30 per \$100 of net assessed limited property valuation for District operation and maintenance expenses (the "O&M Tax"), Homeowner's Association fees and Major Landowner contributions, if any.

In addition to the O&M Tax, the District will levy an ad valorem property tax to provide for debt service on bonds issued by the District, including the Bonds. Beginning in Fiscal Year 2023/24, the District will cause to be levied a combined ad valorem tax rate for each year the Bonds are outstanding in the amount of up to \$1.30 per \$100 of net assessed limited property value on all taxable property within the boundaries of the District. This tax rate includes a \$1.00 levy for debt service and a \$0.30 levy for the O&M Tax. This amount is a "target" tax rate. Any general obligation bonds of the District are, by law, to be paid from a property tax which is unlimited as to rate or amount.

To provide additional repayment support and maintenance of the secondary property tax rate at or below the target tax rate of \$1.00 per \$100 of net assessed limited property value, the Major Landowner, pursuant to a Standby Contribution Agreement, will be obligated to pay amounts necessary to maintain a tax rate of \$1.00 per \$100 of net assessed limited property value given the then current tax base and the debt service requirements of the Bonds. The Standby Contribution Agreement will be uncollateralized and in effect for the life of the Bonds, subject to termination if certain conditions are met, principally that the tax rate of \$1.00 per \$100 of net assessed limited property value alone is sufficient to provide for maximum annual debt service with respect to the Bonds and any other outstanding general obligation bonds of the District as well as administrative expenses of the District for a period of time provided in the Standby Contribution Agreement. (A similar agreement was executed and delivered in connection with the issuance of the District's currently outstanding general obligation bonds and it is expected that similar agreements will be executed and delivered with respect to bonds issued by the District in the future.) Once amounts available from the Standby Contribution Agreement are exhausted, the tax rate would, if necessary, be increased to pay debt service on the Bonds.

At the \$1.30 target tax rate level, assuming an average home price of \$525,000, the District portion of a tax bill for a homeowner will be approximately \$27† month or \$320† annually. A.R.S. § 32-2181 *et seq.* requires the disclosure of all property taxes to be paid by a homeowner in the Arizona Department of Real Estate Subdivision Public Report (the "Public Report"). Prior to each initial home sale by a homebuilder,

\* Preliminary, subject to change.

† The estimated tax liability is calculated from the August 2023 County Abstract of the Assessment Roll Owner Occupied Residential ("Class 3") data using the following formula:

$$(\text{Net Assessed Limited Property Value} \div \text{Number of Lots}) \times (\text{the District's Secondary Tax Rate of } \$1.3000) \div 100$$



each homebuyer must be supplied the Public Report, and the homebuyer must acknowledge by signature that they have read and accepted the Public Report. In addition, each homebuyer will receive a form detailing the existence of the District, the tax rate and its financial impact and receipt of this form will be acknowledged in writing by the homebuyer, and a signed copy will be kept on file with the District Clerk.

**(v) Other District Information.**

Shown in the following tables are the District’s overlapping general obligation bonded indebtedness including a breakdown of each overlapping jurisdiction’s applicable general obligation bonded indebtedness, the portion of such indebtedness applicable to the District, a comparison of net assessed limited property values and tax rates per \$100 net assessed limited property value.

**OVERLAPPING GENERAL OBLIGATION BONDED INDEBTEDNESS**

Overlapping Jurisdiction	General Obligation Bonded Debt Outstanding (a)	Portion Applicable to the District (b)	
		Approximate Percentage	Net Debt Amount
State of Arizona	None	0.200%	None
Maricopa County	None	0.304	None
Maricopa County Community College District	\$ 87,320,000	0.304	\$ 265,089
Maricopa County Special Health Care District	574,205,000	0.302	1,733,529
Western Maricopa Education Center	114,930,000	0.800	919,637
Buckeye Union High School District No. 201	61,085,000	15.600	9,529,087
Liberty Elementary School District No. 25	48,655,000	39.296	19,119,622
City of Goodyear	141,340,000	11.474	16,217,638
The District (c)	6,985,000	100.000	6,985,000
Total Direct and Overlapping General Obligation Bonded Debt Outstanding			<u>\$54,769,603</u>

- (a) Includes total general obligation bonds outstanding less redemption funds on hand. Does not include authorized but unissued general obligation bonds of such jurisdictions which may be issued in the future.

Also does not include the obligation of the Central Arizona Water Conservation District (“CAWCD”) to the United States Department of the Interior (the “Department of the Interior”), for repayment of certain capital costs for construction of the Central Arizona Project (“CAP”), a major reclamation project that has been substantially completed by the Department of the Interior. The obligation is evidenced by a master contract between CAWCD and the Department of the Interior. In April of 2003, the United States and CAWCD agreed to settle litigation over the amount of the construction cost repayment obligation, the amount of the respective obligations for payment of the operation, maintenance and replacement costs and the application of certain revenues and credits against such obligations and costs. Under the agreement, CAWCD’s obligation for substantially all of the CAP features that have been constructed so far will be set at \$1.646 billion, which amount assumes (but does not mandate) that the United States will acquire a total of 667,724 acre-feet of CAP water for federal purposes. The United States will complete unfinished CAP construction work related to the water supply system and regulatory storage stages of CAP at no additional cost to CAWCD. Of the \$1.646 billion repayment obligation, 73% will be interest bearing and the remaining 27% will be non-interest bearing. These percentages have been fixed for the entire 50-year repayment period, which commenced October 1, 1993. CAWCD is a multi-county water conservation district having boundaries coterminous with the exterior boundaries of Arizona’s Maricopa, Pima and Pinal Counties. It was formed for the express purpose of paying administrative costs and expenses of the CAP and to assist in the repayment to the United States of the CAP capital costs. Repayment will be made from a combination of power revenues, subcontract revenues (i.e., agreements with municipal, industrial and agricultural water users for delivery of CAP water) and a tax levy against all taxable property within CAWCD’s boundaries. At the date of this Official Statement, the tax levy is limited to \$0.14 per \$100 of net assessed limited property value, of which \$0.14 is currently being levied. (See Arizona Revised Statutes, §§ 48-3715 and 48-3715.02.) There can be no assurance that such levy limit will not be increased or removed at any time during the life of the contract.

Does not include the obligation of the Maricopa County Flood Control District (the “County Flood Control District”) to contribute \$70 to \$80 million to the CAP. The County Flood Control District’s sole source of revenue to pay the contribution will be ad valorem taxes on real property and improvements.

- (b) Proportion applicable to the District is computed on the ratio of net assessed limited property value as calculated for Fiscal Year 2023/24 for the overlapping jurisdiction to the amount of such valuation which lies within the District. If the assessed value within the District increases at a faster rate than the overlapping jurisdictions, the amount of overlapping debt allocated for payment within the District will increase.
- (c) Does not include the Bonds. Does not include special assessment revenue bonds or general obligation bonds expected to be issued by the District in the future.

Source: The various entities.

**DIRECT AND OVERLAPPING NET ASSESSED  
LIMITED PROPERTY VALUE AND TOTAL TAX RATES**

Overlapping Jurisdiction	2023/24 Net Assessed Limited Property Value	2023/24 Combined Tax Rate Per \$100 of Net Assessed Limited Property Value (a)(b)
State of Arizona	\$83,026,530,244	None
Maricopa County	54,722,326,231	\$1.2044
Maricopa County Community College District	54,722,326,231	1.1388
Maricopa County Fire District Assistance	54,722,326,231	0.0081 (c)
Maricopa County Flood Control District	50,354,573,089	0.1536 (d)
Maricopa County Special Health Care District	55,027,363,791	0.2716
Maricopa County Library District	54,722,326,231	0.0488
Central Arizona Water Conservation District	55,027,363,791	0.1400 (e)
West Maricopa Education Center	20,761,536,409	0.1807
Buckeye Union High School District No. 201	1,064,942,169	2.9938
Liberty Elementary School District No. 25	422,757,102	4.0943
City of Goodyear	1,447,838,835	1.7350
The District	166,127,966	1.3000

- (a) Represents the combined tax rate for debt service payments and the tax rate for all other purposes such as maintenance and operation and capital outlay.
- (b) All levies for library districts, hospital districts, fire districts, technology districts, water conservation districts and flood control districts are levied on the net full cash assessed value.
- (c) The County is mandated to levy a tax annually in support of fire districts in the County.
- (d) Does not include the personal property assessed valuation within the County.
- (e) Includes only the assessed valuation located within the County.

Source: *Abstract by Tax Authority*, the Assessor of the County, *State and County Abstract of the Assessment Roll*, Arizona Department of Revenue and *Maricopa County 2023 Tax Levy*, Maricopa County – Finance Department.

The full cash value, estimated net full cash value and the net assessed limited property value of taxable property within the boundaries of the District for the indicated tax years are shown in the table below:

**PROPERTY VALUATIONS**

Fiscal Year	Full Cash Value	Estimated Net Full Cash Value (a)	Net Assessed Limited Property Value
2023/24	\$2,652,486,356	\$2,649,940,675	\$166,127,966
2022/23	1,897,020,562	1,893,931,348	147,681,674
2021/22	1,695,177,300	1,692,389,690	134,052,722
2020/21	1,456,915,556	1,454,063,376	118,823,073
2019/20	1,241,391,322	1,239,052,113	104,760,225

(a) Full Cash Value net of the estimated value of property exempt from taxation.

Source: Abstract by Tax Authority, Maricopa County Assessor’s Office (August dated file for each corresponding year).

**ESTIMATED DEBT SERVICE SCHEDULE \***

Period Ending (July 15)	Outstanding Bonds		The Bonds		Total Combined Debt Service Requirements* (b)
	Principal	Interest	Principal*	Interest* (a)	
2024	\$ 840,000	\$257,300	\$ 145,000	\$331,541	\$ 1,573,841
2025	875,000	223,700	-	558,413	1,657,113
2026	920,000	179,950	-	558,413	1,658,363
2027	950,000	147,750	-	558,413	1,656,163
2028	985,000	119,250	-	558,413	1,662,663
2029	1,015,000	87,238	-	558,413	1,660,650
2030	1,050,000	54,250	-	558,413	1,662,663
2031	350,000	17,500	280,000	558,413	1,205,913
2032			660,000	544,413	1,204,413
2033			690,000	511,413	1,201,413
2034			725,000	476,913	1,201,913
2035			765,000	440,663	1,205,663
2036			805,000	400,500	1,205,500
2037			845,000	358,238	1,203,238
2038			890,000	313,875	1,203,875
2039			935,000	267,150	1,202,150
2040			985,000	218,063	1,203,063
2041			1,040,000	166,350	1,206,350
2042			1,090,000	111,750	1,201,750
2043			1,145,000	57,250	1,202,250
<b>Total</b>	<b>\$6,985,000</b>		<b>\$11,000,000</b>		<b>\$27,178,941</b>

(a) Interest column reflects total interest payments for each Fiscal Year; interest will be paid semi-annually on January 15 and July 15 commencing on July 15, 2024\*. Interest is estimated.

(b) Totals may not add due to rounding.

\* Preliminary, subject to change.

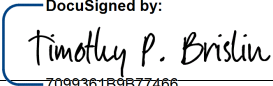
Reviewed and accepted by:  
ESTRELLA NORTH LLC,  
a Delaware limited liability limited company

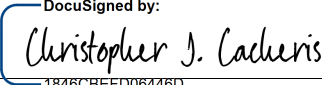
By: Estrella Partners, LP,  
a Delaware limited partnership,  
its Sole Member and Manager

By: Goodyear EMR GP, LLC,  
a Delaware limited liability company,  
its General Partner

By: EMR Harvard LLC,  
an Arizona limited liability company,  
its Administrative Member

By: Harvard Investments, Inc.,  
a Nevada corporation  
its Manager

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By: \_\_\_\_\_  
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Name: Timothy P. Brislin  
Title: Senior Vice President

DocuSigned by:  
  
By: \_\_\_\_\_  
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Name: Christopher J. Cacheris  
Title: Senior Vice President

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**APPENDIX A**

**LEGAL DESCRIPTION FOR  
ESTRELLA MOUNTAIN RANCH  
COMMUNITY FACILITIES DISTRICT**

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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;

Legal Description for  
Estrella - Legal 3  
February 27, 1997  
Page 2 of 7

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;



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

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;

Legal Description for  
Estrella - Legal 3  
February 27, 1997  
Page 4 of 7

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 11;

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;

Legal Description for  
Estrella - Legal 3  
February 27, 1997  
Page 5 of 7

Thence North 02°11'20" West (measured), North 02°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°37'33" East (measured), North 89°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°43'37" East (measured), North 89°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°43'37" East (measured), North 89°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°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°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°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.

Legal Description for  
Estrella - Legal 3  
February 27, 1997  
Page 6 of 7

PARCEL 3

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 7

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;

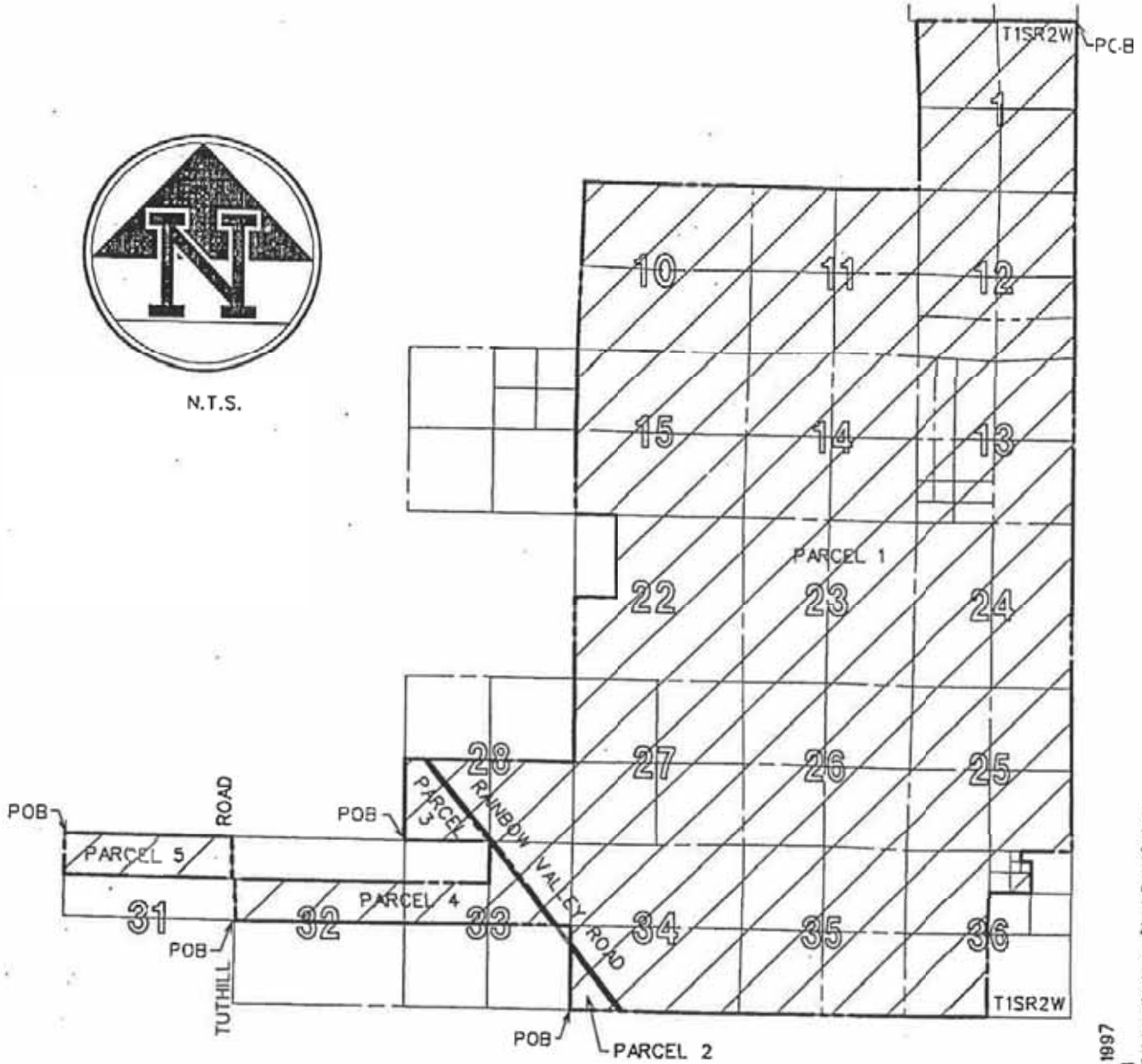
Thence North  $89^{\circ}49'56''$  West, along said East-West mid-section line, a distance of 4,723.13 feet to the Point of Beginning.

Containing 303.465 Acres more or less.

Containing 10,504.512 Acres total more or less.



N.T.S.



DATE:- Feb. 26, 1997  
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EXHIBIT

ESTRELLA - LEGAL 3

JOB NO  
46002501

4550 NORTH 12TH STREET  
 PHOENIX, ARIZONA 85014  
 TELEPHONE (602) 264-6831

**COE & VAN LOO**  
 PLANNING • ENGINEERING • LANDSCAPE ARCHITECTURE

SHEET  
1 OF 1

EXCEPT the following parcels, legally described as follows:

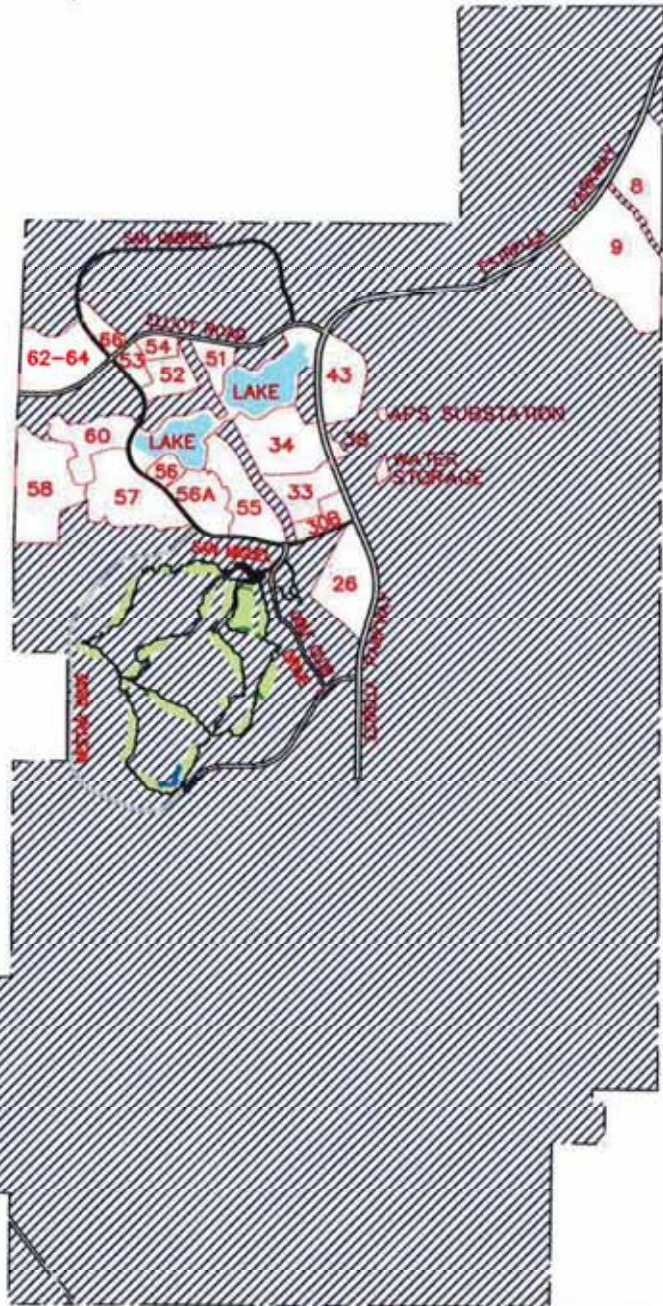
- a) Estrella Parcel 8, according to Book 318 of Maps, Page 39, Records of Maricopa County, Arizona.
- b) Lots 22, 23, 24, 28 – 32, 38, 39, 75, and Tracts A, B, C and D of Estrella Parcel 9, according to Book 318 of Maps, Page 40, Records of Maricopa County, Arizona.
- c) SunChase at Estrella Parcel 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, Records of Maricopa County, Arizona.
- 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. 97-0897454 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. 89-336246, RECORDS OF MARICOPA COUNTY, AZ.
- 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 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. 90-538561, 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.**  
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