

**ELIANTO COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

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(FORMATION THROUGH ELECTION)**

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**PETITION FOR FORMATION  
AND  
PETITION FOR ADOPTION OF RESOLUTIONS  
ORDERING AND DECLARING  
FORMATION OF  
ELIANTO COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

STATE OF ARIZONA     )  
COUNTY OF MARICOPA )  
TOWN OF BUCKEYE     )

The undersigned owners of all of the land (hereinafter collectively referred to as the "*Petitioner*"), hereinafter described by metes and bounds, acting pursuant to the provisions of Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (hereinafter referred to as the "*Act*"), respectfully petitions the Honorable Town Council of the Town of Buckeye, Arizona (hereinafter referred to as the "*Town*"), to adopt such resolutions (hereinafter referred to as the "*Resolutions*") as may be necessary to declare its intent to form and order the formation of a tax levying community facilities district (hereinafter referred to as the "*District*") and would respectfully request the proceedings to provide for the following:

A. The name of the District is to be "***ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA)***",

B. The District is to be formed, and shall exist, pursuant to the terms and provisions of the Act,

C. The District is to contain an area of approximately 3,883 acres of land, more or less, wholly within the corporate boundaries of the Town and is to be composed of the land described by metes and bounds in *Exhibit A* hereto, which is made a part hereof for all purposes,

D. The District is to be a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes, as amended; is, except as otherwise provided in the Act, to be considered a municipal corporation and political subdivision of the State of Arizona, separate and apart from the Town, and is to be formed for, and to have, all the purposes and powers of a "District" as such term is defined, and as provided, in the Act,

E. Public convenience and necessity require the adoption of the Resolutions.

NOW THEREFORE, the Petitioner represents, attests and declares that:

1. On the date hereof, as shown on the assessment roll for State and county taxes in Maricopa County, Arizona, all of the land to be in the District, as described in Exhibit A hereto and depicted on the map attached hereto as Exhibit B which is made a part hereof, is owned by Petitioner or, if a person listed on such assessment roll is no longer the owner of the land in the District, that the name of the successor owner has become known and has been verified by recorded deed or other similar evidence of transfer of ownership to be Petitioner and that there are no resident electors on the land to be in the District; and

2. Attached hereto as Exhibit C and made a part hereof, is a certificate of the Tax Assessor of Maricopa County stating who are the owners of the land in the proposed District and listing the tax parcel numbers for the parcels of real property affected by or included within the boundaries of the District; and

3. Attached hereto as Exhibit D and made a part hereof, is a certificate of the Maricopa County Recorder stating who are qualified electors residing on the land in the proposed District; and

4. Based on its own knowledge and the information contained in Exhibits C and D hereto, the Petitioner is the sole owner of the real property described in Exhibit A; no other person having any interest in such real property has filed a written request for copies of any notices under the Act; and there are no qualified electors residing on such real property; and

5. The land to be included in the District: (i) consists of approximately 3,883 acres; (ii) lies wholly within the corporate limits of the Town; and (iii) shall be benefited from the improvements for which the District is proposed to be formed; and

6. This Petition is signed (either as a single document or in counterparts) by the owners of all the land to be in the District, any requirements of posting, publication, mailing, notice, hearing and landowner election otherwise required by the Act in connection with the formation of the District and the adoption of the Resolutions are waived, and the Town may, and is hereby requested to, on receipt of this Petition, declare the District formed without being required to comply with such provisions for posting, publication, mailing, notice, hearing or landowner election; and

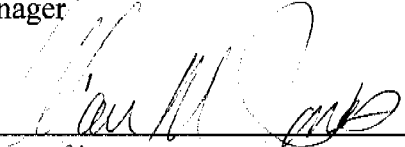
7. A "general plan" (as such term is defined in the Act) for the proposed District has been filed with the Town Clerk setting out a general description of the proposed public infrastructure improvements for which the District is proposed to be formed and the general areas to be improved.

**FURTHER**, Petitioner requests that this Petition be properly filed as provided by law; that the Town adopt the Resolutions required to declare and order the District formed without being required to comply with the provisions for posting, publication, mailing, notice, hearing and landowner election otherwise required by the Act in connection with the Resolutions; and that such other orders, acts, procedures and relief as are proper, necessary and appropriate to the purposes of organizing the District and to the execution of the purposes for which the District shall be organized be granted as the Honorable Town Council shall deem proper and necessary.

Submitted and effective this 19 day of January, 2005.

**ELIANTO, LLC**, an Arizona limited liability company

By: Lennar Communities Development, Inc.  
Its: Manager

By   
Its Manager

**CPH ELIANTO WEST, LLC**, a Delaware limited liability company

By: Capital Pacific Holdings, Inc.,  
A Delaware corporation  
Its: Sole Member

By: Capital Pacific Homes of Arizona, Inc., a  
Delaware corporation  
Its: Authorized Agent

By \_\_\_\_\_  
Name: A. Clyde Dinnell  
Its: President

By \_\_\_\_\_  
Name: Sara Ridgeway  
Its: Chief Financial Officer

**E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO. 2**, an Arizona limited partnership

By \_\_\_\_\_  
Its \_\_\_\_\_



STATE OF ARIZONA )  
COUNTY OF MARICOPA )

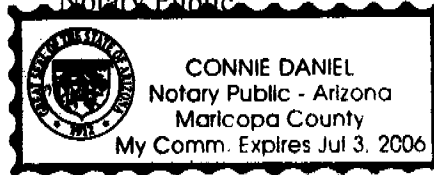
The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of January, 2005, by Alan M. Jones, Vice President of Lennar Communities Development, Inc., a Delaware corporation, Manager of Elianto, LLC., an Arizona limited liability company, on behalf of the limited liability company.

Connie Daniel

Notary Public

My commission expires:

7/3/2006



STATE OF ARIZONA )  
COUNTY OF MARICOPA )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2005, by A. Clyde Dinnell and Sara Ridgeway, President and Chief Financial Officer of Capital Pacific Homes of Arizona, Inc., a Delaware corporation, the authorized agent of Capital Pacific Holdings, Inc., the sole member of CPH Elianto West, LLC, a Delaware limited liability company, on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public

My commission expires:

\_\_\_\_\_

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by \_\_\_\_\_, \_\_\_\_\_ of E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO. 2, an Arizona limited partnership, on behalf of the limited partnership.

\_\_\_\_\_  
Notary Public

My commission expires:

\_\_\_\_\_

- Exhibit A – Legal Description
- Exhibit B – Map
- Exhibit C – Certificate of Tax Assessor
- Exhibit D – Certificate of Maricopa County Recorder

Submitted and effective this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**ELIANTO, LLC**, an Arizona limited liability company

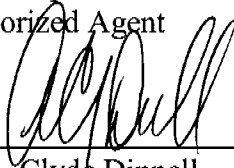
By: Lennar Communities Development, Inc.  
Its: Manager

By \_\_\_\_\_  
Its \_\_\_\_\_

**CPH ELIANTO WEST, LLC**, a Delaware limited liability company

By: Capital Pacific Holdings, Inc.,  
A Delaware corporation  
Its: Sole Member

By: Capital Pacific Homes of Arizona, Inc., a  
Delaware corporation  
Its: Authorized Agent

By  \_\_\_\_\_  
Name: A. Clyde Dinnell  
Its: President

By  \_\_\_\_\_  
Name: Sara Ridgeway  
Its: Chief Financial Officer

**E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO. 2**, an Arizona limited partnership

By \_\_\_\_\_  
Its \_\_\_\_\_

STATE OF ARIZONA )  
COUNTY OF MARICOPA )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_, \_\_\_\_\_ of Lennar Communities Development, Inc., a Delaware corporation, Manager of Elianto, LLC., an Arizona limited liability company, on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA )  
COUNTY OF MARICOPA )

The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of January, 2005, by A. Clyde Dinnell and Sara Ridgeway, President and Chief Financial Officer of Capital Pacific Homes of Arizona, Inc., a Delaware corporation, the authorized agent of Capital Pacific Holdings, Inc., the sole member of CPH Elianto West, LLC, a Delaware limited liability company, on behalf of the limited liability company.

Danette Nelson  
\_\_\_\_\_  
Notary Public

My commission expires:  
2-16-2008



Notary Public State of Arizona  
Maricopa County  
Danette Nelson  
Expires February 16, 2008

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, \_\_\_\_\_ of E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO. 2, an Arizona limited partnership, on behalf of the limited partnership.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

- Exhibit A – Legal Description
- Exhibit B – Map
- Exhibit C – Certificate of Tax Assessor
- Exhibit D – Certificate of Maricopa County Recorder

Submitted and effective this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**ELIANTO, LLC**, an Arizona limited liability company

By: Lennar Communities Development, Inc.  
Its: Manager

By \_\_\_\_\_  
Its \_\_\_\_\_

**CPH ELIANTO WEST, LLC**, a Delaware limited liability company

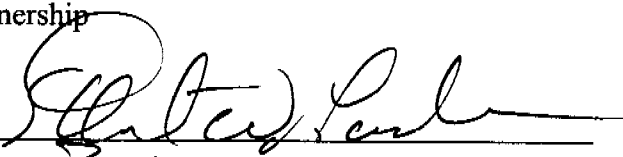
By: Capital Pacific Holdings, Inc.,  
A Delaware corporation  
Its: Sole Member

By: Capital Pacific Homes of Arizona, Inc., a  
Delaware corporation  
Its: Authorized Agent

By \_\_\_\_\_  
Name: A. Clyde Dinnell  
Its: President

By \_\_\_\_\_  
Name: Sara Ridgeway  
Its: Chief Financial Officer

**E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO. 2**, an Arizona limited partnership

By   
Its PARTNER

STATE OF ARIZONA )  
COUNTY OF MARICOPA )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_, \_\_\_\_\_ of Lennar Communities Development, Inc., a Delaware corporation, Manager of Elianto, LLC., an Arizona limited liability company, on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA )  
COUNTY OF MARICOPA )

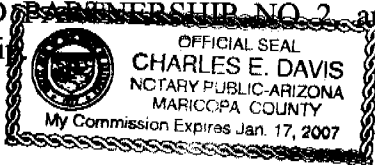
The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by A. Clyde Dinnell and Sara Ridgeway, President and Chief Financial Officer of Capital Pacific Homes of Arizona, Inc., a Delaware corporation, the authorized agent of Capital Pacific Holdings, Inc., the sole member of CPH Elianto West, LLC, a Delaware limited liability company, on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF MARICOPA

The foregoing instrument was acknowledged before me this 19th day of Jan, 2005 by ELBERT W. GARDNER as GENERAL PARTNER of E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO. 2, an Arizona limited partnership, on behalf of the limited partnership.



Charles E. Davis  
Notary Public

My commission expires:  
1/17/07

- Exhibit A – Legal Description
- Exhibit B – Map
- Exhibit C – Certificate of Tax Assessor
- Exhibit D – Certificate of Maricopa County Recorder

December 16, 2004

LEGAL DESCRIPTION FOR  
ELIANTO  
OVERALL CFD

## PARCEL 1

That part of Sections 15, 16, 21, 22, 27, 28 and 29, Township 2 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the South Quarter Corner of said Section 28;

Thence North  $89^{\circ}29'14''$  West, along the South line of the Southwest Quarter of said Section 28, a distance of 2,615.02 feet to the Maricopa County Highway Department Brass Cap in a handhole marking the Southeast Corner of said Section 29;

Thence North  $89^{\circ}17'21''$  West, along the South line of the Southeast Quarter of said Section 29, a distance of 2,652.50 feet to the South Quarter Corner thereof;

Thence North  $01^{\circ}40'24''$  East, along the North South mid-section line of said Section 29, a distance of 2,639.30 feet to the Center of said Section 29;

Thence South  $89^{\circ}19'21''$  East, along the East West mid-section line of said Section 29, a distance of 2,536.40 feet to the West Quarter Corner of said Section 28;

Thence North  $02^{\circ}55'38''$  East, along the West line of the Northwest Quarter of said Section 28, a distance of 2,650.09 feet to the Southwest Corner of said Section 21;

Thence North  $00^{\circ}24'07''$  West, along the West line of the Southwest Quarter of said Section 21, a distance of 2,648.08 feet to the West Quarter Corner thereof;

Thence continuing North  $00^{\circ}24'07''$  West, along the West line of the Northwest Quarter of said Section 21, a distance of 2,648.35 feet to the Southwest Corner of said Section 16;

Thence North  $00^{\circ}01'13''$  East, along the West line of the Southwest Quarter of said Section 16, a distance of 2,648.88 feet to the West Quarter Corner thereof;

Thence South  $89^{\circ}10'22''$  East, along the East West mid-section line of said Section 16, a distance of 2,614.18 feet to the Center of said Section 16;

Legal Description for  
Elianto  
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December 16, 2004

Thence continuing South  $89^{\circ}10'22''$  East, along said East West mid-section line, a distance of 2,607.50 feet to the West Quarter Corner of said Section 15;

Thence South  $89^{\circ}23'26''$  East, along the East West mid-section line of said Section 15, a distance of 1,347.51 feet to the Southwest Corner of the South Half of G.L.O. Lot 6;

Thence North  $01^{\circ}51'59''$  East, along the West line of G.L.O. Lot 6, a distance of 691.81 feet to the Northwest Corner of the South Half of G.L.O. Lot 6;

Thence South  $89^{\circ}27'48''$  East, along the North line of the South Half of G.L.O. Lot 6, a distance of 1,342.30 feet to the Northwest Corner of the South Half of G.L.O. Lot 7;

Thence continuing South  $89^{\circ}27'48''$  East, along the North line of G.L.O. Lot 7, a distance of 1,303.31 feet to the Northeast Corner thereof;

Thence South  $02^{\circ}04'21''$  West, along the East line of said G.L.O. Lot 7, a distance of 695.22 feet to the Southeast Corner thereof;

Thence South  $89^{\circ}23'26''$  East, along the East West mid-section line of said Section 15, a distance of 1,295.52 feet to the East Quarter Corner thereof;

Thence South  $00^{\circ}15'01''$  West, along the East line of the Southeast Quarter of said Section 15, a distance of 2,641.39 feet to the Northeast Corner of said Section 22;

Thence North  $89^{\circ}25'01''$  West, along the North line of the Northeast Quarter of said Section 22, a distance of 1,322.78 feet to the Northeast Corner of the West Half of the Northeast Quarter of said Section 22;

Thence South  $00^{\circ}06'06''$  East, along the East line of said West Half, a distance of 1,968.79 feet to the Southeast Corner of the North Half of the Southwest Quarter of the Northeast Quarter of said Section 22;

Thence North  $89^{\circ}01'22''$  West, along the South line of the North Half of the Southwest Quarter of the Northeast Quarter of said Section 22, a distance of 1,321.26 feet to a point on the North South mid-section line of said Section 22;

Thence South  $00^{\circ}09'00''$  East, along the North South mid-section line, a distance of 653.24 feet to the Center of said Section 22;

Thence continuing South  $00^{\circ}09'00''$  East, along said North South mid-section line, a distance of 1,994.48 feet to the Northwest Corner of the South Half of the South Half of the Southeast Quarter of said Section 22;

Legal Description for  
Elianto  
Overall CFD  
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Thence South  $89^{\circ}15'59''$  East, along the North line of the South Half of the South Half of the Southeast Quarter of said Section 22, a distance of 2,638.89 feet to the Northeast Corner of the South Half of the South Half of the Southeast Quarter of said Section 22;

Thence South  $00^{\circ}04'58''$  East, along the East line of the Southeast Quarter of said Section 22, a distance of 658.96 feet to the Northeast Corner of said Section 27;

Thence South  $00^{\circ}16'27''$  East, along the East line of the Northeast Quarter of said Section 27, a distance of 1,318.69 feet to the Southeast Corner of the North Half of the Northeast Quarter of said Section 27;

Thence North  $89^{\circ}27'00''$  West, along the South line thereof, a distance of 2,643.32 feet to the Southwest Corner of the North Half of the Northeast Quarter of said Section 27;

Thence South  $00^{\circ}02'36''$  East, along the North South mid-section line, a distance of 1,321.23 feet to the Center of said Section 27;

Thence South  $00^{\circ}02'36''$  East, along the North South mid-section line of said Section 27, a distance of 2,639.04 feet to the South Quarter Corner thereof;

Thence North  $89^{\circ}34'35''$  West, along the South line of the Southwest Quarter of said Section 27, a distance of 2,661.01 feet to the Southeast Corner of said Section 28;

Thence North  $89^{\circ}29'08''$  West, along the South line of the Southeast Quarter of said Section 28, a distance of 2,652.13 feet to the Point of Beginning.

Containing 2,928.292 Acres, more or less.

PARCEL 2

That part of the West Half of Section 17 and that part of Section 18, Township 2 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the South Quarter Corner of said Section 17;

Thence North  $89^{\circ}33'33''$  West, along the South line of the Southwest Quarter of said Section 17, a distance of 2,564.00 feet to the G.L.O. Brass Cap marking the Southeast Corner of said Section 18;

Thence North  $88^{\circ}50'03''$  West, along the South line of the Southeast Quarter of said Section 18, a distance of 2,640.27 feet to the South Quarter Corner thereof;



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Elianto  
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Thence South 89°57'40" West, along the South line of the Southwest Quarter of said Section 18, a distance of 941.53 feet to the beginning of a tangent curve of 2,600.00 foot radius, concave Northeasterly;

Thence Northwesterly, departing said South line, along said curve, through a central angle of 31°13'45", a distance of 1,417.13 feet;

Thence North 58°48'35" West, a distance of 595.03 feet to a point on the West line of the Southwest Quarter of said Section 18;

Thence North 00°20'38" East, along the West line of the Southwest Quarter of said Section 18, a distance of 1,959.24 feet to the West Quarter Corner thereof;

Thence North 00°22'00" East, along the West line of the Northwest Quarter of said Section 18, a distance of 2,644.07 feet to the Northwest Corner thereof;

Thence North 89°48'05" East, along the North line of the Northwest Quarter of said Section 18, a distance of 2,543.69 feet to the North Quarter Corner thereof;

Thence South 88°46'54" East, along the North line of the Northeast Quarter of said Section 18, a distance of 2,654.20 feet to the Northwest Corner of said Section 17;

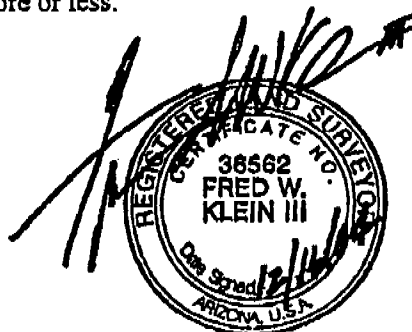
Thence South 89°19'19" East, along the North line of the Northwest Quarter of said Section 17, a distance of 2,682.29 feet to the North Quarter Corner thereof;

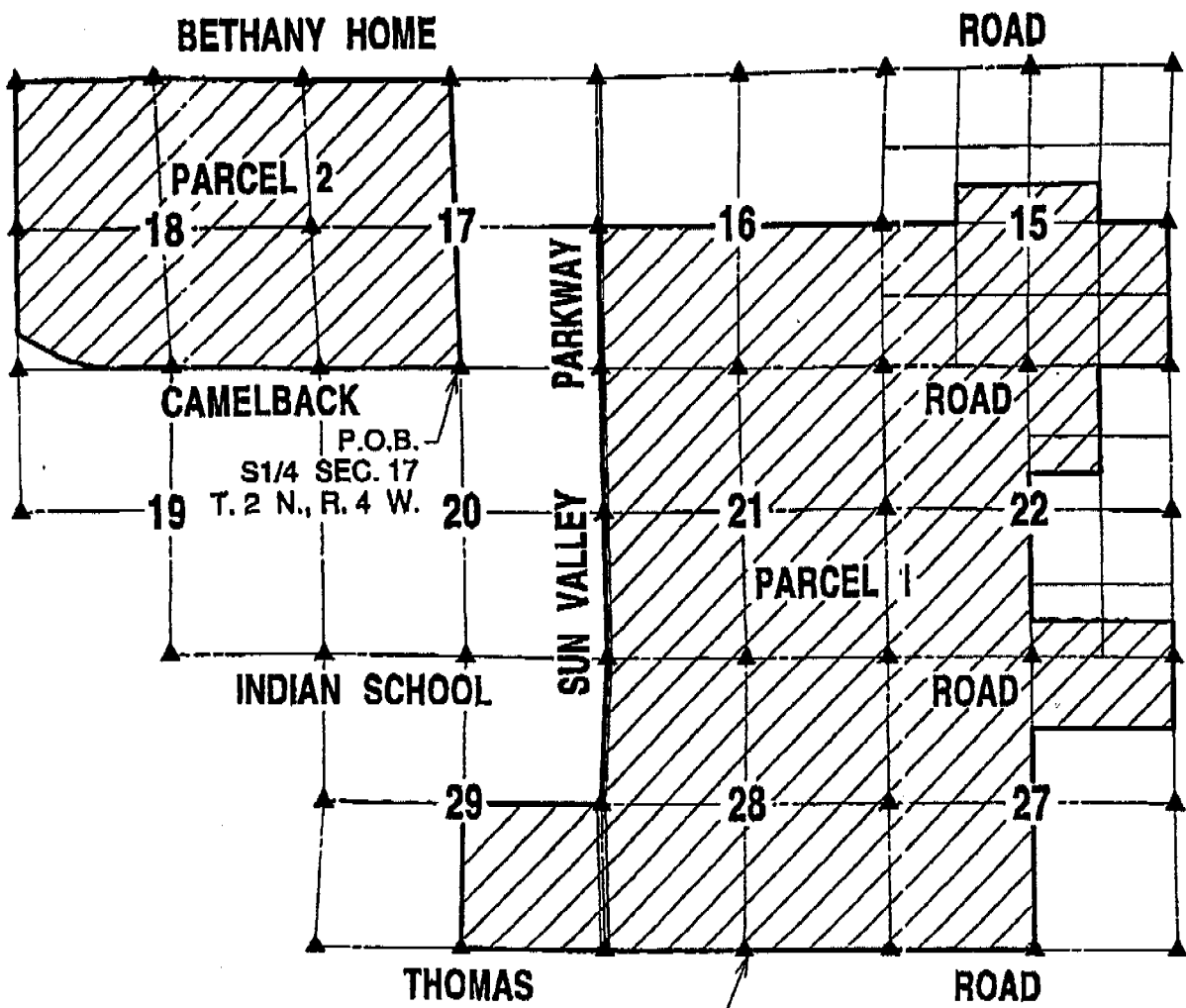
Thence South 01°01'27" East, along the North South mid-section line of said Section 17, a distance of 2,633.10 feet to the Center of said Section 17;

Thence continuing South 01°01'27" East, along said North South mid-section line, a distance of 2,648.40 feet to the Point of Beginning.

Containing 954.441 Acres, more or less.

Containing 3882.733 Total Acres, more or less.





CAMELBACK  
P.O.B.  
S1/4 SEC. 17  
T. 2 N., R. 4 W.

P.O.B.  
S1/4 SEC. 28  
T. 2 N., R. 4 W.

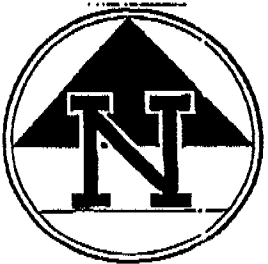


EXHIBIT	ELIANTO OVERALL CFD	JOB NO 720001
 4550 North 12th Street Phoenix, Arizona 85014 Telephone 602-264-6831 <a href="http://www.cvlc.com">http://www.cvlc.com</a>	Coe & Van Loo Consultants, Inc.	SHEET 1 OF 1

**ELIANTO COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

**ASSESSOR'S CERTIFICATE**

I, the undersigned Maricopa County Assessor, hereby certify that the following persons are the owners of the real property described in Exhibit A hereto as shown on the most recent assessment roll for state and county taxes and owners of the corresponding tax parcels which are included in the area described in Exhibit A hereto.

Owner

1. Name: Elianto LLC  
Address: 1150 Grove Parkway Suite No 105  
Tempe, AZ 85283
  
2. Name: CPH Elianto West LLC  
Address: 1855 W Baseline Rd #101  
Mesa, AZ 85202
  
3. Name: E W Gardner Family Limited Partnership No 2  
Address: 4301 E McKellips Rd  
Mesa, AZ 85215

Dated: 1-11-05

**MARICOPA COUNTY ASSESSOR**

Dorel Kelly

December 16, 2004

LEGAL DESCRIPTION FOR  
ELIANTO  
OVERALL CFD

## PARCEL 1

That part of Sections 15, 16, 21, 22, 27, 28 and 29, Township 2 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the South Quarter Corner of said Section 28;

Thence North  $89^{\circ}29'14''$  West, along the South line of the Southwest Quarter of said Section 28, a distance of 2,615.02 feet to the Maricopa County Highway Department Brass Cap in a handhole marking the Southeast Corner of said Section 29;

Thence North  $89^{\circ}17'21''$  West, along the South line of the Southeast Quarter of said Section 29, a distance of 2,652.50 feet to the South Quarter Corner thereof;

Thence North  $01^{\circ}40'24''$  East, along the North South mid-section line of said Section 29, a distance of 2,639.30 feet to the Center of said Section 29;

Thence South  $89^{\circ}19'21''$  East, along the East West mid-section line of said Section 29, a distance of 2,536.40 feet to the West Quarter Corner of said Section 28;

Thence North  $02^{\circ}55'38''$  East, along the West line of the Northwest Quarter of said Section 28, a distance of 2,650.09 feet to the Southwest Corner of said Section 21;

Thence North  $00^{\circ}24'07''$  West, along the West line of the Southwest Quarter of said Section 21, a distance of 2,648.08 feet to the West Quarter Corner thereof;

Thence continuing North  $00^{\circ}24'07''$  West, along the West line of the Northwest Quarter of said Section 21, a distance of 2,648.35 feet to the Southwest Corner of said Section 16;

Thence North  $00^{\circ}01'13''$  East, along the West line of the Southwest Quarter of said Section 16, a distance of 2,648.88 feet to the West Quarter Corner thereof;

Thence South  $89^{\circ}10'22''$  East, along the East West mid-section line of said Section 16, a distance of 2,614.18 feet to the Center of said Section 16;

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Thence continuing South  $89^{\circ}10'22''$  East, along said East West mid-section line, a distance of 2,607.50 feet to the West Quarter Corner of said Section 15;

Thence South  $89^{\circ}23'26''$  East, along the East West mid-section line of said Section 15, a distance of 1,347.51 feet to the Southwest Corner of the South Half of G.L.O. Lot 6;

Thence North  $01^{\circ}51'59''$  East, along the West line of G.L.O. Lot 6, a distance of 691.81 feet to the Northwest Corner of the South Half of G.L.O. Lot 6;

Thence South  $89^{\circ}27'48''$  East, along the North line of the South Half of G.L.O. Lot 6, a distance of 1,342.30 feet to the Northwest Corner of the South Half of G.L.O. Lot 7;

Thence continuing South  $89^{\circ}27'48''$  East, along the North line of G.L.O. Lot 7, a distance of 1,303.31 feet to the Northeast Corner thereof;

Thence South  $02^{\circ}04'21''$  West, along the East line of said G.L.O. Lot 7, a distance of 695.22 feet to the Southeast Corner thereof;

Thence South  $89^{\circ}23'26''$  East, along the East West mid-section line of said Section 15, a distance of 1,295.52 feet to the East Quarter Corner thereof;

Thence South  $00^{\circ}15'01''$  West, along the East line of the Southeast Quarter of said Section 15, a distance of 2,641.39 feet to the Northeast Corner of said Section 22;

Thence North  $89^{\circ}25'01''$  West, along the North line of the Northeast Quarter of said Section 22, a distance of 1,322.78 feet to the Northeast Corner of the West Half of the Northeast Quarter of said Section 22;

Thence South  $00^{\circ}06'06''$  East, along the East line of said West Half, a distance of 1,968.79 feet to the Southeast Corner of the North Half of the Southwest Quarter of the Northeast Quarter of said Section 22;

Thence North  $89^{\circ}01'22''$  West, along the South line of the North Half of the Southwest Quarter of the Northeast Quarter of said Section 22, a distance of 1,321.26 feet to a point on the North South mid-section line of said Section 22;

Thence South  $00^{\circ}09'00''$  East, along the North South mid-section line, a distance of 653.24 feet to the Center of said Section 22;

Thence continuing South  $00^{\circ}09'00''$  East, along said North South mid-section line, a distance of 1,994.48 feet to the Northwest Corner of the South Half of the South Half of the Southeast Quarter of said Section 22;

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence South  $89^{\circ}15'59''$  East, along the North line of the South Half of the South Half of the Southeast Quarter of said Section 22, a distance of 2,638.89 feet to the Northeast Corner of the South Half of the South Half of the Southeast Quarter of said Section 22;

Thence South  $00^{\circ}04'58''$  East, along the East line of the Southeast Quarter of said Section 22, a distance of 658.96 feet to the Northeast Corner of said Section 27;

Thence South  $00^{\circ}16'27''$  East, along the East line of the Northeast Quarter of said Section 27, a distance of 1,318.69 feet to the Southeast Corner of the North Half of the Northeast Quarter of said Section 27;

Thence North  $89^{\circ}27'00''$  West, along the South line thereof, a distance of 2,643.32 feet to the Southwest Corner of the North Half of the Northeast Quarter of said Section 27;

Thence South  $00^{\circ}02'36''$  East, along the North South mid-section line, a distance of 1,321.23 feet to the Center of said Section 27;

Thence South  $00^{\circ}02'36''$  East, along the North South mid-section line of said Section 27, a distance of 2,639.04 feet to the South Quarter Corner thereof;

Thence North  $89^{\circ}34'35''$  West, along the South line of the Southwest Quarter of said Section 27, a distance of 2,661.01 feet to the Southeast Corner of said Section 28;

Thence North  $89^{\circ}29'08''$  West, along the South line of the Southeast Quarter of said Section 28, a distance of 2,652.13 feet to the Point of Beginning.

Containing 2,928.292 Acres, more or less.

PARCEL 2

That part of the West Half of Section 17 and that part of Section 18, Township 2 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the South Quarter Corner of said Section 17;

Thence North  $89^{\circ}33'33''$  West, along the South line of the Southwest Quarter of said Section 17, a distance of 2,564.00 feet to the G.L.O. Brass Cap marking the Southeast Corner of said Section 18;

Thence North  $88^{\circ}50'03''$  West, along the South line of the Southeast Quarter of said Section 18, a distance of 2,640.27 feet to the South Quarter Corner thereof;

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence South 89°57'40" West, along the South line of the Southwest Quarter of said Section 18, a distance of 941.53 feet to the beginning of a tangent curve of 2,600.00 foot radius, concave Northeasterly;

Thence Northwesterly, departing said South line, along said curve, through a central angle of 31°13'45", a distance of 1,417.13 feet;

Thence North 58°48'35" West, a distance of 595.03 feet to a point on the West line of the Southwest Quarter of said Section 18;

Thence North 00°20'38" East, along the West line of the Southwest Quarter of said Section 18, a distance of 1,959.24 feet to the West Quarter Corner thereof;

Thence North 00°22'00" East, along the West line of the Northwest Quarter of said Section 18, a distance of 2,644.07 feet to the Northwest Corner thereof;

Thence North 89°48'05" East, along the North line of the Northwest Quarter of said Section 18, a distance of 2,543.69 feet to the North Quarter Corner thereof;

Thence South 88°46'54" East, along the North line of the Northeast Quarter of said Section 18, a distance of 2,654.20 feet to the Northwest Corner of said Section 17;

Thence South 89°19'19" East, along the North line of the Northwest Quarter of said Section 17, a distance of 2,682.29 feet to the North Quarter Corner thereof;

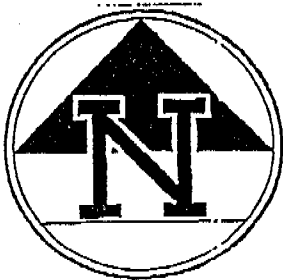
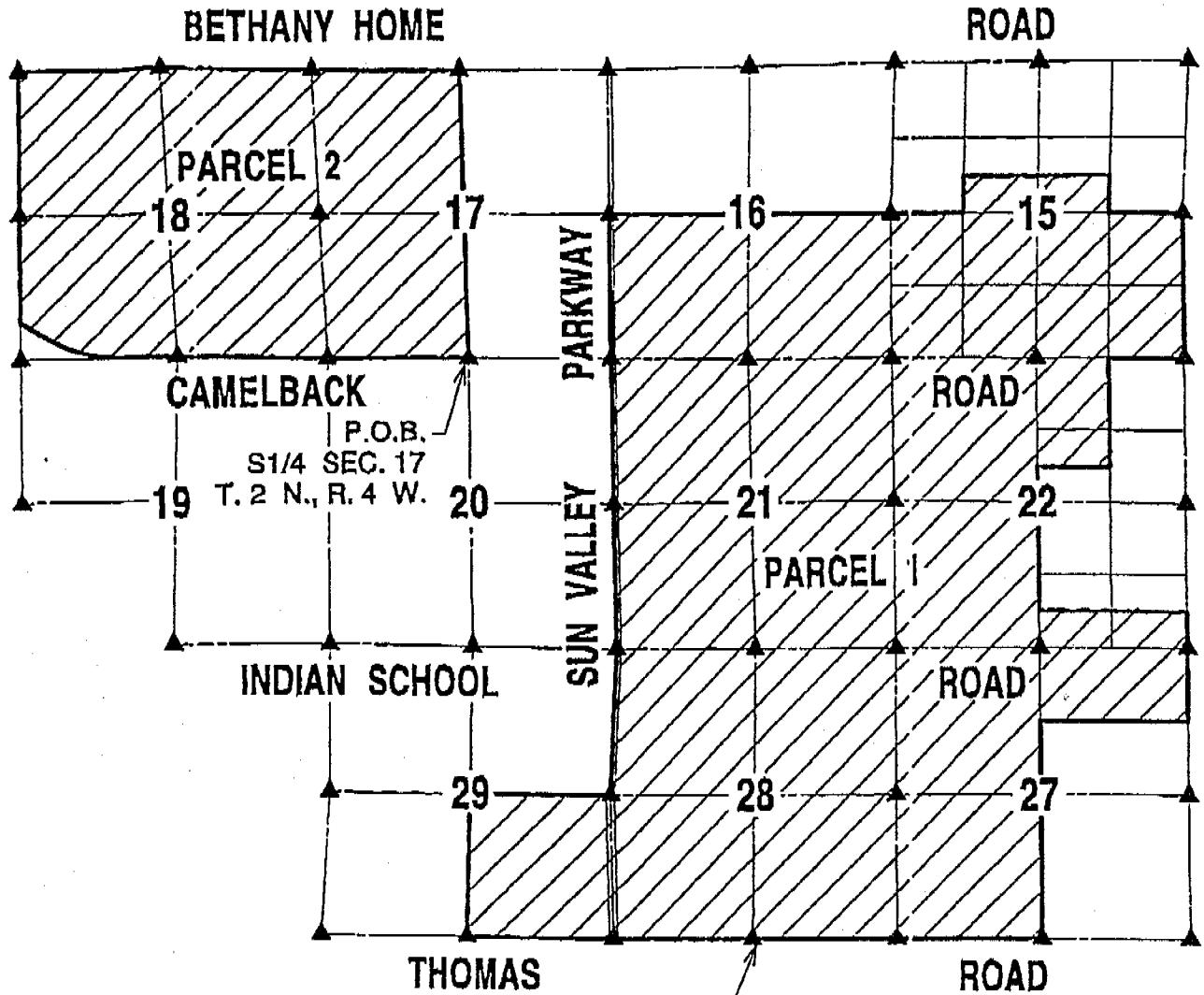
Thence South 01°01'27" East, along the North South mid-section line of said Section 17, a distance of 2,633.10 feet to the Center of said Section 17;

Thence continuing South 01°01'27" East, along said North South mid-section line, a distance of 2,648.40 feet to the Point of Beginning.

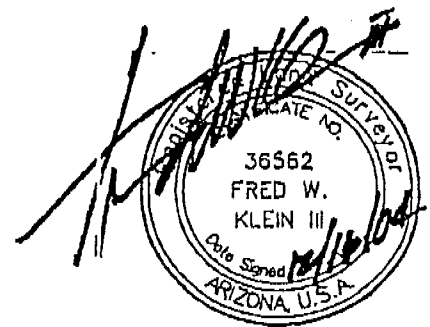
Containing 954.441 Acres, more or less.

Containing 3882.733 Total Acres, more or less.





P.O.B.  
S1/4 SEC. 28  
T. 2 N., R. 4 W.



<p><b>EXHIBIT</b></p>	<p><b>ELIANTO OVERALL CFD</b></p>	<p>JOB NO 720001</p>
<p><b>CVL</b> 4550 North 12th Street Phoenix, Arizona 85014 Telephone 602-264-6831 http://www.cycl.com</p>	<p><b>Coe &amp; Van Loo Consultants, Inc.</b></p>	<p>SHEET 1 OF 1</p>





**Maricopa County**  
Elections Department

**Karen Osborne, Director**

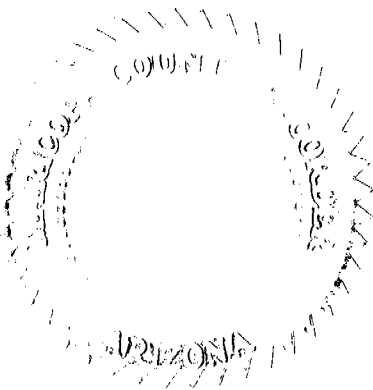
111 S. 3rd Avenue, Suite 102  
Phoenix, Arizona 85003-2235  
Phone: (602) 506-1511  
Fax: (602) 506-3069  
TDD: (602) 506-1517

**CERTIFICATION**

I, **HELEN PURCELL**, County Recorder in and for Maricopa County, State of Arizona, hereby certify that as of January 3, 2005, according to the general register of the voters maintained by the Maricopa County Recorder, there are no qualified electors residing in the area of the Proposed Elianto Community Facilities District.

Witness my hand and seal this 3<sup>rd</sup> day of January, 2005.

**HELEN PURCELL**  
**MARICOPA COUNTY RECORDER**



*Jean Penonast, D.C.R.*  
County Recorder

**EXHIBIT D**

# Proposed Elianto CFD



**LIENHOLDER  
CONSENT TO WAIVER  
ELIANTO COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

The undersigned are lienholders or others with an interest in property proposed to be included in the proposed Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*"). As persons with an interest in the property, the undersigned hereby consent to the submission to the Clerk for the Town of Buckeye of a General Plan for the proposed District and a Petition for Formation and Petition for Adoption of Resolution Ordering and Declaring Formation of Elianto Community Facilities District (Town of Buckeye, Arizona). The undersigned further consent to the waiver by the Town of Buckeye of any and all requirements of posting, publication, mailing, notice, hearing and landowner election with respect to the formation of the District. Bank Midwest, N.A., as Beneficiary under the deed of trust recorded at 2004-1398938, Official Records Maricopa County Recorder, hereby instructs North American Title Company, as Trustee under the deed of trust to execute this consent, or a counterpart copy hereof. Ola Hui, LP, as Beneficiary under the deed of trust recorded at 2004-236869, hereby instructs North American Title Company, as Trustee under such deed of trust to execute this consent, or a counterpart copy hereof. Lennar Communities Development, Inc. and MKGP Elianto 954, L.L.C., as Beneficiaries under the deed of trust recorded at 2004-1400439, hereby instruct North American Title Company, as Trustee under such deed of trust to execute this consent, or a counterpart copy hereof.

[SIGNATURE PAGES TO FOLLOW]

Bank Midwest N.A., a national banking association

By Alan E. Dwyer  
Its Senior Vice President

Ola Hui, LP, an Arizona limited partnership

By: Ohana Hui, LLC, an Arizona limited liability company

Its: General Partner

By \_\_\_\_\_  
E.W. Gardner, Manager

Lennar Communities Development, Inc., a Delaware corporation

By \_\_\_\_\_  
Its \_\_\_\_\_

MKGP Elianto 954, L.L.C., an Arizona limited liability company

By \_\_\_\_\_  
Its \_\_\_\_\_

North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-1398938, Official Records Maricopa County Recorder

By \_\_\_\_\_  
Its: \_\_\_\_\_

North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-236869, Official Records Maricopa County Recorder

By \_\_\_\_\_  
Its: \_\_\_\_\_

North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-1400439, Official Records Maricopa County Recorder

By \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by E.W. Gardner, Manager at Ohana Hui, LLC, an Arizona limited liability company, the General Partner of Ola Hui, LP, an Arizona limited partnership, on behalf of the partnership.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ~~ARIZONA~~ *Missouri*  
COUNTY OF *Jackson*

The foregoing instrument was acknowledged before me this 24 day of January, 2005, by Bank Midwest N.A., a national banking association, on behalf of the association.

*[Handwritten Signature]*  
\_\_\_\_\_

Notary Public

My commission expires:  
11/17/06



KATHRYN L. WILSON  
NOTARY PUBLIC - STATE OF MISSOURI  
JACKSON COUNTY  
MY COMMISSION EXPIRES JUNE 17, 2006

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_, \_\_\_\_\_ of Lennar Communities Development, Inc. a Delaware corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_, Manager of MKGP Elianto 954, L.L.C., an Arizona limited liability company, on behalf of the company.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by North American Title Company, an Arizona corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

**LIENHOLDER  
CONSENT TO WAIVER  
ELIANTO COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

The undersigned are lienholders or others with an interest in property proposed to be included in the proposed Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*"). As persons with an interest in the property, the undersigned hereby consent to the submission to the Clerk for the Town of Buckeye of a General Plan for the proposed District and a Petition for Formation and Petition for Adoption of Resolution Ordering and Declaring Formation of Elianto Community Facilities District (Town of Buckeye, Arizona). The undersigned further consent to the waiver by the Town of Buckeye of any and all requirements of posting, publication, mailing, notice, hearing and landowner election with respect to the formation of the District. Bank Midwest, N.A., as Beneficiary under the deed of trust recorded at 2004-1398938, Official Records Maricopa County Recorder, hereby instructs North American Title Company, as Trustee under the deed of trust to execute this consent, or a counterpart copy hereof. Ola Hui, LP, as Beneficiary under the deed of trust recorded at 2004-236869, hereby instructs North American Title Company, as Trustee under such deed of trust to execute this consent, or a counterpart copy hereof. Lennar Communities Development, Inc. and MKGP Elianto 954, L.L.C., as Beneficiaries under the deed of trust recorded at 2004-1400439, hereby instruct North American Title Company, as Trustee under such deed of trust to execute this consent, or a counterpart copy hereof.

[SIGNATURE PAGES TO FOLLOW]

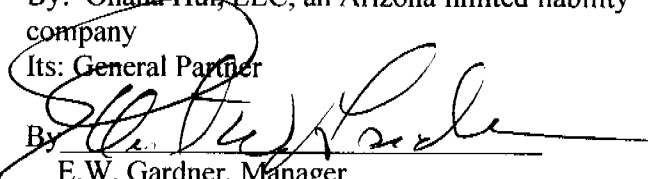
Bank Midwest N.A., a national banking association

By \_\_\_\_\_  
Its \_\_\_\_\_

Ola Hui, LP, an Arizona limited partnership

By: Ohana Hui, LLC, an Arizona limited liability company

Its: General Partner

By  \_\_\_\_\_  
E.W. Gardner, Manager

Lennar Communities Development, Inc., a Delaware corporation

By \_\_\_\_\_  
Its \_\_\_\_\_

MKGP Elianto 954, L.L.C., an Arizona limited liability company

By \_\_\_\_\_  
Its \_\_\_\_\_

North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-1398938, Official Records Maricopa County Recorder

By \_\_\_\_\_  
Its: \_\_\_\_\_

North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-236869, Official Records Maricopa County Recorder

By \_\_\_\_\_  
Its: \_\_\_\_\_

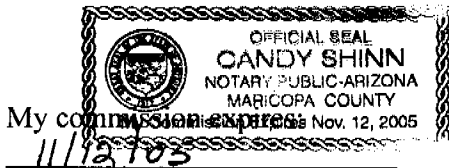


North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-1400439, Official Records Maricopa County Recorder

By \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF MARICOPA

The foregoing instrument was acknowledged before me this 24<sup>th</sup> day of January, 2005, by E.W. Gardner, Manager at Ohana Hui, LLC, an Arizona limited liability company, the General Partner of Ola Hui, LP, an Arizona limited partnership, on behalf of the partnership.



Candy Shinn  
Notary Public

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by Bank Midwest N.A., a national banking association, on behalf of the association.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_, \_\_\_\_\_ of Lennar Communities Development, Inc. a Delaware corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_, Manager of MKGP Elianto 954, L.L.C., an Arizona limited liability company, on behalf of the company.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by North American Title Company, an Arizona corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

**LIENHOLDER  
CONSENT TO WAIVER  
ELIANTO COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

The undersigned are lienholders or others with an interest in property proposed to be included in the proposed Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*"). As persons with an interest in the property, the undersigned hereby consent to the submission to the Clerk for the Town of Buckeye of a General Plan for the proposed District and a Petition for Formation and Petition for Adoption of Resolution Ordering and Declaring Formation of Elianto Community Facilities District (Town of Buckeye, Arizona). The undersigned further consent to the waiver by the Town of Buckeye of any and all requirements of posting, publication, mailing, notice, hearing and landowner election with respect to the formation of the District. Bank Midwest, N.A., as Beneficiary under the deed of trust recorded at 2004-1398938, Official Records Maricopa County Recorder, hereby instructs North American Title Company, as Trustee under the deed of trust to execute this consent, or a counterpart copy hereof. Ola Hui, LP, as Beneficiary under the deed of trust recorded at 2004-236869, hereby instructs North American Title Company, as Trustee under such deed of trust to execute this consent, or a counterpart copy hereof. Lennar Communities Development, Inc. and MKGP Elianto 954, L.L.C., as Beneficiaries under the deed of trust recorded at 2004-1400439, hereby instruct North American Title Company, as Trustee under such deed of trust to execute this consent, or a counterpart copy hereof.

[SIGNATURE PAGES TO FOLLOW]

Bank Midwest N.A., a national banking association

By \_\_\_\_\_  
Its \_\_\_\_\_

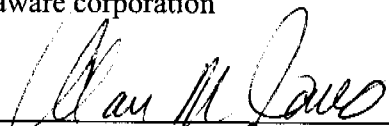
Ola Hui, LP, an Arizona limited partnership

By: Ohana Hui, LLC, an Arizona limited liability company

Its: General Partner

By \_\_\_\_\_  
E.W. Gardner, Manager

Lennar Communities Development, Inc., a Delaware corporation

By   
Its VICE PRES

MKGP Elianto 954, L.L.C., an Arizona limited liability company

By \_\_\_\_\_  
Its \_\_\_\_\_

North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-1398938, Official Records Maricopa County Recorder

By \_\_\_\_\_  
Its: \_\_\_\_\_

North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-236869, Official Records Maricopa County Recorder

By \_\_\_\_\_  
Its: \_\_\_\_\_

Bank Midwest N.A., a national banking association

By \_\_\_\_\_  
Its \_\_\_\_\_

Ola Hui, LP, an Arizona limited partnership

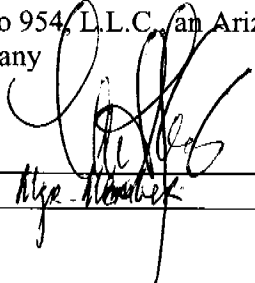
By: Ohana Hui, LLC, an Arizona limited liability company  
Its: General Partner

By \_\_\_\_\_  
E.W. Gardner, Manager

Lennar Communities Development, Inc., a Delaware corporation

By \_\_\_\_\_  
Its \_\_\_\_\_

MKGP Elianto 954, L.L.C., an Arizona limited liability company

By \_\_\_\_\_  
Its \_\_\_\_\_  
  
*Nye - Nye*

North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-1398938, Official Records Maricopa County Recorder

By \_\_\_\_\_  
Its: \_\_\_\_\_

North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-236869, Official Records Maricopa County Recorder

By \_\_\_\_\_  
Its: \_\_\_\_\_

Bank Midwest N.A., a national banking association

By \_\_\_\_\_  
Its \_\_\_\_\_

Ola Hui, LP, an Arizona limited partnership

By: Ohana Hui, LLC, an Arizona limited liability company  
Its: General Partner

By \_\_\_\_\_  
E.W. Gardner, Manager

Lennar Communities Development, Inc., a Delaware corporation

By \_\_\_\_\_  
Its \_\_\_\_\_

MKGP Elianto 954, L.L.C., an Arizona limited liability company

By \_\_\_\_\_  
Its \_\_\_\_\_

North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-1398938, Official Records Maricopa County Recorder

By Tennell E. Hart  
Its: SENIOR VICE PRESIDENT

North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-236869, Official Records Maricopa County Recorder

By Tennell E. Hart  
Its: SENIOR VICE PRESIDENT

North American Title Company, an Arizona corporation, as trustee under the deed of trust recorded at 2004-1400439, Official Records Maricopa County Recorder

By Tennille E. Hart  
Its: SENIOR VICE PRESIDENT

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by E.W. Gardner, Manager at Ohana Hui, LLC, an Arizona limited liability company, the General Partner of Ola Hui, LP, an Arizona limited partnership, on behalf of the partnership.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by Bank Midwest N.A., a national banking association, on behalf of the association.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF Maricopa

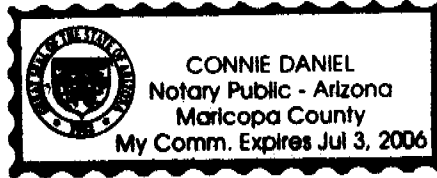
The foregoing instrument was acknowledged before me this 21 day of January, 2005, by Alan M Jones, Vice President of Lennar Communities Development, Inc. a Delaware corporation, on behalf of the corporation.

Connie Daniel

Notary Public

My commission expires:

7/3/2006



STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_, Manager of MKGP Elianto 954, L.L.C., an Arizona limited liability company, on behalf of the company.

\_\_\_\_\_  
Notary Public

My commission expires:

\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by North American Title Company, an Arizona corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

My commission expires:

\_\_\_\_\_



STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_ of Lennar Communities Development, Inc. a Delaware corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

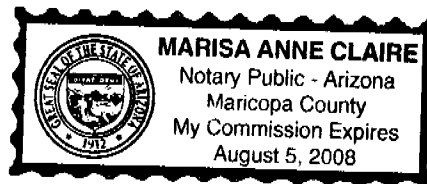
My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF Maricopa

The foregoing instrument was acknowledged before me this 20 day of Jan, 2005, by Michael Koslow, Manager of MKGP Elianto 954, L.L.C., an Arizona limited liability company, on behalf of the company.

Marisa Anne Claire  
\_\_\_\_\_  
Notary Public

My commission expires:  
Aug 5 2008



STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by North American Title Company, an Arizona corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_ of Lennar Communities Development, Inc. a Delaware corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_, Manager of MKGP Elianto 954, L.L.C., an Arizona limited liability company, on behalf of the company.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

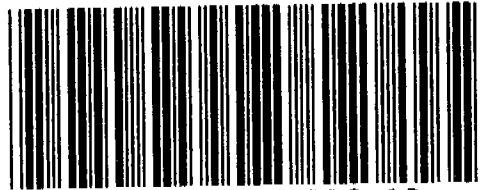
STATE OF ARIZONA  
COUNTY OF Maricopa

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of January, 2005, by North American Title Company, an Arizona corporation, on behalf of the corporation. TERRELL E. HASTINGS SENIOR VICE PRESIDENT OF

Vicky Flores  
\_\_\_\_\_  
Notary Public

My commission expires:  
5/25/07





OFFICIAL RECORDS OF  
 MARICOPA COUNTY RECORDER  
 HELEN PURCELL  
 2005-0143439 02/03/05 13:32  
 2 OF 2

BLOCKNUMBERS

When recorded return to:

Mr. Scott W. Ruby  
 Gust Rosenfeld P.L.C.  
 201 E. Washington Street, Suite 800  
 Phoenix, AZ 85004-2327

**GENERAL PLAN  
 FOR THE PROPOSED  
 ELIANTO COMMUNITY FACILITIES DISTRICT  
 (TOWN OF BUCKEYE, ARIZONA)**

To: Clerk, Town of Buckeye, Arizona

For the purposes of Section 48-702(B), Arizona Revised Statutes, as amended, the following is the general plan for the proposed captioned district:

**Article I.**

**GENERAL AREA TO BE IMPROVED WITHIN THE  
 PROPOSED CAPTIONED DISTRICT**

All that area described in Exhibit A attached hereto and made a part hereof for all purposes shall comprise the area to be benefited. The public infrastructure improvements shall be constructed in public rights-of-way or easements located both within and outside the Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") and the areas described in Exhibit A hereto, all for the benefit of the area described in Exhibit A hereto.

**Article II.**

**GENERAL DESCRIPTION OF THE PUBLIC INFRASTRUCTURE  
 IMPROVEMENTS FOR WHICH THE PROPOSED CAPTIONED  
 DISTRICT IS PROPOSED TO BE FORMED:**

**1. INITIAL PUBLIC INFRASTRUCTURE**

The proposed District is to be formed to accomplish the purposes permitted in the Act. It is anticipated that the district initially will construct the public infrastructure described in Exhibit B, which shall be available for use by the public. Future public infrastructure which is presently contemplated and may be completed include certain water and sewer facilities and road

improvements for the District. The map attached as Exhibit C sets forth the general location of the district and the public infrastructure described in Exhibit B.

## 2. ADDITIONAL PUBLIC INFRASTRUCTURE

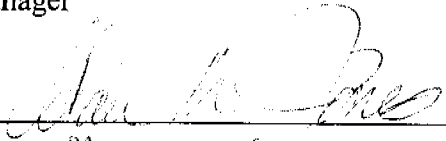
In addition to the initial public infrastructure described in paragraph 1 above, the proposed District is being formed for accomplishing the following public infrastructure improvements as such improvements are authorized by the governing body of the District in accordance with applicable law and are consistent with the powers of a community facilities district:

- (a) Sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge;
- (b) Drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge;
- (c) Water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements permitted by this article;
- (d) Highways, streets, roadways, bridges and parking facilities including all areas for vehicular use for travel, ingress, egress and parking;
- (e) Areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking;
- (f) Pedestrian malls, parks, recreational facilities other than stadiums and open space areas for the use of the public for entertainment, assembly and recreation;
- (g) Landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems;
- (h) Public buildings, public safety facilities and fire protection facilities;
- (i) Lighting systems;
- (j) Traffic control systems and devices including signals, controls, markings and signage;
- (k) Equipment, vehicles, furnishings and other personalty related to the items listed in clauses (a) through and including (j) above; and
- (l) Operation and maintenance of the items listed in clauses (a) through and including (k) above.

DATED: February 1, 2005

**ELIANTO, LLC**, an Arizona limited liability company

By: Lennar Communities Development, Inc.  
Its: Manager

By   
Its Manager

**CPH ELIANTO WEST, LLC**, a Delaware limited liability company

By: Capital Pacific Holdings, Inc.,  
A Delaware corporation  
Its: Sole Member

By: Capital Pacific Homes of Arizona, Inc., a  
Delaware corporation  
Its: Authorized Agent

By \_\_\_\_\_  
Name: A. Clyde Dinnell  
Its: President

By \_\_\_\_\_  
Name: Sara Ridgeway  
Its: Chief Financial Officer

**E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO. 2**, an Arizona limited partnership

By \_\_\_\_\_  
Its \_\_\_\_\_

**ELIANTO, LLC**, an Arizona limited liability company

By: Lennar Communities Development, Inc.  
Its: Manager

By \_\_\_\_\_  
Its \_\_\_\_\_

**CPH ELIANTO WEST, LLC.**, a Delaware limited liability company

By: Capital Pacific Holdings, Inc.,  
A Delaware corporation  
Its: Sole Member

By: Capital Pacific Homes of Arizona, Inc., a Delaware corporation  
Its: Authorized Agent

By \_\_\_\_\_  
Name: A. Clyde Dinnell  
Its: President

By \_\_\_\_\_  
Name: Sara Ridgeway  
Its: Chief Financial Officer

**E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO.2**, an Arizona limited partnership

By \_\_\_\_\_  
Its \_\_\_\_\_

**ELIANTO, LLC**, an Arizona limited liability company

By: Lennar Communities Development, Inc.  
Its: Manager

By \_\_\_\_\_  
Its \_\_\_\_\_

**CPH ELIANTO WEST, LLC.**, a Delaware limited liability company

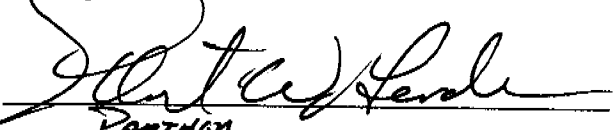
By: Capital Pacific Holdings, Inc.,  
A Delaware corporation  
Its: Sole Member

By: Capital Pacific Homes of Arizona, Inc., a Delaware corporation  
Its: Authorized Agent

By \_\_\_\_\_  
Name: A. Clyde Dinnell  
Its: President

By \_\_\_\_\_  
Name: Sara Ridgeway  
Its: Chief Financial Officer

**E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO. 2**, an Arizona limited partnership

By   
Its PARTNER

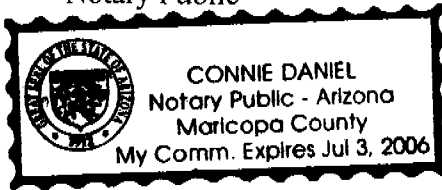
STATE OF ARIZONA )  
COUNTY OF MARICOPA )

The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of January, 2005, by Alan M. Jones, Vice President of Lennar Communities Development, Inc., a Delaware corporation, Manager of Elianto, LLC., an Arizona limited liability company, on behalf of the limited liability company.

Connie Daniel

Notary Public

My commission expires: 7/3/2006



STATE OF ARIZONA )  
COUNTY OF MARICOPA )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2005, by A. Clyde Dinnell and Sara Ridgeway, President and Chief Financial Officer of Capital Pacific Homes of Arizona, Inc., a Delaware corporation, the authorized agent of Capital Pacific Holdings, Inc., the sole member of CPH Elianto West, LLC, a Delaware limited liability company, on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by \_\_\_\_\_, \_\_\_\_\_ of E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO. 2, an Arizona limited partnership, on behalf of the limited partnership.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

ATTACHMENTS:

- EXHIBIT A Legal description of property to be included in the District
- EXHIBIT B Description of initial public infrastructure to be constructed or installed by the District
- EXHIBIT C Map showing general areas of the public infrastructure to be constructed or installed by the District



STATE OF ARIZONA )  
COUNTY OF MARICOPA )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_ of Lennar Communities Development, Inc., a Delaware corporation, Manager of Elianto, LLC., an Arizona limited liability company, on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA )  
COUNTY OF MARICOPA )

The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of January, 2005, by A. Clyde Dinnell and Sara Ridgeway, President and Chief Financial Officer of Capital Pacific Homes of Arizona, Inc., a Delaware corporation, the authorized agent of Capital Pacific Holdings, Inc., the sole member of CPH Elianto West, LLC, a Delaware limited liability company, on behalf of the limited liability company.

Danette Nelson  
Notary Public

My commission expires:

2-16-2008



Notary Public State of Arizona  
Maricopa County  
Danette Nelson  
Expires February 16, 2008

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_, by \_\_\_\_\_ of E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO. 2, an Arizona limited partnership, on behalf of the limited partnership.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

ATTACHMENTS:

- EXHIBIT A Legal description of property to be included in the District
- EXHIBIT B Description of initial public infrastructure to be constructed or installed by the District
- EXHIBIT C Map showing general areas of the public infrastructure to be constructed or installed by the District

STATE OF ARIZONA )  
COUNTY OF MARICOPA )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005,  
by \_\_\_\_\_ of Lennar Communities Development, Inc., a Delaware  
corporation, Manager of Elianto, LLC., an Arizona limited liability company, on behalf of the limited  
liability company.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA )  
COUNTY OF MARICOPA )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005,  
by A. Clyde Dinnell and Sara Ridgeway, President and Chief Financial Officer of Capital Pacific  
Homes of Arizona, Inc., a Delaware corporation, the authorized agent of Capital Pacific Holdings,  
Inc., the sole member of CPH Elianto West, LLC, a Delaware limited liability company, on behalf of  
the limited liability company.

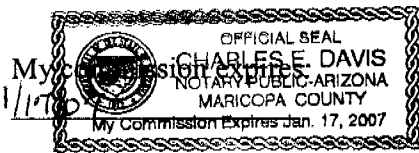
\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

STATE OF ARIZONA  
COUNTY OF MARICOPA

The foregoing instrument was acknowledged before me this 19th day of Jan., 2005  
by ELBERT W. GARDNER as GENERAL PARTNER of E.W. GARDNER FAMILY LIMITED  
PARTNERSHIP NO. 2, an Arizona limited partnership, on behalf of the limited partnership.

[Signature]  
Notary Public



ATTACHMENTS:

- EXHIBIT A Legal description of property to be included in the District
- EXHIBIT B Description of initial public infrastructure to be constructed or installed by the District
- EXHIBIT C Map showing general areas of the public infrastructure to be constructed or installed by the District

December 16, 2004

LEGAL DESCRIPTION FOR  
ELIANTO  
OVERALL CFD

## PARCEL 1

That part of Sections 15, 16, 21, 22, 27, 28 and 29, Township 2 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the South Quarter Corner of said Section 28;

Thence North  $89^{\circ}29'14''$  West, along the South line of the Southwest Quarter of said Section 28, a distance of 2,615.02 feet to the Maricopa County Highway Department Brass Cap in a handhole marking the Southeast Corner of said Section 29;

Thence North  $89^{\circ}17'21''$  West, along the South line of the Southeast Quarter of said Section 29, a distance of 2,652.50 feet to the South Quarter Corner thereof;

Thence North  $01^{\circ}40'24''$  East, along the North South mid-section line of said Section 29, a distance of 2,639.30 feet to the Center of said Section 29;

Thence South  $89^{\circ}19'21''$  East, along the East West mid-section line of said Section 29, a distance of 2,536.40 feet to the West Quarter Corner of said Section 28;

Thence North  $02^{\circ}55'38''$  East, along the West line of the Northwest Quarter of said Section 28, a distance of 2,650.09 feet to the Southwest Corner of said Section 21;

Thence North  $00^{\circ}24'07''$  West, along the West line of the Southwest Quarter of said Section 21, a distance of 2,648.08 feet to the West Quarter Corner thereof;

Thence continuing North  $00^{\circ}24'07''$  West, along the West line of the Northwest Quarter of said Section 21, a distance of 2,648.35 feet to the Southwest Corner of said Section 16;

Thence North  $00^{\circ}01'13''$  East, along the West line of the Southwest Quarter of said Section 16, a distance of 2,648.88 feet to the West Quarter Corner thereof;

Thence South  $89^{\circ}10'22''$  East, along the East West mid-section line of said Section 16, a distance of 2,614.18 feet to the Center of said Section 16;

EXHIBIT A

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence continuing South  $89^{\circ}10'22''$  East, along said East West mid-section line, a distance of 2,607.50 feet to the West Quarter Corner of said Section 15;

Thence South  $89^{\circ}23'26''$  East, along the East West mid-section line of said Section 15, a distance of 1,347.51 feet to the Southwest Corner of the South Half of G.L.O. Lot 6;

Thence North  $01^{\circ}51'59''$  East, along the West line of G.L.O. Lot 6, a distance of 691.81 feet to the Northwest Corner of the South Half of G.L.O. Lot 6;

Thence South  $89^{\circ}27'48''$  East, along the North line of the South Half of G.L.O. Lot 6, a distance of 1,342.30 feet to the Northwest Corner of the South Half of G.L.O. Lot 7;

Thence continuing South  $89^{\circ}27'48''$  East, along the North line of G.L.O. Lot 7, a distance of 1,303.31 feet to the Northeast Corner thereof;

Thence South  $02^{\circ}04'21''$  West, along the East line of said G.L.O. Lot 7, a distance of 695.22 feet to the Southeast Corner thereof;

Thence South  $89^{\circ}23'26''$  East, along the East West mid-section line of said Section 15, a distance of 1,295.52 feet to the East Quarter Corner thereof;

Thence South  $00^{\circ}15'01''$  West, along the East line of the Southeast Quarter of said Section 15, a distance of 2,641.39 feet to the Northeast Corner of said Section 22;

Thence North  $89^{\circ}25'01''$  West, along the North line of the Northeast Quarter of said Section 22, a distance of 1,322.78 feet to the Northeast Corner of the West Half of the Northeast Quarter of said Section 22;

Thence South  $00^{\circ}06'06''$  East, along the East line of said West Half, a distance of 1,968.79 feet to the Southeast Corner of the North Half of the Southwest Quarter of the Northeast Quarter of said Section 22;

Thence North  $89^{\circ}01'22''$  West, along the South line of the North Half of the Southwest Quarter of the Northeast Quarter of said Section 22, a distance of 1,321.26 feet to a point on the North South mid-section line of said Section 22;

Thence South  $00^{\circ}09'00''$  East, along the North South mid-section line, a distance of 653.24 feet to the Center of said Section 22;

Thence continuing South  $00^{\circ}09'00''$  East, along said North South mid-section line, a distance of 1,994.48 feet to the Northwest Corner of the South Half of the South Half of the Southeast Quarter of said Section 22;

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence South  $89^{\circ}15'59''$  East, along the North line of the South Half of the South Half of the Southeast Quarter of said Section 22, a distance of 2,638.89 feet to the Northeast Corner of the South Half of the South Half of the Southeast Quarter of said Section 22;

Thence South  $00^{\circ}04'58''$  East, along the East line of the Southeast Quarter of said Section 22, a distance of 658.96 feet to the Northeast Corner of said Section 27;

Thence South  $00^{\circ}16'27''$  East, along the East line of the Northeast Quarter of said Section 27, a distance of 1,318.69 feet to the Southeast Corner of the North Half of the Northeast Quarter of said Section 27;

Thence North  $89^{\circ}27'00''$  West, along the South line thereof, a distance of 2,643.32 feet to the Southwest Corner of the North Half of the Northeast Quarter of said Section 27;

Thence South  $00^{\circ}02'36''$  East, along the North South mid-section line, a distance of 1,321.23 feet to the Center of said Section 27;

Thence South  $00^{\circ}02'36''$  East, along the North South mid-section line of said Section 27, a distance of 2,639.04 feet to the South Quarter Corner thereof;

Thence North  $89^{\circ}34'35''$  West, along the South line of the Southwest Quarter of said Section 27, a distance of 2,661.01 feet to the Southeast Corner of said Section 28;

Thence North  $89^{\circ}29'08''$  West, along the South line of the Southeast Quarter of said Section 28, a distance of 2,652.13 feet to the Point of Beginning.

Containing 2,928.292 Acres, more or less.

#### PARCEL 2

That part of the West Half of Section 17 and that part of Section 18, Township 2 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the South Quarter Corner of said Section 17;

Thence North  $89^{\circ}33'33''$  West, along the South line of the Southwest Quarter of said Section 17, a distance of 2,564.00 feet to the G.L.O. Brass Cap marking the Southeast Corner of said Section 18;

Thence North  $88^{\circ}50'03''$  West, along the South line of the Southeast Quarter of said Section 18, a distance of 2,640.27 feet to the South Quarter Corner thereof;

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence South 89°57'40" West, along the South line of the Southwest Quarter of said Section 18, a distance of 941.53 feet to the beginning of a tangent curve of 2,600.00 foot radius, concave Northeasterly;

Thence Northwesterly, departing said South line, along said curve, through a central angle of 31°13'45", a distance of 1,417.13 feet;

Thence North 58°48'35" West, a distance of 595.03 feet to a point on the West line of the Southwest Quarter of said Section 18;

Thence North 00°20'38" East, along the West line of the Southwest Quarter of said Section 18, a distance of 1,959.24 feet to the West Quarter Corner thereof;

Thence North 00°22'00" East, along the West line of the Northwest Quarter of said Section 18, a distance of 2,644.07 feet to the Northwest Corner thereof;

Thence North 89°48'05" East, along the North line of the Northwest Quarter of said Section 18, a distance of 2,543.69 feet to the North Quarter Corner thereof;

Thence South 88°46'54" East, along the North line of the Northeast Quarter of said Section 18, a distance of 2,654.20 feet to the Northwest Corner of said Section 17;

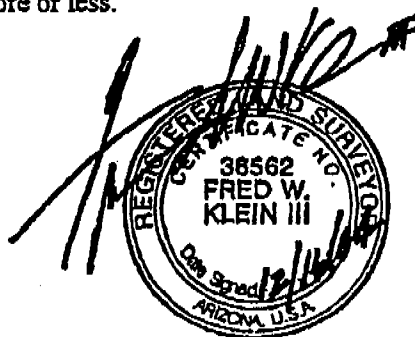
Thence South 89°19'19" East, along the North line of the Northwest Quarter of said Section 17, a distance of 2,682.29 feet to the North Quarter Corner thereof;

Thence South 01°01'27" East, along the North South mid-section line of said Section 17, a distance of 2,633.10 feet to the Center of said Section 17;

Thence continuing South 01°01'27" East, along said North South mid-section line, a distance of 2,648.40 feet to the Point of Beginning.

Containing 954.441 Acres, more or less.

Containing 3882.733 Total Acres, more or less.

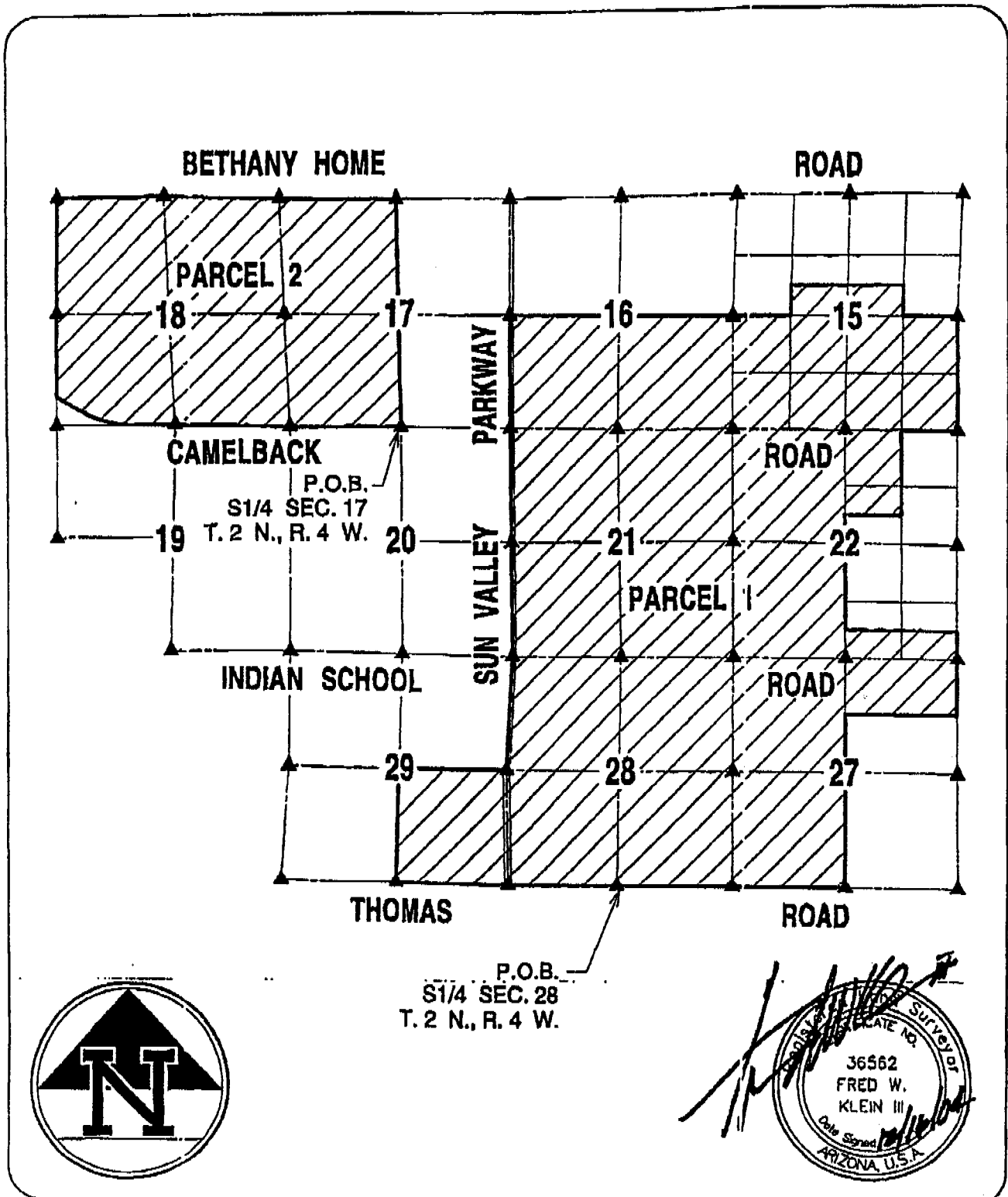


## EXHIBIT B

### DESCRIPTION OF PUBLIC INFRASTRUCTURE

<u>Description</u>	<u>Costs Eligible For CFD Financing</u>
<b>General Improvements (a)</b>	
Grading <sup>△</sup>	\$1,725,845
Paving <sup>△</sup>	21,215,442
Storm Drainage <sup>△</sup>	808,821
Water System <sup>△</sup>	62,410,769
Wastewater System <sup>△</sup>	90,611,909
Drainage <sup>△</sup>	16,571,552
Street Lights <sup>△</sup>	736,189
Landscape <sup>△</sup>	6,146,458
Trail System <sup>△</sup>	1,401,968
Police/Fire <sup>△</sup> Facilities (b)	2,500,000
<b>Subtotal General Improvements</b>	<b>204,128,954</b>
<b>Subdivision Improvements (a)</b>	<b>71,273,001</b>
<b>GRAND TOTAL</b>	<b>\$275,401,955</b>

- (a) Estimated costs include a 15% contingency amount. <sup>△</sup> All costs exclude estimates for soft costs, including agency review fees, consultant fees and permit fees, for example.
- (b) It is anticipated that one or more fire and/or police facilities may be necessary to adequately service the Project. The location of such facilities is yet to be determined. This figure is based upon cost estimates available at the time of the submittal of the CFD application.

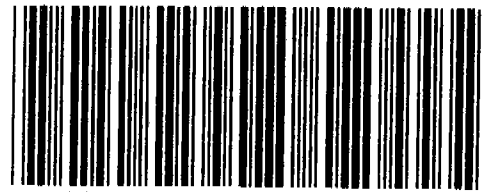


<p><b>EXHIBIT</b></p>	<p><b>ELIANTO OVERALL CFD</b></p>	<p>JOB NO 720001</p>
<p><b>CVL</b> 4650 North 12th Street Phoenix, Arizona 85014 Telephone 602-264-6831 http://www.cvl.com</p>	<p><b>Coe &amp; Van Loo Consultants, Inc.</b></p>	<p>SHEET 1 of 1</p>

FILE: N:\720001\LAND\HOFD2.DGN      DATE:12/16/04

EXHIBIT C 1





OFFICIAL RECORDS OF  
MARICOPA COUNTY RECORDER  
HELEN PURCELL  
2005-0143438 02/03/05 13:32  
1 OF 2

BLOCKNUMBERS

When recorded return to:

Mr. Scott W. Ruby  
Gust Rosenfeld P.L.C.  
201 E. Washington Street, Suite 800  
Phoenix, AZ 85004-2327

**RESOLUTION NO. 11-05**

**RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF BUCKEYE, ARIZONA, DECLARING INTENT TO FORM A COMMUNITY FACILITIES DISTRICT; ORDERING AND DECLARING FORMATION OF THE TAX LEVYING ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA); APPROVING THE DEVELOPMENT, FINANCING PARTICIPATION AND INTERGOVERNMENTAL AGREEMENT NO. 1 WITH SUCH DISTRICT; AND DECLARING AN EMERGENCY.**

RESOLUTION NO. 11-05

RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF BUCKEYE, ARIZONA, DECLARING INTENT TO FORM A COMMUNITY FACILITIES DISTRICT; ORDERING AND DECLARING FORMATION OF THE TAX LEVYING ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA); APPROVING THE DEVELOPMENT, FINANCING PARTICIPATION AND INTERGOVERNMENTAL AGREEMENT NO. 1 WITH SUCH DISTRICT; AND DECLARING AN EMERGENCY.

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF BUCKEYE, ARIZONA, as follows:

**Section 1.** Findings. The Mayor and Council hereby make the following findings:

A. Prior to the adoption hereof, there was presented to us, the Mayor and Council of the Town of Buckeye, Arizona (hereinafter referred to as the "*Town*"), a petition for formation of a community facilities district and adoption of resolutions declaring formation of the Elianto Community Facilities District (Town of Buckeye, Arizona), submitted and effective February 1, 2005 (hereinafter referred to as the "*Petition*"), signed by the entities which, on the date of the Petition and on the date hereof, are the owners of all real property as shown on the assessment roll for State and County taxes for Maricopa County, Arizona, or, if such persons shown on such assessment roll are no longer the owners of land in the District, are the entities which are the successor owners which have become known and have been verified by recorded deed or similar evidence of transfer of ownership to be the owners of such real property (hereinafter such owners are collectively referred to as the "*Petitioner*") described in the Petition by metes and bounds to be in the community facilities district, the formation of which is requested by the Petitioner in the Petition, pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (hereinafter referred to as the "*Act*"). (The proposed district shall be referred to herein as the "*District*").

B. The Petitioner has represented, attested and declared the following:

1. The name of the District is requested pursuant to the Petition to be "*Elianto Community Facilities District (Town of Buckeye, Arizona)*",

2. The District is to be formed, and will exist, pursuant to the terms and provisions of the Act,

3. The District is to contain an area of approximately 3,883 acres of land, more or less, wholly within the corporate boundaries of the Town, and is to be composed of the land described by metes and bounds as provided in Exhibit A hereto, which is made a part hereof for all purposes (hereinafter referred to as the "*Property*"),

4. The District is to be a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes, as amended; except as otherwise provided in the Act, and is to be considered a municipal corporation and political subdivision of the State of Arizona separate and apart from the Town; and is to be formed for, and

have, all the purposes and powers of a "district" as such term is defined, and as provided, in the Act, and

5. Public convenience and necessity require the adoption of this resolution forming the District.

C. The Petitioner further represented, attested and declared that on the date thereof and hereof, as shown on the assessment roll for State and county taxes in Maricopa County, Arizona, all of the land to be in the District is owned by the Petitioner or, if a person listed on such assessment roll is no longer the owner of the land in the District, that the name of the successor owner has become known and verified by recorded deed or similar evidence of transfer of ownership to the Petitioner and that the land to be included in the District shall be benefited from the improvements for which the District is proposed to be formed and that there are no qualified electors residing on the land to be in the District.

D. After representing, attesting and declaring the preceding, the Petitioner requested that the Petition be properly filed as provided by law and that, as the Petition is signed by the owners of all the land to be in the District, any requirements of posting, publication, mailing, notice, hearing and landowner election otherwise required by the Act in connection with the formation of the District and adoption hereof be waived, and that the Town, upon receipt of the Petition, declare its intention to form the District and thereafter form the District without being required to comply with such provisions for posting, publication, mailing, notice, hearing or landowner election.

E. A Development, Financing Participation and Intergovernmental Agreement No. 1 (the "*Development Agreement*") has been presented to the Mayor and Council, executed by the owners of all the land in the District and it is now in order for the Town to approve such Development Agreement.

**Section 2. Agreements and Further Findings by the Town.** The Mayor and Council hereby agree to and find the following:

A. The Petitioner seeks formation of the District to exercise the powers and functions set forth in the Act.

B. The General Plan (as defined hereafter) has been filed with the Clerk of the Town.

C. The Petition, and all necessary supporting materials, meets the requirements of A.R.S. § 48-707, subsections F and G and has been filed with the Council, and the showings in the Petition are each noticed by us and are hereby incorporated at this place as if set forth in whole.

D. The purposes for which the organization of the District is sought are as described in the Petition and General Plan and are purposes for which a community facilities district created pursuant to the Act may be lawfully formed.

E. The District is to be wholly comprised of the Property and the Property is wholly within the boundaries of the Town.

F. The Property is benefited by the District and the public infrastructure and the public infrastructure purposes set forth in the General Plan.

G. Pursuant to A.R.S. § 48-707, subsections F and G, no hearing on the formation of the District will be held.

H. The Petitioner is the owner of all of the Property and no qualified electors reside on the Property.

I. The public convenience and necessity require the adoption hereof.

**Section 3. Approval of the General Plan.** Prior to the adoption hereof, a "General Plan for the Proposed Elianto Community Facilities District (Town of Buckeye, Arizona)" for the District was filed with the Clerk of the Town setting out a general description of the improvements for which the District is proposed to be formed and the general areas to be improved and benefited (hereinafter referred to as the "*General Plan*"). The General Plan is hereby approved in all respects.

**Section 4. Approval of the Development Agreement.** The Development Agreement by and among the Town, the District and the owners of the property within the District, as presented to the Town and on file with the Clerk, is hereby approved. The Mayor is authorized and directed to execute and deliver and the Clerk is authorized and directed to attest, the Development Agreement.

**Section 5. Intention to Form the District.** The Mayor and Council hereby declares, pursuant to the Act, its intention to form the District comprised of the Property as a community facilities district, pursuant to the terms and provisions of, and with the powers and authority established by, the Act, with jurisdiction over the Property. Based on the Petition and the findings set forth herein, all requirements of posting, publication, mailing, notice, hearing and landowner election otherwise required by the Act in connection with the formation of the District and adoption hereof are waived.

**Section 6. Granting of Petition; Formation of District.** The Petition is hereby granted, and the District is hereby formed as a community facilities district pursuant to the terms and provisions of, and with the powers and authority established by, the Act, with jurisdiction over the Property. The Mayor and Council hereby determine March 8, 2005 to be the scheduled election date to submit the question of formation of the District to the qualified electors, if any, who reside within the boundaries of the District. As of the date hereof, which is a date within 50 days immediately preceding such scheduled election date, there are no resident electors or qualified electors residing on the Property, therefore, the submission of the formation of the District to an election of resident electors is hereby found to be unnecessary and no formation election will be held.

**Section 7. Levy of Taxes.** Formation of the District may result in the levy of taxes by the District on all taxable property located within the District to pay the costs of improvements constructed by the District and the administration of the District and for their operation and maintenance and the administration of the District.

**Section 8. District Board and Officers.** The District shall be governed by a "District Board" comprised of the members of the governing body of the Town, ex officio.

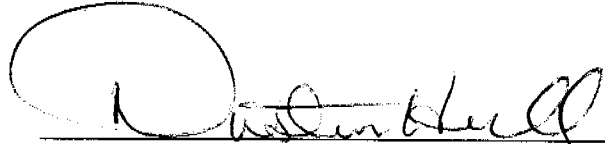
**Section 9. District Boundaries and Map.** The District boundaries are set to be as described in metes and bounds in Exhibit A hereto. The map showing the District boundaries is set forth in Exhibit B hereto and is hereby approved.

**Section 10. Dissemination of this Resolution.** The Town Clerk shall cause a copy of this resolution to be delivered to the County Assessor and the Board of Supervisors of Maricopa County, Arizona, and to the Department of Revenue of the State of Arizona.

**Section 11. No General Liability of or for the Town.** Neither the general fund or any other fund or moneys of the Town, nor that of the State of Arizona or any political subdivision of either (other than the District) shall be liable for the payment or repayment of any obligation, liability, bond or indebtedness of the District, and neither the credit nor the taxing power of the Town, the State of Arizona or any political subdivision of either (other than the District) shall be pledged therefor.

**Section 12. Emergency.** The immediate operation of the provisions of this resolution is necessary for the preservation of the public peace, health and safety and an emergency is hereby declared to exist, and this resolution shall be in full force and effect from and after its passage, adoption and approval by the Mayor and Council of the Town and it is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

Passed by the Council of the Town of Buckeye, Arizona, on February 1, 2005.

  
\_\_\_\_\_  
Dustin Hull, Mayor

ATTEST:

  
\_\_\_\_\_  
Linda Garrison, Town Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Scott W. Ruby, Town Attorney

ATTACHMENTS:

Exhibit A – Legal Description  
Exhibit B – Boundary Map

December 16, 2004

LEGAL DESCRIPTION FOR  
ELIANTO  
OVERALL CFD

PARCEL 1

That part of Sections 15, 16, 21, 22, 27, 28 and 29, Township 2 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the South Quarter Corner of said Section 28;

Thence North 89°29'14" West, along the South line of the Southwest Quarter of said Section 28, a distance of 2,615.02 feet to the Maricopa County Highway Department Brass Cap in a handhole marking the Southeast Corner of said Section 29;

Thence North 89°17'21" West, along the South line of the Southeast Quarter of said Section 29, a distance of 2,552.50 feet to the South Quarter Corner thereof;

Thence North 01°40'24" East, along the North South mid-section line of said Section 29, a distance of 2,639.30 feet to the Center of said Section 29;

Thence South 89°19'21" East, along the East West mid-section line of said Section 29, a distance of 2,536.40 feet to the West Quarter Corner of said Section 28;

Thence North 02°55'38" East, along the West line of the Northwest Quarter of said Section 28, a distance of 2,650.09 feet to the Southwest Corner of said Section 21;

Thence North 00°24'07" West, along the West line of the Southwest Quarter of said Section 21, a distance of 2,648.08 feet to the West Quarter Corner thereof;

Thence continuing North 00°24'07" West, along the West line of the Northwest Quarter of said Section 21, a distance of 2,648.35 feet to the Southwest Corner of said Section 16;

Thence North 00°01'13" East, along the West line of the Southwest Quarter of said Section 16, a distance of 2,648.88 feet to the West Quarter Corner thereof;

Thence South 89°10'22" East, along the East West mid-section line of said Section 16, a distance of 2,614.18 feet to the Center of said Section 16;

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence continuing South  $89^{\circ}10'22''$  East, along said East West mid-section line, a distance of 2,607.50 feet to the West Quarter Corner of said Section 15;

Thence South  $89^{\circ}23'26''$  East, along the East West mid-section line of said Section 15, a distance of 1,347.51 feet to the Southwest Corner of the South Half of G.L.O. Lot 6;

Thence North  $01^{\circ}51'59''$  East, along the West line of G.L.O. Lot 6, a distance of 691.81 feet to the Northwest Corner of the South Half of G.L.O. Lot 6;

Thence South  $89^{\circ}27'48''$  East, along the North line of the South Half of G.L.O. Lot 6, a distance of 1,342.30 feet to the Northwest Corner of the South Half of G.L.O. Lot 7;

Thence continuing South  $89^{\circ}27'48''$  East, along the North line of G.L.O. Lot 7, a distance of 1,303.31 feet to the Northeast Corner thereof;

Thence South  $02^{\circ}04'21''$  West, along the East line of said G.L.O. Lot 7, a distance of 695.22 feet to the Southeast Corner thereof;

Thence South  $89^{\circ}23'26''$  East, along the East West mid-section line of said Section 15, a distance of 1,295.52 feet to the East Quarter Corner thereof;

Thence South  $00^{\circ}15'01''$  West, along the East line of the Southeast Quarter of said Section 15, a distance of 2,641.39 feet to the Northeast Corner of said Section 22;

Thence North  $89^{\circ}25'01''$  West, along the North line of the Northeast Quarter of said Section 22, a distance of 1,322.78 feet to the Northeast Corner of the West Half of the Northeast Quarter of said Section 22;

Thence South  $00^{\circ}06'06''$  East, along the East line of said West Half, a distance of 1,968.79 feet to the Southeast Corner of the North Half of the Southwest Quarter of the Northeast Quarter of said Section 22;

Thence North  $89^{\circ}01'22''$  West, along the South line of the North Half of the Southwest Quarter of the Northeast Quarter of said Section 22, a distance of 1,321.26 feet to a point on the North South mid-section line of said Section 22;

Thence South  $00^{\circ}09'00''$  East, along the North South mid-section line, a distance of 653.24 feet to the Center of said Section 22;

Thence continuing South  $00^{\circ}09'00''$  East, along said North South mid-section line, a distance of 1,994.48 feet to the Northwest Corner of the South Half of the South Half of the Southeast Quarter of said Section 22;

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence South 89°15'59" East, along the North line of the South Half of the South Half of the Southeast Quarter of said Section 22, a distance of 2,638.89 feet to the Northeast Corner of the South Half of the South Half of the Southeast Quarter of said Section 22;

Thence South 00°04'58" East, along the East line of the Southeast Quarter of said Section 22, a distance of 658.96 feet to the Northeast Corner of said Section 27;

Thence South 00°16'27" East, along the East line of the Northeast Quarter of said Section 27, a distance of 1,318.69 feet to the Southeast Corner of the North Half of the Northeast Quarter of said Section 27;

Thence North 89°27'00" West, along the South line thereof, a distance of 2,643.32 feet to the Southwest Corner of the North Half of the Northeast Quarter of said Section 27;

Thence South 00°02'36" East, along the North South mid-section line, a distance of 1,321.23 feet to the Center of said Section 27;

Thence South 00°02'36" East, along the North South mid-section line of said Section 27, a distance of 2,639.04 feet to the South Quarter Corner thereof;

Thence North 89°34'35" West, along the South line of the Southwest Quarter of said Section 27, a distance of 2,661.01 feet to the Southeast Corner of said Section 28;

Thence North 89°29'08" West, along the South line of the Southeast Quarter of said Section 28, a distance of 2,652.13 feet to the Point of Beginning.

Containing 2,928.292 Acres, more or less.

#### PARCEL 2

That part of the West Half of Section 17 and that part of Section 18, Township 2 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the South Quarter Corner of said Section 17;

Thence North 89°33'33" West, along the South line of the Southwest Quarter of said Section 17, a distance of 2,564.00 feet to the G.L.O. Brass Cap marking the Southeast Corner of said Section 18;

Thence North 88°50'03" West, along the South line of the Southeast Quarter of said Section 18, a distance of 2,640.27 feet to the South Quarter Corner thereof;



Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence South  $89^{\circ}57'40''$  West, along the South line of the Southwest Quarter of said Section 18, a distance of 941.53 feet to the beginning of a tangent curve of 2,600.00 foot radius, concave Northeasterly;

Thence Northwesterly, departing said South line, along said curve, through a central angle of  $31^{\circ}13'45''$ , a distance of 1,417.13 feet;

Thence North  $58^{\circ}48'35''$  West, a distance of 595.03 feet to a point on the West line of the Southwest Quarter of said Section 18;

Thence North  $00^{\circ}20'38''$  East, along the West line of the Southwest Quarter of said Section 18, a distance of 1,959.24 feet to the West Quarter Corner thereof;

Thence North  $00^{\circ}22'00''$  East, along the West line of the Northwest Quarter of said Section 18, a distance of 2,644.07 feet to the Northwest Corner thereof;

Thence North  $89^{\circ}48'05''$  East, along the North line of the Northwest Quarter of said Section 18, a distance of 2,543.69 feet to the North Quarter Corner thereof;

Thence South  $88^{\circ}46'54''$  East, along the North line of the Northeast Quarter of said Section 18, a distance of 2,654.20 feet to the Northwest Corner of said Section 17;

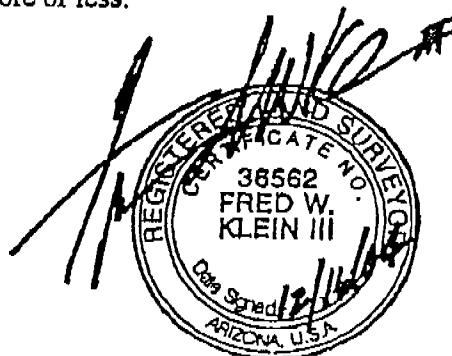
Thence South  $89^{\circ}19'19''$  East, along the North line of the Northwest Quarter of said Section 17, a distance of 2,682.29 feet to the North Quarter Corner thereof;

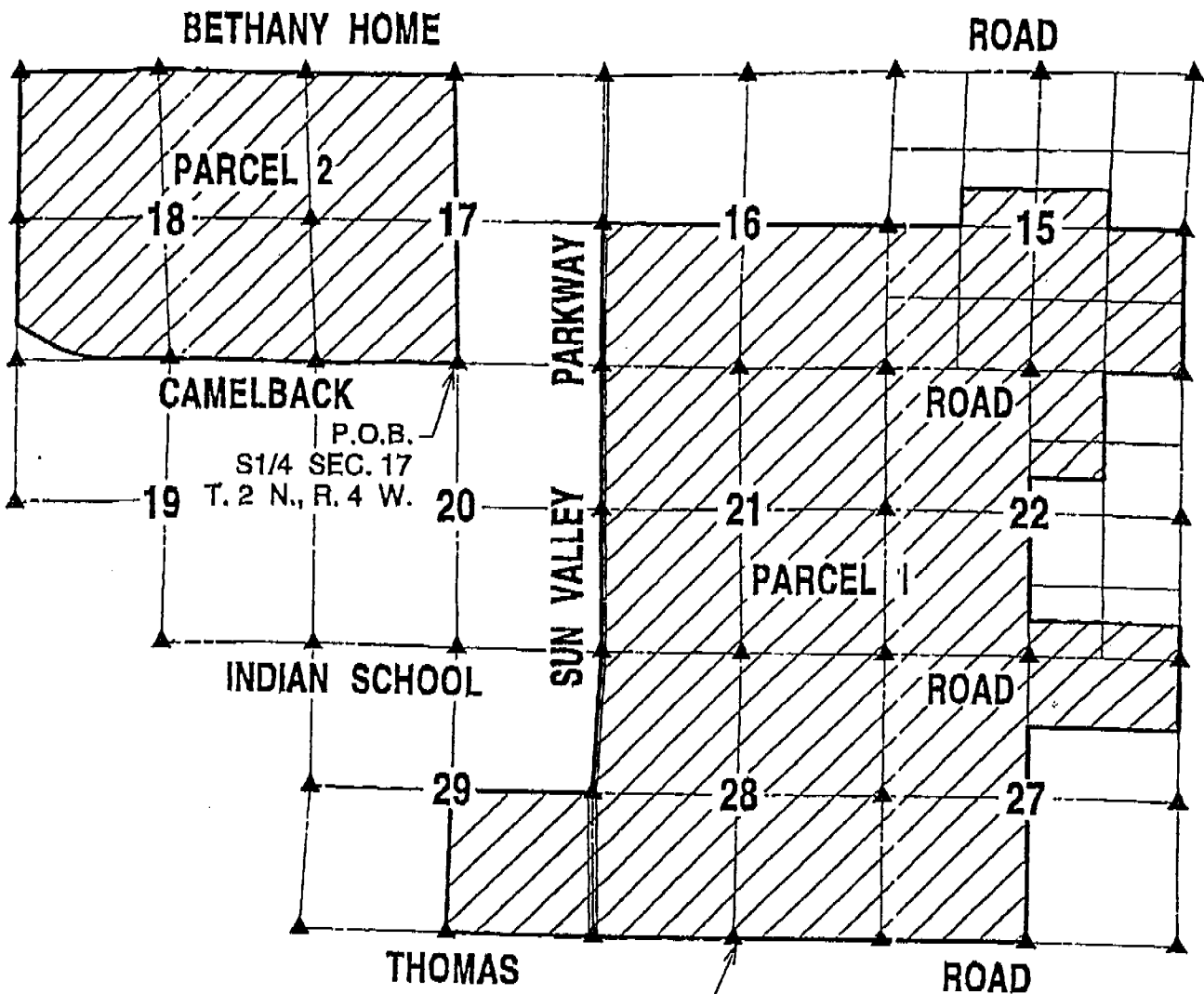
Thence South  $01^{\circ}01'27''$  East, along the North South mid-section line of said Section 17, a distance of 2,633.10 feet to the Center of said Section 17;

Thence continuing South  $01^{\circ}01'27''$  East, along said North South mid-section line, a distance of 2,648.40 feet to the Point of Beginning.

Containing 954.441 Acres, more or less.

Containing 3882.733 Total Acres, more or less.





P.O.B.  
S1/4 SEC. 28  
T. 2 N., R. 4 W.



<p><b>EXHIBIT</b></p>	<p><b>ELIANTO OVERALL CFD</b></p>	<p>JOB NO 720001</p>
<p><b>CVL</b> 4550 North 12th Street Phoenix, Arizona 85014 Telephone 602-264-6831 http://www.cvlcl.com</p>	<p><b>Coe &amp; Van Loo Consultants, Inc.</b></p>	<p>SHEET 1 OF 1</p>

FILE: N:\720001\LAND\EHCFD2.DGN

DATE:12/16/04

**TOWN OF BUCKEYE**  
**REGULAR COUNCIL MEETING**

**FEBRUARY 1, 2005**

**AGENDA**

**Town Council Chambers**  
**100 N. Apache Road**  
**Buckeye, AZ 85326**  
**7:00 p.m.**

*Accessibility for all persons with disabilities will be provided upon request. Please telephone your accommodation request (623 326-6673) 72 hours in advance if you need a sign language interpreter or alternate materials for a visual or hearing impairment. (TDD 623 386-4421)*

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*Members of the Town Council will either attend in person or by telephone conference call or video presentation. Items listed may be considered by the Council in any order.*

**1. Call to Order/Pledge of Allegiance/Roll Call.**

*Council Action: None.*

**2. Comments from the Public – Members of the audience may comment on any item of interest.**

*Council Action: Open Meeting Law does not permit Council discussion of items not specifically on the agenda.*

*Approval of items on the Consent Agenda – All items with an (\*) are considered to be routine matters and will be enacted by one motion and vote of the Town Council. There will be no separate discussion of these items unless a Councilmember requests, in which event the item will be removed from the consent agenda and considered in its normal sequence.*

**CONSENT AGENDA**

**\*3. Council to consider approval of the minutes of the January 18, 2005 regular Council meeting.**

**\*4. Council to consider invoices due by the Town for payment. Copies of invoices are available at Town Hall.**

**5. New Business**

**\*5A. Council to consider a request from Buckeye Congregation of Jehovah's Witness for a waiver of fees for the use of the Community Center on March 24, 2005.**

**\*5B. Council to consider and if advisable approve the amended and restated Type 2 Water Right Sublease Agreement with Stardust-Tartesso W-12 Inc. and read by title only.**

**\*5C. Council to consider and if advisable approve the Final Pay application in the amount of \$17,234.03 inclusive of Change Orders in the amount of \$10,934.03 to Wilson Concrete for work at the Skate Park.**

**\*5D. Council to consider and if advisable approve the funding of the appraisal for the parcels known as the "Stander Property" to Wardrop Real Estate Group in an amount not to exceed \$11,500.**

*Council Action: Motion to approve Items \*3, \*4, \*5A, \*5B, \*5C, and \*5D.*

**5E. Mr. Milton Brooks has requested to address the Council regarding Business License fees.**

*Council Action: Discussion and possible staff direction.*

**5F. Council to consider and if advisable approving utilizing \$13,000 the Revitalization Fund for the purpose of having a market analysis conducted for the downtown area. An additional \$13,000 would come from State Fund Grant for a total of \$26,000.**

*Council Action: Discussion and possible action.*

**5G. Council to consider and if advisable approve utilizing \$45,000 from the Revitalization Fund for the purpose of acquiring land, which will be used to relocate the Raney house into downtown Buckeye. An additional \$15,000 would come from State Grant Funds for a total of \$60,000.**

*Council Action: Discussion and possible action.*

**5H. Council to consider and if advisable adopt Ordinance 09-05 increasing the corporate limits of the Town of Buckeye, Arizona. Request by Leroy Thatcher of approximately one acre.**

**THATCHER A04-23**

*Council Action: Discussion and possible action.*

**5I. Council to consider and if advisable adopt Ordinance 10-05 increasing the corporate limits of the Town of Buckeye, Arizona. Request by Kevin Whitnack, Cowley Companies of approximately 125 acres. COWLEY A04-24**

*Council Action: Discussion and possible action.*

**5J. Council to consider and if advisable adopt Ordinance 11-05 amending the Land Use District Map of the Town in that area generally located at the southeast corner of I-10 and Wilson Road from R-43, Maricopa County, to 30 acres Commercial Center, 19 acres General Commerce and 76 acres Planned Community. Request by Kevin Whitnack, Cowley Companies of approximately 125 acres.**

**COWLEY RZ04-373**

*Council Action: Discussion and possible action.*

**5K. Council to consider and if advisable adopt Ordinance 12-05 approving both a Development Agreement and the Community Master Plan for the development of Silver Rock, a Master Plan Community by Newport Development on approximately 1,241 acres of land located in portions of Sections 21, 22, 27 and 28 of Township 1 North, Range 2 West of the Gila and Salt River Base and Meridian, authorizing and directing the Mayor to sign the Development Agreement on behalf of the Town and read by title only. Requested by Matt Montgomery of Newport Development on behalf of the Newport Group Management Company L.L.C. SILVER ROCK CMP03-434**

*Council Action: Discussion and possible action.*

**5L. Council to consider and if advisable adopt Ordinance 13-05 amending the Land Use District Map of the Town in that area generally located north and east of the intersection of Broadway Road and Apache Road from the Planned Residential to the Commercial Center Land Use District and read by title only. Site consists of approximately 12 acres and is being requested by Fer Properties.**

**FER RZ04-362**

*Council Action: Discussion and possible action.*

**5M. Council to consider and if advisable adopt Resolution 10-05 approving the Final Plat of a subdivision to be known as "Miller Manor, Phases 1, 2, and 3" located northeast from the intersection of Miller Road and Southern Avenue and also located generally within Section 29, Township 1 South, Range 3 West of the Gila and Salt River Base and Meridian. Request by Manhard Consulting on behalf of Southwestern Investment Group L.L.C. MILLER MANNOR FP01-65**

*Council Action: Discussion and possible action.*

**5N. Council to consider and if advisable adopt Ordinance 14-05 approving an amendment to the Community Master Plan for the Development known as Tartesso West and read by title only.**

**Request by Bob Speirs of Stardust Development of the addition of two parcels, totaling approximately 272 acres and subsequent land uses. TARTESSO WEST CMPA03-148**

**5O. Council to consider and if advisable adopt Ordinance 15-05 approving both a Development Agreement and the Community Master Plan for the Development of Westwind, a Master Planned Community by Cavalier Properties, L.L.C. on approximately 807 acres of land located in portions of Sections 15, 16, 21 and 22 of Township 1 North, Range 2 West of the Gila and Salt River Base and Meridian and authorizing and directing the Mayor to sign the Development Agreement on behalf of the Town and read by title only. WESTWIND CMP03-110**

*Council Action: Discussion and possible action.*

**5P. Council to consider and if advisable adopt Ordinance 16-05 adopting new Development Impact Fees for Water, Sewer, Streets, Police, Fire and Emergency Medical Services, General Government, Parks and Recreation, and Library for the Town of Buckeye, and read by title only.**

*Council Action: Discussion and possible action.*

**5Q. Council to consider and if advisable adopt Ordinance 17-05 amending the Town Code Section 3-4-1 Relating to Purchasing increasing the purchase or contract for services from \$5,000 to \$10,000 and read by title only.**

*Council Action: Discussion and possible action.*

**5R. Council to consider and if advisable approve an Amendment to Facility Use Contract between Buckeye Elementary School District No. 33 and the Town of Buckeye.**

*Council Action: Discussion and possible action.*

**5S. Council to consider and if advisable award a non-exclusive license agreement and leasing agreement with BWSS Contracting Inc. dba The Trade Mark Group to provide fuel at the Airport and to authorize the Town Manager to sign such agreement.**

*Council Action: Discussion and possible action.*

**5T. Council to consider and if advisable approve the expenditure of \$449,093.58 from impact fees for the purchase of new Fire apparatus to replace old apparatus.**

*Council Action: Discussion and possible action.*

**5U. Council to consider and if advisable approve an agreement between the Town and Arizona Public Service for the purchase of streetlight facilities and, if the agreement is approved, will authorize the Mayor to execute same and to take, along with the appropriate Town officials, all actions necessary to effectuate the agreement.**

*Council Action: Discussion and possible action.*

**5V. Council to consider and if advisable approve an agreement between the Town and Arizona Public Service for a streetlight pole use license agreement and, if the agreement is approved, will authorize the Mayor to execute same and to take, along with the appropriate Town officials, all actions necessary to effectuate the agreement.**

*Council Action: Discussion and possible action.*

**5W. Council to consider and if advisable approve an agreement between the Town and Arizona Public Service ("APS") for APS to provide energy for streetlight facilities and, if the agreement is approved, will authorize the Mayor to execute same and to take, along with appropriate Town officials, all actions necessary to effectuate the agreement.**

*Council Action: Discussion and possible action.*

**5X. Council to consider and if advisable approve an agreement between the Town and Arizona Public Service for construction and maintenance of streetlight facilities and, if the agreement is approved, will authorize the Mayor to execute same and to take, along with the appropriate Town officials, all actions necessary to effectuate the agreement.**

*Council Action: Discussion and possible action.*

**5Y. Council to consider a petition received relative to the formation of the Elianto Community Facilities District and, if deemed advisable, to adopt Resolution 11-05 forming such District and entering into a Development, Financing Participation and Intergovernmental Agreement No. 1 with such District, and read by title only.**

*Council Action: Discussion and possible action.*

**6. Town Manager's Report.** – The Manager may provide a brief summary of current events; however, there can be discussion on the following matters:

*Manager's update on Council related matters.*

*Update of Legislative issues.*

**7. Comments from the Mayor and Council** –*Mayor and Council may present a brief summary on current events. The Council may not propose, discuss, deliberate, or take any legal action of information presented. Council may direct inquiries to staff.*

**8. Adjournment.**

*Council Action: Motion to adjourn.*

*Posted January 27, 2005*

**RESOLUTION NO. 01-05**

**A RESOLUTION OF THE DISTRICT BOARD OF ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) APPOINTING DISTRICT OFFICERS; APPROVING THE GENERAL PLAN; TAKING CERTAIN OTHER ACTIONS WITH REGARD TO ORGANIZATION OF THE DISTRICT; AND CALLING A SPECIAL BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION FOR THE DISTRICT; AND ENTERING INTO A DEVELOPMENT, FINANCING PARTICIPATION AND INTERGOVERNMENTAL AGREEMENT NO. 1 WITH THE TOWN.**

**BE IT RESOLVED BY THE DISTRICT BOARD OF ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) as follows:**

**Section 1. Findings.**

A. On February 1, 2005, the Mayor and Council of the Town of Buckeye, Arizona (hereinafter called the "*Town*"), adopted Resolution No. 11-05 (the "*Resolution*") ordering and declaring formation of Elianto Community Facilities District (Town of Buckeye, Arizona) (hereinafter called the "*District*").

B. All conditions precedent to the formation of the District have been satisfied.

C. As provided by Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (the "*Act*"), the District is a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes, as amended, and, except as otherwise provided in Section 48-708(B), of the Act, is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the Town.

D. The owners of all real property in the District (collectively, the "*Owner*") filed with the Town Clerk the "general plan" for the District, which sets out a general description of the public infrastructure improvements for which the District was formed and the general areas to be improved (hereinafter referred to as the "*General Plan*").

E. Certain matters relating to the organization of the District must be determined by the district board of the District (hereinafter referred to as the "*District Board*"), including consideration of a Development, Financing Participation and Intergovernmental Agreement No. 1 by and among the District, the Town and the Owner (the "*Development Agreement*").

F. The Owner may construct or acquire a portion of the "public infrastructure" (as such term is defined in Section 48-701, of the Act) described in the General Plan or has undertaken "public infrastructure purposes" (as such term is defined in Section 48-701, of the Act) related thereto in contemplation of acquisition of such public infrastructure by a community facilities district.

G. (1) The District is authorized by Section 48-719, of the Act, to issue and sell general obligation bonds of the District to provide moneys for certain "public infrastructure purposes" consistent with the "general plan" of the District.

(2) Such bonds may not be issued unless approved at an election ordered and called to submit to the qualified electors of the District, which qualified electors consist of persons residing in the District who have registered to vote and those persons who are qualified to vote pursuant to Section 48-707(G), of the Act. If no person has registered to vote within the District within fifty (50) days immediately preceding any scheduled election date, the owners of land within the District who are qualified electors of the State of Arizona and other landowners according to Section 48-3043, of the Act (the "*Landowners*" and in either case hereinafter referred to as, collectively, the "*qualified electors*" ) shall vote on the question of authorizing the District Board to issue such bonds for such purposes.

(3). The District is authorized by Section 48-723, of the Act to levy an ad valorem tax on the assessed value of all real and personal property in the District for the purpose of applying the taxes to the operation and maintenance expenses of the District.

(4) The ad valorem tax for operation and maintenance purposes may not be levied unless approved at an election by the qualified electors of the District.

(5) The District Board deems it necessary and advisable to order and call such an election at this time for the purpose of submitting questions that request authorization to issue general obligation bonds and levy an ad valorem property tax for the District's operation and maintenance expenses, and to establish the procedures whereby such election should be held.

(6) An estimate of the amount of financing necessary to provide for, through acquisition, construction or otherwise, the "public infrastructure purposes", a general description of which are set out in the general plan of the District, has been presented to the District Board.

**Section 2.** Appointment of District Officers. The persons serving as Mayor and Vice Mayor of the Town are hereby appointed "Chairman" and "Vice Chairman," respectively, of the District Board; the person serving as the Town Clerk is hereby appointed "District Clerk"; the person serving as the Town Finance Director is hereby appointed "District Treasurer"; the person serving as the Town Manager is hereby appointed "District Manager". Gust Rosenfeld P.L.C. is hereby retained as the District's bond counsel and special counsel and all conflicts of interest that exist now or in the future between the Town and the District caused by such dual representation are waived. The District Manager is authorized to appoint itself, or such other qualified entity, as District Engineer when such appointment shall be necessary to further the purposes of the District. Except as otherwise provided by resolution of the District, all agreements and other documents to which the District is a party shall be executed on behalf of the District by the District Manager or the designee of the District Manager.

**Section 3.** Posting of Notices. Statements of the District directing where all public notices of the meetings of the District shall be posted in substantially the form attached



hereto as Exhibit A has been filed with the Clerks of Maricopa County and the Town and is hereby approved and ratified for all purposes thereof.

**Section 4. Preparation of Budget.** The District Board hereby instructs the District Treasurer to cause to be prepared a draft of a proposed budget for the District for the ensuing fiscal year to be circulated for consideration at a subsequent meeting of the Board as required by Section 48-716, Arizona Revised Statutes, as amended. Such budget shall include the costs of providing the District, its board members, officers, employees, agents and contractors with adequate insurance coverage.

**Section 5. Approval of General Plan.** The General Plan as submitted to the Town is hereby approved in all respects.

**Section 6. Call of Election.** A special election, in and for the District, be and the same is hereby ordered and called to be held on March 8, 2005 (the "*Election*"), at which time there shall be submitted to the qualified electors of the District the questions set forth in the form of official ballot attached hereto, marked Exhibit B and incorporated by reference herein. Based upon a certificate of the Maricopa County Recorder, dated a date not more than fifty (50) days prior to the date of the Election, there are no persons registered to vote within the District.

The District Clerk is directed to appoint election workers, election officials and such other necessary persons to the extent required to assist in conducting the election. The District Clerk is further directed to take such other actions as are necessary and appropriate to carry out the purposes of this resolution.

**Section 6. Posting and Publishing of Matters Relating to Election.** The Election shall be called by posting notices in three (3) public places within the boundaries of the District not less than twenty (20) days before the date of the Election in substantially the form hereto attached and marked Exhibit C. Notice shall also be published in the The Buckeye Valley News, West Valley View and The Arizona Republic, newspapers of general circulation in the Town, once a week for two consecutive weeks preceding the Election in substantially the form of Exhibit C.

**Section 7. Polling Place.** The polling place and the time the poll shall be opened and closed shall be as provided in Exhibit C.

**Section 8. Affidavit for Landowners.** If the qualified electors are and become the Landowners, prospective electors voting in the Election shall execute an affidavit substantially in the form hereto attached and marked Exhibit D.

**Section 9. Preparation of Ballots and Affidavits.** The District Clerk is hereby authorized and directed to have printed and delivered to the election officers at such polling place such ballots and, if necessary, such affidavits, to be by them furnished to the qualified electors of the District offering to vote at the Election, in substantially the form of Exhibits B and D.

**Section 10. Compliance with Voting Rights Act 1965.** In order to comply with the Voting Rights Act of 1965, as amended, the following shall be translated into Spanish and posted, published and recorded in each instance where posting, publication and recording of such

proceedings are required, to-wit: Exhibits B, C and D, all absentee voting materials and all instructions at the polling place.

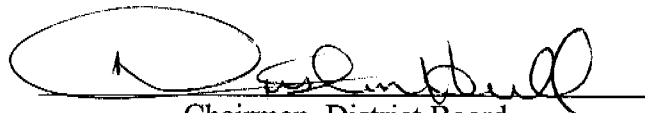
**Section 11. Applicable Law.** The Election shall be held, conducted and canvassed in conformity with the provisions of the general election laws of the State of Arizona, except as otherwise provided by law, and only such persons shall be permitted to vote at such election who are qualified electors of the District. Absentee voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended.

**Section 12. Canvass.** On March 15, 2005, which is a date within fourteen (14) days after the date of the Election, the District Board shall meet and canvass the returns, and if a majority of the votes cast at the Election is in favor of issuing the bonds and levying an ad valorem property tax for operation and maintenance purposes, the Board shall enter the fact on its minutes.


**Section 13. Approval of Development Agreement.** The Development Agreement by and among the Town, the District and the Owner, as presented to the Board and on file with the District Clerk, is hereby approved. The Chairman of the District Board is authorized and directed to execute and deliver, and the Clerk is authorized and directed to attest, the Development Agreement.

**Section 14. Effective Date.** This resolution shall be effective immediately.

**PASSED** by the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) on February 1, 2005.

  
Chairman, District Board

ATTEST:

  
District Clerk

EXHIBITS:

- A - Statements Regarding Posting of Public Meetings
- B - Form of Ballot
- C - Form of Notice of Election
- D - Form of Affidavit of Elector

**EXHIBIT A**

**OPEN MEETING LAW NOTICE**

Notice of Meetings

**ELIANTO COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

TO THE GENERAL PUBLIC:

PLEASE TAKE NOTICE that the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona), will hold its meetings at the Buckeye Town Hall, 100 North Apache, Suite A, Buckeye, AZ 85326, and that notice of such meetings will be given at least twenty-four (24) hours prior to a meeting and notice will be posted on the bulletin board at the Buckeye Town Hall.

Meetings will be held in conjunction with the meetings of the Town Council of the Town of Buckeye, Arizona.

DATED AND POSTED: \_\_\_\_\_, 2005.

  
Clerk

**EXHIBIT B**

Number of acres owned \_\_\_\_\_

**OFFICIAL BALLOT**

**SPECIAL BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION  
ELIANTO COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

Question No. 1

Shall the district board (the "Board") of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed One Hundred Seventy Five Million dollars (\$175,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

The voter shall place a mark in the square opposite the words "Bonds, Yes" or "Bonds, No", whichever words express the voter's choice.

BONDS, YES	<input type="checkbox"/>
BONDS, NO	<input type="checkbox"/>

Question No. 2

Shall the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

The voter shall place a mark in the square opposite the words "Tax, Yes" or "Tax, No", whichever words express the voter's choice.

TAX, YES	<input type="checkbox"/>
TAX, NO	<input type="checkbox"/>

**NOTICE TO VOTERS:**

The vote shall indicate his vote on each question by inserting a mark in the square opposite the phrase which expresses his choice. Only qualified electors of the District are eligible to vote at this special election.

The voter understands that the vote cast will constitute the vote for all of the acres owned by the voter.

**EXHIBIT C**

**NOTICE OF ELECTION**

**TO THE QUALIFIED ELECTORS OF ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):**

A general obligation bond and an operation and maintenance ad valorem tax election will be held on \_\_\_\_\_, for the District at the polling place hereafter set forth. The District is comprised of real property located within the \_\_\_\_\_ voting precinct.

**PRECINCT** \_\_\_\_\_

**POLLING PLACE** Buckeye Town Hall, 100 North Apache, Suite A, Buckeye, AZ 85326

Precinct registers may contain the names of all registered voters in the precinct, and the election board at the polling place shall require a prospective elector to execute an affidavit stating that the elector is a qualified elector of the District.

The polling place will open at 9:00 a.m. and close at 4:00 p.m.

The purpose of the election is to permit the qualified electors of the District to vote on the following questions:

**Question No. 1**

Shall the district board (the "Board") of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed One Hundred Seventy Five Million dollars (\$175,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

**Question No. 2**

Shall the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

Absentee (early) voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. A qualified elector may vote absentee (early) by contacting the office of the District Clerk, 100 North Apache, Suite A, Buckeye, AZ 85326, telephone number 623.386.4691. The "general plan" for the District required by Section 48-702(B), Arizona Revised Statutes, as amended, is on file with the District Clerk at the same location.

**ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA)**

**EXHIBIT D**

**AFFIDAVIT OF PROSPECTIVE ELECTOR  
AS TO OWNERSHIP OF LAND OR OTHER  
QUALIFICATION TO VOTE PURSUANT TO  
SECTION 48-3043, ARIZONA REVISED STATUTES, AS AMENDED**

STATE OF ARIZONA )  
COUNTY OF MARICOPA )  
TOWN OF BUCKEYE )  
ELIANTO COMMUNITY FACILITIES DISTRICT )  
DISTRICT (TOWN OF BUCKEYE, ARIZONA) )

**COMES NOW** the undersigned and, being first duly sworn, deposes and says as follows:

1. I am the authorized representative of Elianto, LLC (the "*Company*"), a limited liability company duly formed and validly existing pursuant to the laws of the State of Arizona.

2. The Company I so represent owns 2,769 acres in the Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

3. The Company is qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended, as the bona fide owner of 2,769 acres of land within the District, holding title or evidence of title of record of said acres.

4. As the authorized representative of the Company, I have been designated and authorized by the board of directors of the Company to represent and vote for and on behalf of the Company, in the election being held by the District on the date hereof.

**ELIANTO, LLC.**, an Arizona limited liability company

By: Lennar Communities Development, Inc.  
Its: Manager

By \_\_\_\_\_  
Its \_\_\_\_\_

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_.

\_\_\_\_\_  
Election Board Member

**AFFIDAVIT OF PROSPECTIVE ELECTOR  
AS TO OWNERSHIP OF LAND OR OTHER  
QUALIFICATION TO VOTE PURSUANT TO  
SECTION 48-3043, ARIZONA REVISED STATUTES, AS AMENDED**

STATE OF ARIZONA )  
COUNTY OF MARICOPA )  
TOWN OF BUCKEYE )  
ELIANTO COMMUNITY FACILITIES DISTRICT )  
(TOWN OF BUCKEYE, ARIZONA) )

**COMES NOW** the undersigned and, being first duly sworn, deposes and says as follows:

1. I am the authorized representative of CPH Elianto West LLC (the "*Company*"), a limited liability company duly formed and validly existing pursuant to the laws of the State of Delaware and duly authorized to do business within the State of Arizona.

2. The Company I so represent owns 954 acres of land in the Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

3. The Company is qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended, as the bona fide owner of 954 acres of land within the District, holding title or evidence of title of record of said acres.

4. As the authorized representative of the Company, I have been designated and authorized by the board of directors of the Company to represent and vote for and on behalf of the Company, in the election being held by the District on the date hereof.

**CPH ELIANTO WEST, LLC.**, a Delaware limited liability company

By: Capital Pacific Holdings, Inc.,  
A Delaware corporation  
Its: Sole Member

By: Capital Pacific Homes of Arizona, Inc., a  
Delaware corporation  
Its: Authorized Agent

By \_\_\_\_\_  
Name: A. Clyde Dinnell  
Its: President

By \_\_\_\_\_

Name: Sara Ridgeway

Its: Chief Financial Officer

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_.

\_\_\_\_\_

Election Board Member



**AFFIDAVIT OF PROSPECTIVE ELECTOR  
AS TO OWNERSHIP OF LAND OR OTHER  
QUALIFICATION TO VOTE PURSUANT TO  
SECTION 48-3043, ARIZONA REVISED STATUTES, AS AMENDED**

STATE OF ARIZONA )  
 COUNTY OF MARICOPA )  
 TOWN OF BUCKEYE )  
 ELIANTO COMMUNITY FACILITIES DISTRICT )  
 (TOWN OF BUCKEYE, ARIZONA) )

**COMES NOW** the undersigned and, being first duly sworn, deposes and says as follows:

1. I am the authorized representative of E.W. Gardner Family Limited Partnership No. 2 (the "*Partnership*"), a limited partnership duly formed and validly existing pursuant to the laws of the State of Arizona.

2. The Partnership I so represent owns 160 acres of land in the Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

3. The Partnership is qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended, as the bona fide owner of 160 acres of land within the District, holding title or evidence of title of record of said acres.

4. As the authorized representative of the Partnership, I have been designated and authorized by the board of directors of the Company to represent and vote for and on behalf of the Partnership, in the election being held by the District on the date hereof.

**E.W. GARDNER FAMILY LIMITED  
PARTNERSHIP NO. 2**, an Arizona limited  
partnership

By \_\_\_\_\_  
 Its \_\_\_\_\_

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_.

\_\_\_\_\_  
 Election Board Member

ELIANTO COMMUNITY FACILITIES DISTRICT  
TOWN OF BUCKEYE, ARIZONA

FEBRUARY 1, 2005

AGENDA

Town Council Chambers  
100 N. Apache Road  
Buckeye, AZ 85326

Immediately following the Regular Town Council Meeting of February 1, 2005

*Accessibility for all persons with disabilities will be provided upon request. Please telephone your accommodation request (623 326-6673) 72 hours in advance if you need a sign language interpreter or alternate materials for a visual or hearing impairment. (TDD 623 386-4421)*

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*Members of the Board will either attend in person or by telephone conference call or video presentation. Items listed may be considered by the Board in any order.*

**1. Call to Order/Roll Call.**

*Board Action: None.*

**2. Call to the Public.**

*Board Action: None.*

**3. Council to consider, for possible action, Resolution 01-05, a resolution of the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) appointing District Officers; approving the General Plan; taking certain other actions with regard to organization of the District; and calling a Special Bond and Operation and Maintenance Ad Valorem Tax Election for the District and entering into a Development, Financing Participation and Intergovernmental Agreement No. 1 with the Town.**

*Board Action: Discussion and possible motion.*

**4. Adjournment.**

*Board Action: Motion to adjourn.*

## NOTICE OF ELECTION

### **TO THE QUALIFIED ELECTORS OF ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):**

A general obligation bond and an operation and maintenance ad valorem tax election will be held on March 8, 2005, for the District at the polling place hereafter set forth. The District is comprised of real property located within the White Tank voting precinct.

#### **PRECINCT WHITE TANK**

**POLLING PLACE** Buckeye Town Hall, 100 North Apache, Suite A, Buckeye, AZ 85326

Precinct registers may contain the names of all registered voters in the precinct, and the election board at the polling place shall require a prospective elector to execute an affidavit stating that the elector is a qualified elector of the District.

The polling place will open at 9:00 a.m. and close at 4:00 p.m.

The purpose of the election is to permit the qualified electors of the District to vote on the following questions:

#### Question No. 1

Shall the district board (the "Board") of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed One Hundred Seventy Five Million dollars (\$175,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (I) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

#### Question No. 2

Shall the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

Absentee (early) voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. A qualified elector may vote absentee (early) by contacting the office of the District Clerk, 100 North Apache, Suite A, Buckeye, AZ 85326, telephone number 623.386.4691. The "general plan" for the District required by Section 48-702(B), Arizona Revised Statutes, as amended, is on file with the District Clerk at the same location.

ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE,  
ARIZONA)

## AVISO DE UNA ELECCION

### A LOS ELECTORES HABILITADOS DEL ELIANTO COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO"):

Se celebrará una elección de bonos financieros de obligación general y un impuesto ad valorem de manejo y mantenimiento el 8 de marzo de 2005, por el Distrito en el centro de votación nombrado después. El Distrito se compone de propiedad real ubicada dentro del recinto electoral White Tank.

**RECINTO**                    **WHITE TANK**  
**CENTRO DE VOTACION** Ayuntamiento de Buckeye, 100 North Apache, Suite A, Buckeye, AZ 85326

Los registros del recinto electoral pueden contener los nombres de todos los votantes inscritos en el recinto y la junta de elección en el centro de votación requerirá que un elector presunto firme un affidavit declarando que el elector es un elector habilitado del Distrito.

Se abrirá el centro de votación a las 9:00 de la mañana y se cerrará a las 4:00 de la tarde.

El propósito de la elección es el de permitirles a los electores del Distrito votar por las cuestiones siguientes:

#### Cuestión Número 1

¿Se le deberá autorizar al consejo administrativo del distrito (el "Consejo") del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y forma prescritos por el Consejo, y vencidos (no excederán veinticinco (25) años), fechas y tasas del interés pagadero, si fijas o variables, no excederán el doce por ciento (12%) por año, establecidos por el Consejo y conteniendo tales otros términos, condiciones, convenios y acuerdos como el Consejo crea apropiados, en la suma máxima que no exceda ciento setenta y cinco millones de dólares (\$175,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos los mejoramientos siguientes, incluyendo trabajo necesario o incidental, si se construye nuevamente, es renovado o existente y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, el uso y descargo del efluente; (b) sistemas de drenaje y control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, municipal o protección contra incendios incluyendo la producción, colección, depósitos, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo facilidades para la irrigación de agricultura a menos que sea para reparar o reemplazar las instalaciones existentes cuando otros mejoramientos descritos aquí dentro lo requieran; (d) caminos e instalaciones para estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, caballos, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; (f) alamedas para peatones, parques y áreas al aire libre para el uso de los miembros del público para entretenimiento, asamblea y recreo; (g) jardinería ornamental incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas relacionados para entregar agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de alumbrado; (j) sistemas de control de tráfico y aparatos incluyendo señales y controles; (k) sitios y facilidades escolares con el permiso del consejo administrativo del distrito escolar para el cual se adquieren los sitios o las instalaciones; y (l) equipo, vehículos, mobiliario y otros artículos relacionados; (2) para adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (4) establecer reservas en metálico para asegurar el pago del servicio de la deuda de los bonos financieros; (5) la financiación y pago del ingreso del interés de los bonos financieros por un período que no exceda tres (3) años a partir de la fecha de su emisión; (6) para refinanciar cualesquier bonos vencidos o bonos no vencidos con bonos financieros nuevos; y (7) gastos del Distrito propio de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) hasta e incluyendo (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"); y (b) para pagar toda o parte de las sumas avanzadas por los dueños de terreno para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año de toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros cuando pagaderos y para redimir tales bonos financieros cuando se venzan, como autorizados por la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

#### Cuestión Número 2

¿Se le deberá autorizar al consejo administrativo del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el Distrito) a exigir y cobrar un impuesto anual ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán para los gastos del manejo y mantenimiento del Distrito, de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados.

Se permitirá la votación del votante ausente (temprano) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar ausente (temprano) por comunicarse con la oficina del District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, número de teléfono (623) 386-4691. El "plan general" para el Distrito requerido por la Sección 48-702 (B), Estatutos Revisados de Arizona, como enmendados está archivado con el Escribano del Distrito en la misma ubicación.

**ELIANTO COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA)**

**AFFIDAVIT OF POSTING**

State of Arizona  
County of Maricopa

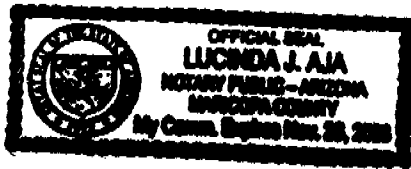
The undersigned, being first duly sworn, upon oath, deposes and says:

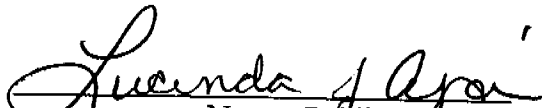
That the direction of the Board of Directors of Elianto Community Facilities District (Town of Buckeye, Arizona), the affiant posted copies in both English and Spanish of the attached notice of election held in and for the District on March 8, 2005, in each of the Three places in the District.

The notices were posted on or before February 16, 2005, which is at least twenty (20) days prior to the election date.

  
Affiant

SUBSCRIBED AND SWORN to before me this 20<sup>th</sup> day of December, 2005



  
Notary Public

My Commission expires:

11-28-08

## NOTICE OF ELECTION

### **TO THE QUALIFIED ELECTORS OF ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):**

A general obligation bond and an operation and maintenance ad valorem tax election will be held on March 8, 2005, for the District at the polling place hereafter set forth. The District is comprised of real property located within the White Tank voting precinct.

#### **PRECINCT WHITE TANK**

**POLLING PLACE** Buckeye Town Hall, 100 North Apache, Suite A, Buckeye, AZ 85326

Precinct registers may contain the names of all registered voters in the precinct, and the election board at the polling place shall require a prospective elector to execute an affidavit stating that the elector is a qualified elector of the District.

The polling place will open at 9:00 a.m. and close at 4:00 p.m.

The purpose of the election is to permit the qualified electors of the District to vote on the following questions:

#### Question No. 1

Shall the district board (the "Board") of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed One Hundred Seventy Five Million dollars (\$175,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (I) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

#### Question No. 2

Shall the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

Absentee (early) voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. A qualified elector may vote absentee (early) by contacting the office of the District Clerk, 100 North Apache, Suite A, Buckeye, AZ 85326, telephone number 623.386.4691. The "general plan" for the District required by Section 48-702(B), Arizona Revised Statutes, as amended, is on file with the District Clerk at the same location.

ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE,  
ARIZONA)

## AVISO DE UNA ELECCION

### A LOS ELECTORES HABILITADOS DEL ELIANTO COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO"):

Se celebrará una elección de bonos financieros de obligación general y un impuesto ad valorem de manejo y mantenimiento el 8 de marzo de 2005, por el Distrito en el centro de votación nombrado después. El Distrito se compone de propiedad real ubicada dentro del recinto electoral White Tank.

#### RECINTO            WHITE TANK

CENTRO DE VOTACION Ayuntamiento de Buckeye, 100 North Apache, Suite A, Buckeye, AZ 85326

Los registros del recinto electoral pueden contener los nombres de todos los votantes inscritos en el recinto y la junta de elección en el centro de votación requerirá que un elector presunto firme un affidavit declarando que el elector es un elector habilitado del Distrito.

Se abrirá el centro de votación a las 9:00 de la mañana y se cerrará a las 4:00 de la tarde.

El propósito de la elección es el de permitirles a los electores del Distrito votar por las cuestiones siguientes:

#### Cuestión Número 1

¿Se le deberá autorizar al consejo administrativo del distrito (el "Consejo") del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y forma prescritos por el Consejo, y vencidos (no excederán veinticinco (25) años), fechas y tasas del interés pagadero, si fijas o variables, no excederán el doce por ciento (12%) por año, establecidos por el Consejo y conteniendo tales otros términos, condiciones, convenios y acuerdos como el Consejo crea apropiados, en la suma máxima que no exceda ciento setenta y cinco millones de dólares (\$175,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos los mejoramientos siguientes, incluyendo trabajo necesario o incidental, si se construye nuevamente, es renovado o existente y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, el uso y descargo del efluente; (b) sistemas de drenaje y control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, municipal o protección contra incendios incluyendo la producción, colección, depósitos, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo facilidades para la irrigación de agricultura a menos que sea para reparar o reemplazar las instalaciones existentes cuando otros mejoramientos descritos aquí dentro lo requieran; (d) caminos e instalaciones para estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, caballos, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; (f) alamedas para peatones, parques y áreas al aire libre para el uso de los miembros del público para entretenimiento, asamblea y recreo; (g) jardinería ornamental incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas relacionados para entregar agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control de tráfico y aparatos incluyendo señales y controles, (k) sitios y facilidades escolares con el permiso del consejo administrativo del distrito escolar para el cual se adquieren los sitios o las instalaciones; y (l) equipo, vehículos, mobiliario y otros artículos relacionados, (2) para adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (4) establecer reservas en metálico para asegurar el pago del servicio de la deuda de los bonos financieros; (5) la financiación y pago del ingreso del interés de los bonos financieros por un período que no exceda tres (3) años a partir de la fecha de su emisión; (6) para refinanciar cualesquier bonos vencidos o bonos no vencidos con bonos financieros nuevos; y (7) gastos del Distrito propio de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) hasta (7) inclusive, siendo "propósitos de la infraestructura pública"); y (b) para pagar toda o parte de las sumas avanzadas por los dueños de terreno para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año de toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros cuando pagaderos y para redimir tales bonos financieros cuando se venzan, como autorizados por la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a cso?

#### Cuestión Número 2

¿Se le deberá autorizar al consejo administrativo del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el Distrito) a exigir y cobrar un impuesto anual ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán para los gastos del manejo y mantenimiento del Distrito, de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados.

Se permitirá la votación del votante ausente (temprano) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar ausente (temprano) por comunicarse con la oficina del District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, número de teléfono (623) 386-4691. El "plan general" para el Distrito requerido por la Sección 48-702 (B), Estatutos Revisados de Arizona, como enmendados está archivado con el Escribano del Distrito en la misma ubicación.

**ELIANTO COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA)**

ad valorem tax election will be held on March 8, 2005, for the election district is comprised of real property located within the White

Suite A, Buckeye, AZ 85326. Voters in the precinct, and the election board at the polling station will be present at the election board at the polling station stating that the elector is a qualified elector of the

of the District to vote on the following questions:

Facilities District (Town of Buckeye, Arizona) (the "District") is, in the denominations, series and terms prescribed by the (25) years, interest payment dates and interest rates, per annum, established by the Board and containing such Board deems proper; in the maximum amount of not to 100) to provide monies: (a) (1) for planning, design, engineering, and all necessary or desirable appurtenances ("public utility, transport, storage, treatment, dispersal, effluent use including collection, transport, diversion, storage, detention, or domestic, industrial, irrigation, municipal or fire protection, transport, delivery, connection and dispersal, but not for the repair or replacement of existing facilities when streets and parking facilities including all areas for vehicular use, equestrian, bicycle or other non-motor vehicle use parks and open space areas for the use of members of the escarping including earthworks, structures, lakes and other items; (h) public buildings, public safety facilities and fire programs and devices including signals, controls, markings and governing board of the school district for which the site or items and other personality related to such items; (2) acquire public infrastructure; (3) acquiring interests in real property payment of debt service on bonds; (5) funding and payment of not to exceed three (3) years from their date of issue with new bonds; and (7) expenses of the District incident to this paragraph (clauses (1) through (7), both inclusive, all or part of the amounts advanced by land owners for all be payable from a tax levied and collected annually on such bonds when due and to redeem such bonds when the State of Arizona, including particularly (but not by way of limitation, together with all amendments and additions there-

(Town of Buckeye, Arizona) (the "District") is authorized to levy a tax of all real and personal property in the District at a rate of (5/100) of assessed valuation for the purpose of paying for the interest and maintenance expenses of the District, including particularly (but not by way of limitation, together with all amendments and additions there-

Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") es autorizado para imponer un impuesto general y un impuesto ad valorem de bienes y mantenimiento de la votación nombrado después. El Distrito se compone de:

Apache, Suite A, Buckeye, AZ 85326. Todos los votantes inscritos en el recinto y la junta electoral presuntamente firmen un affidavit declarando que el elector es un elector calificado del Distrito votar por las cuestiones siguientes:

(el "Consejo") del Elianto Community Facilities District financieros de obligación general del Distrito, en las denominaciones (no excederán veinticinco (25) años), fechas y tasas de interés por ciento (12%) por año, establecidos por el Consejo y acordados como el Consejo crea apropiados, en la suma máxima (\$175,000,000) para proveer dinero: (a) (1) para la planificación o la instalación de cualquiera o de todos los mejoramientos que se construye nuevamente, es renovado o existente y todos los (a) sistemas de alcantarilla, incluyendo la colección, el transporte, entrega, conexión y dispersión, pero no los trabajos que sea para reparar o reemplazar las instalaciones que lo requieran; (d) caminos e instalaciones para estacionamiento para viajar, entrar, salir y estacionarse; (e) áreas para para viajar, entrar, salir y estacionarse; (f) alamedas para el uso del público para entretenimiento, asamblea y recreo; (g) lagos y otros aspectos acuáticos, plantas, árboles y sistemas de seguridad pública y de protección contra incendios y aparatos incluyendo señales y controles, (k) el personal administrativo del distrito escolar para el cual se adquieren los terrenos y otros artículos relacionados, (2) para adquirir, convertir, o construir para el uso público; (3) adquirir intereses en bienes raíces para asegurar el pago del servicio de la deuda de los intereses de los bonos financieros por un periodo que no exceda el tiempo de los bonos financieros vencidos o bonos no vencidos que son de y razonablemente necesarios para llevar a cabo los trabajos incluyendo (7), ambas inclusivas, siendo "propósitos de los trabajos de las sumas avanzadas por los dueños de terreno para tales bonos financieros serán pagaderos de un impuesto

# THE ARIZONA REPUBLIC

STATE OF ARIZONA }  
COUNTY OF MARICOPA } SS.

Melissa Johnson, being first duly sworn, upon oath deposes and says: That she is an advertising account executive of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, State of Arizona, published at Phoenix, Arizona, by Phoenix Newspapers Inc., which also publishes The Arizona Republic, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates as indicated.

The Arizona Republic/Zone 5

February 23; March 2, 2005

Sworn to before me this  
2<sup>ND</sup> day of  
March A.D. 2005



Notary Public



NOTICE OF ELECTION

TO THE QUALIFIED ELECTORS OF ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):

A general obligation bond and an operation and maintenance ad valorem tax election will be held on March 8, 2005, for the District at the polling place hereafter set forth. The District is comprised of real property located within the White Tank voting precinct.

PRECINCT WHITE TANK

POLLING PLACE Buckeye Town Hall, 100 North Apache, Suite A, Buckeye, AZ 85326

Precinct registers may contain the names of all registered voters in the precinct, and the election board at the polling place shall require a prospective elector to execute an affidavit stating that the elector is a qualified elector of the District.

The polling place will open at 9:00 a.m. and close at 4:00 p.m.

The purpose of the election is to permit the qualified electors of the District to vote on the following questions:

Question No. 1

Shall the district board (the "Board") of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years); interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed One Hundred Seventy Five Million dollars (\$175,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"); (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems; (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

Question No. 2

Shall the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

Absentee (early) voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. A qualified elector may vote absentee (early) by contacting the office of the District Clerk, 100 North Apache, Suite A, Buckeye, AZ 85326, telephone number 623-386-4691. The "general plan" for the District required by Section 48-702(B), Arizona Revised Statutes, as amended, is on file with the District Clerk at the same location.

ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA)

AVISO DE UNA ELECCION

A LOS ELECTORES HABILITADOS DEL ELIANTO COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO"):

Se celebrará una elección de bonos financieros de obligación general y un impuesto ad valorem de manejo y mantenimiento el 8 de marzo de 2005, por el Distrito en el centro de votación nombrado después. El Distrito se compone de propiedad real ubicada dentro del recinto electoral White Tank.

RECINTO WHITE TANK

CENTRO DE VOTACION Ayuntamiento de Buckeye, 100 North Apache, Suite A, Buckeye, AZ 85326

Los registros del recinto electoral pueden contener los nombres de todos los votantes inscritos en el recinto y la junta de elección en el centro de votación requerirá que un elector presunte firme un affidavit declarando que el elector es un elector habilitado del Distrito.

Se abrirá el centro de votación a las 9:00 de la mañana y se cerrará a las 4:00 de la tarde.

El propósito de la elección es si les permittir a los electores del Distrito votar por las cuestiones siguientes:

Cuestión Número 1

¿Se le deberá autorizar al consejo administrativo del distrito (el "Consejo") del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por el Consejo, y vendiéndolos (no excederán veinticinco (25) años), fechas y tasas del interés pagaderos, si fuese necesario, no excederán el doce por ciento (12%) por año, establecidos por el Consejo y conteniendo tales otros términos, condiciones, convenios y acuerdos como el Consejo crea apropiados, en la suma máxima que no exceda treinta millones de dólares (\$30,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos los mejoramientos siguientes, incluyendo trabajos de tierra y cimentación, si se construyere nuevamente, es renovado o existente y todos los accesorios necesarios o deseados ("infraestructura pública"); (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, el uso y descargo del efluente; (b) sistemas de drenaje y control de inundaciones, incluyendo la colección, transporte, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, municipal o protección contra incendios incluyendo la producción, colección, depósitos, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo facilidades para la irrigación de agricultura a menos que sea para reparar o reemplazar las instalaciones existentes cuando otros mejoramientos desieran aquí dentro lo regularan; (d) caminos e instalaciones para estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, caballos, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; (f) alarmadas para peatones, parques y áreas al aire libre para el uso de los miembros del público para entretenimiento, asamblea y recreo; (g) jardinería ornamental incluyendo terrapien, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas relacionados para entregar agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de alcantariado; (j) sistemas de control de tráfico y aparatos incluyendo señales y controles; (k) sitios y facilidades escolares con el permiso del consejo administrativo del distrito escolar para el cual se adquieren los sitios o las instalaciones; y (l) equipo, vehículos, mobiliario y otros artículos relacionados, (2) para adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (4) establecer reservas en metálico para asegurar el pago del servicio de la deuda de los bonos financieros; (5) la financiación y pago del ingreso del interés de los bonos financieros por un periodo que no exceda con bonos financieros nuevos; y (7) gastos del Distrito propio de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) hasta e incluyendo (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"); y (b) para pagar toda o parte de las sumas avanzadas por los dueños de terreno para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año de toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros cuando pagaderos y para redimir tales bonos financieros cuando se venzan, como autorizados por la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

Cuestión Número 2

¿Se le deberá autorizar al consejo administrativo del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el Distrito) a exigir y cobrar un impuesto anual ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán para los gastos del manejo y mantenimiento del Distrito, de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados.

Se permittirá la votación del votante ausente (temprano) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar ausente (temprano) por comunicarse con la oficina del District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, número de teléfono (623) 386-4691. El "plan general" para el Distrito requerido por la Sección 48-702 (B), Estatutos Revisados de Arizona, como enmendados está archivado con el Escribano del Distrito en la misma ubicación.

ELIANTO COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA)

05086-February 23; March 2, 2005

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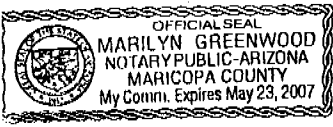
STATE OF ARIZONA COUNTY OF M.

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February 23; M

M

Sworn to before me this 2<sup>ND</sup> day of March A.D. 2005



Handwritten signature

# WEST VALLEY BUSINESS

200 W. Wigwam Blvd., Litchfield Park, Az. 85340-4636 ❖ (623) 535-VIEW [535-8439]

## AFFIDAVIT OF PUBLICATION

State of Arizona

County of Maricopa

I, Elliott Freireich, publisher of West Valley View and West Valley Business, newspapers of general circulation in Avondale, Buckeye, Goodyear, Litchfield Park and Tolleson, Arizona, attest that the legal advertisements for

Gust Rosenfeld

Town of Buckeye

Notice of Election

will be/has been published on February 22, 2005, March 1, 2005

Elliott Freireich  
Elliott Freireich, Publisher

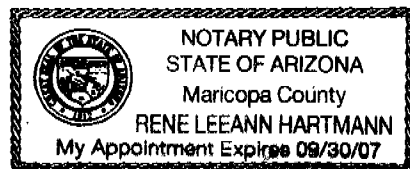
February 22, 2005  
Date

SUBSCRIBED AND SWORN TO BEFORE ME ON THE

22 DAY OF February (Month), 2005 (YEAR)

NOTARY SIGNATURE:

Rene Leeann Hartmann



## Public Notice

### AVISO DE UNA ELECCION A LOS ELECTORES HABILITADOS DEL ELIANTO COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO"):

Se celebrará una elección de bonos financieros de obligación general y un impuesto ad valorem de manejo y mantenimiento el 8 de marzo de 2005, por el Distrito en el centro de votación nombrado después. El Distrito se compone de propiedad real ubicada dentro del recinto electoral White Tank.

#### RECINTO WHITE TANK CENTRO DE VOTACION

Ayuntamiento de Buckeye, 100 North Apache, Suite A, Buckeye, AZ 85326

Los registros del recinto electoral pueden contener los nombres de todos los votantes inscritos en el recinto y la junta de elección en el centro de votación requerirá que un elector presunto firme un affidavit declarando que el elector es un elector habilitado del Distrito.

Se abrirá el centro de votación a las 9:00 de la mañana y se cerrará a las 4:00 de la tarde.

El propósito de la elección es el de permitirles a los electores del Distrito votar por las cuestiones siguientes:

#### Cuestión Número 1

¿Se le deberá autorizar al consejo administrativo del distrito (el "Consejo") del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y forma prescritos por el Consejo, y vencidos (no excederán veinticinco (25) años), fechas y tasas del interés pagadero, si fijas o variables, no excederán el doce por ciento (12%) por año, establecidos por el Consejo y conteniendo tales otros términos, condiciones, convenios y acuerdos como el Consejo crea apropiados, en la suma máxima que no exceda ciento setenta y cinco millones de dólares (\$175,000,000) para proveer dinero: (a) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos los mejoramientos siguientes, incluyendo trabajo necesario o incidental, si se construye nuevamente, es renovado o existente y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, el uso y descargo del efluente; (b) sistemas de drenaje y control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, municipal o protección contra incendios incluyendo la producción, colección, depósitos, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo

facilidades para la irrigación de agricultura a menos que sea para reparar o reemplazar las instalaciones existentes cuando otros mejoramientos descritos aquí dentro lo requieran; (d) caminos e instalaciones para estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, caballos, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; (f) alamedas para peatones, parques y áreas al aire libre para el uso de los miembros del público para entretenimiento, asamblea y recreo; (g) jardinería ornamental incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas relacionados para entregar agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control de tráfico y aparatos incluyendo señales y controles, (k) sitios y facilidades escolares con el permiso del consejo administrativo del distrito escolar para el cual se adquieren los sitios o las instalaciones; y (l) equipo, vehículos, mobiliario y otros artículos relacionados, (2) para adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (4) establecer reservas en metálico para asegurar el pago del servicio de la deuda de los bonos financieros; (5) la financiación y pago del ingreso del interés de los bonos financieros por un período que no exceda tres (3) años a partir de la fecha de su emisión; (6) para refinanciar cualesquier bonos vencidos o bonos no vencidos con bonos financieros nuevos; y (7) gastos del Distrito propio de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) hasta e incluyendo (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"); y (b) para pagar toda o parte de las sumas avanzadas por los dueños de terreno para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año de toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros cuando pagaderos y para redimir tales bonos financieros cuando se venzan, como autorizados por la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

#### Cuestión Número 2

¿Se le deberá autorizar al consejo administrativo del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el Distrito) a exigir y cobrar un impuesto anual ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa

que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán para los gastos del manejo y mantenimiento del Distrito, de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados.

Se permitirá la votación del votante ausente (temprano) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar ausente (temprano) por comunicarse con la oficina del District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, número de teléfono (623) 386-4691. El "plan general" para el Distrito requerido por la Sección 48-702 (B), Estatutos Revisados de Arizona, como enmendados está archivado con el Escribano del Distrito en la misma ubicación.

#### ELIANTO COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA)

Published in the West Valley View and the West Valley Business on February 22, 2005, and March 1, 2005.

**NOTICE OF ELECTION**

**TO THE QUALIFIED ELECTORS OF ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):**

A general obligation bond and an operation and maintenance ad valorem tax election will be held on March 8, 2005, for the District at the polling place hereafter set forth. The District is comprised of real property located within the White Tank voting precinct.

**PRECINCT** WHITE TANK

**POLLING PLACE** Buckeye Town Hall, 100 North Apache, Suite A, Buckeye, AZ 85326

Precinct registers may contain the names of all registered voters in the precinct, and the election board at the polling place shall require a prospective elector to execute an affidavit stating that the elector is a qualified elector of the District.

The polling place will open at 9:00 a.m. and close at 4:00 p.m.

The purpose of the election is to permit the qualified electors of the District to vote on the following questions:

*Question No. 1*

Shall the district board (the "Board") of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years) interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed One Hundred Seventy Five Million dollars (\$175,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

*Question No. 2*

Shall the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the

**AFFIDAVIT OF PUBLICATION**

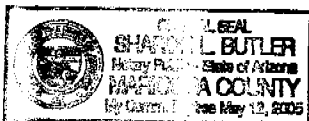
I, **Ida White**, Publisher of the **Buckeye Valley News**, published weekly at Buckeye, Maricopa County, Arizona, do solemnly swear that a copy **Elianto Community Facilities District (Town of Buckeye, Arizona) - Notice of Election, File No.: 006718-00037** published in the regular and entire issue of said newspaper, for Two (2) consecutive week(s), commencing with the issue date **February 24, 2005** and ending with the issue dated **March 3, 2005**.

*Ida White*

Subscribed and sworn to before me this 3 day of March 2005

*Sharon L. Butler*  
(NOTARY PUBLIC)

My Commission Expires  
**May 12, 2005**



constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

Absentee (early) voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. A qualified elector may vote absentee (early) by contacting the office of the District Clerk, 100 North Apache, Suite A, Buckeye, AZ 85326, telephone number 623.386.4691. The "general plan" for the District required by Section 48-702 (B), Arizona Revised Statutes, as amended is on file with the District Clerk at the same location.

ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA)

AVISO DE UNA ELECCION

A LOS ELECTORES HABILITADOS DEL ELIANTO COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO").

Se celebrará una elección de bonos financieros de obligación general y un impuesto ad valorem de manejo y mantenimiento el 8 de marzo de 2005, por el Distrito in el centro de votación nombrado después. El Distrito se compone de propiedad real ubicada dentro del recinto electoral White Tank.

**RECINTO WHITE TANK**

**CENTRO DE VOTACION** Ayuntamiento de Buckeye, 100 North Apache, Suite A, Buckeye, AZ 85326

Los registros del recinto electoral pueden contener los nombres de todos los votantes inscritos en el recinto y la junta de elección en el centro de votación requerirá que un elector presunto firme un affidavit declarando que el elector es un elector habilitado del Distrito.

Se abrirá el centro de votación a las 9:00 de la mañana y se cerrará a las 4:00 de la tarde.

El propósito de la elección es el de permitirles a los electores del Distrito votar por las cuestiones siguientes:

Cuestión Número 1

¿Se le deberá autorizar al consejo administrativo del distrito (el "Consejo") del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y forma prescritos por el Consejo, y vencidos (no excederán veinticinco (25) años), fechas y tasas del interés pagadero, si fijas o variables, no excederán el doce por ciento (12%) por año, establecidos por el Consejo y conteniendo tales otros términos, condiciones, convenios y acuerdos como el Consejo crea apropiados, en la suma máxima que no exceda ciento setenta y cinco millones de dólares (\$175,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos los mejoramientos siguientes, incluyendo trabajo necesario o incidental, si se construye nuevamente, es renovado o existente y todos los accesorios necesarios o deseables ("infraestructura pública"); (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, el uso y descargo del efluente; (b) sistemas de drenaje y control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos

domésticos, industriales, irrigación, municipal o protección contra incendios incluyendo la producción, colección, depósitos, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo facilidades para la irrigación de agricultura a menos que sea para reparar o reemplazar las instalaciones existentes cuando otros mejoramientos descritos aquí dentro lo requieran; (d) caminos e instalaciones para el estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, caballos, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; (f) alamedas para peatones, parques y áreas al aire libre para el uso de los miembros del público para entretenimiento, asamblea y recreo; (g) jardinería ornamental incluyendo terrapién, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas relacionados para entregar agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control de tráfico y aparatos incluyendo señales y controles, (k) sitios y facilidades

escolares con el permiso del consejo administrativo del distrito escolar para el cual se adquieren los sitios o las instalaciones; y (1) equipo, vehículos, mobiliario y otros artículos relacionados (2) para adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública (3) adquirir intereses en bienes raíces para la infraestructura pública; (4) establecer reservas en metálico para asegurar el pago del servicio de la deuda de los bonos financieros; (5) la financiación y pago del ingreso del interés de los bonos financieros por un período que no exceda tres (3) años a partir de la fecha de su emisión; (6) para refinanciar cualesquier bonos vencidos o bonos no vencidos con bonos financieros nuevos; y (7) gastos del Distrito propio de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) hasta e incluyendo (7), ambas inclusives, siendo "propósitos de la infraestructura pública"); y (b) para pagar toda o parte de las sumas avanzadas por los dueños de terreno para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año de toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros cuando pagaderos y para redimir tales bonos financieros cuando se venzan, como autorizados por la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

Cuestión Número 2

¿Se le deberá autorizar al consejo administrativo del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el Distrito) a exigir y cobrar un impuesto anual ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán para los gastos del manejo y mantenimiento del Distrito, de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados.

Se permitirá la votación del votante ausente (temprano) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar ausente (temprano) por comunicarse con la oficina del District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, número de teléfono (623) 386-4691. El "plan general" para el Distrito requerido, por la Sección 48-702 (B), Estatutos Revisados de Arizona, como enmendados está archivado con el Escribano del Distrito en la misma ubicación.

ELIANTO COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA)

Published in the Buckeye Valley News February 24, March 3, 2015.

Number of acres owned \_\_\_\_\_

**OFFICIAL BALLOT**  
**SPECIAL BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION**  
**ELIANTO COMMUNITY FACILITIES DISTRICT**  
**(TOWN OF BUCKEYE, ARIZONA)**

March 8, 2005

Question No. 1

Shall the district board (the "Board") of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed One Hundred Seventy Five Million dollars (\$175,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

The voter shall place a mark in the square opposite the words "Bonds, Yes" or "Bonds, No", whichever words express the voter's choice.

BONDS, YES	<input type="checkbox"/>
BONDS, NO	<input type="checkbox"/>

Question No. 2

Shall the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

The voter shall place a mark in the square opposite the words "Tax, Yes" or "Tax, No", whichever words express the voter's choice.

TAX, YES	<input type="checkbox"/>
TAX, NO	<input type="checkbox"/>

**NOTICE TO VOTERS:**

The vote shall indicate his vote on each question by inserting a mark in the square opposite the phrase which expresses his choice. Only qualified electors of the District are eligible to vote at this special election. The voter understands that the vote cast will constitute the vote for all of the acres owned by the voter.

**BOLETA OFICIAL**  
**UNA ELECCION ESPECIAL DE BONOS FINANCIEROS Y DE UN IMPUESTO AD VALOREM**  
**DE MANEJO Y MANTENIMIENTO**  
**ELIANTO COMMUNITY FACILITIES DISTRICT**  
**(PUEBLO DE BUCKEYE, ARIZONA)**  
**8 de Marzo de 2005**

Cuestión Número 1

¿Se le deberá autorizar al consejo administrativo del distrito (el "Consejo") del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y forma prescritos por el Consejo, y vencidos (no excederán veinticinco (25) años), fechas y tasas del interés pagadero, si fijas o variables, no excederán el doce por ciento (12%) por año, establecidos por el Consejo y conteniendo tales otros términos, condiciones, convenios y acuerdos como el Consejo crea apropiados, en la suma máxima que no exceda ciento setenta y cinco millones de dólares (\$175,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos los mejoramientos siguientes, incluyendo trabajo necesario o incidental, si se construye nuevamente, es renovado o existente y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, el uso y descargo del efluente; (b) sistemas de drenaje y control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, municipal o protección contra incendios incluyendo la producción, colección, depósitos, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo facilidades para la irrigación de agricultura a menos que sea para reparar o reemplazar las instalaciones existentes cuando otros mejoramientos descritos aquí dentro lo requieran; (d) caminos e instalaciones para estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, caballos, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; (f) alamedas para peatones, parques y áreas al aire libre para el uso de los miembros del público para entretenimiento, asamblea y recreo; (g) jardinería ornamental incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas relacionados para entregar agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control de tráfico y aparatos incluyendo señales y controles, (k) sitios y facilidades escolares con el permiso del consejo administrativo del distrito escolar para el cual se adquieren los sitios o las instalaciones; y (l) equipo, vehículos, mobiliario y otros artículos relacionados, (2) para adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (4) establecer reservas en metálico para asegurar el pago del servicio de la deuda de los bonos financieros; (5) la financiación y pago del ingreso del interés de los bonos financieros por un período que no exceda tres (3) años a partir de la fecha de su emisión; (6) para refinanciar cualesquier bonos vencidos o bonos no vencidos con bonos financieros nuevos; y (7) gastos del Distrito propio de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) hasta e incluyendo (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"); y (b) para pagar toda o parte de las sumas avanzadas por los dueños de terreno para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año de toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros cuando pagaderos y para redimir tales bonos financieros cuando se venzan, como autorizados por la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

El votante pondrá una marca en el cuadro al lado de las palabras "Bonos, Sí" o "Bonos, No", cualesquier palabras que expresen su decisión.

BONOS, YES <input type="checkbox"/>
BONOS, NO <input type="checkbox"/>

Cuestión Número 2

¿Se le deberá autorizar al consejo administrativo del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el Distrito) a exigir y cobrar un impuesto anual ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán para los gastos del manejo y mantenimiento del Distrito, de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados.

El votante pondrá una marca en el cuadro al lado de las palabras "Impuesto, Sí" o "Impuesto, No", cualesquier palabras que expresen su decisión.

IMPUESTO, SI <input type="checkbox"/>
IMPUESTO, NO <input type="checkbox"/>

**AVISO A LOS VOTANTES:**

El votante indicará su voto en cada cuestión por poner una marca en el cuadro al lado de la frase que exprese su decisión. Sólo los electores habilitados del Distrito pueden votar en esta elección especial. El votante comprende que su voto depositado constituirá su voto por todos los acres que le pertenecen al votante.

**AFFIDAVIT OF PROSPECTIVE ELECTOR  
AS TO OWNERSHIP OF LAND OR OTHER  
QUALIFICATION TO VOTE PURSUANT TO  
SECTION 48-3043, ARIZONA REVISED STATUTES, AS AMENDED**

STATE OF ARIZONA )  
COUNTY OF MARICOPA )  
TOWN OF BUCKEYE )  
ELIANTO COMMUNITY FACILITIES DISTRICT )  
DISTRICT (TOWN OF BUCKEYE, ARIZONA))

**COMES NOW** the undersigned and, being first duly sworn, deposes and says as follows:

1. I am the authorized representative of Elianto, LLC (the "*Company*"), a limited liability company duly formed and validly existing pursuant to the laws of the State of Arizona.

2. The Company I so represent owns 2,771.072 acres in the Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

3. The Company is qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended, as the bona fide owner of 2,771.072 acres of land within the District, holding title or evidence of title of record of said acres.

4. As the authorized representative of the Company, I have been designated and authorized by the board of directors of the Company to represent and vote for and on behalf of the Company, in the election being held by the District on the date hereof.

**ELIANTO, LLC**, an Arizona limited liability company

By: Lennar Communities Development, Inc.  
Its: Manager

By \_\_\_\_\_  
Its \_\_\_\_\_

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_.

\_\_\_\_\_  
Election Board Member



**AFFIDAVIT OF PROSPECTIVE ELECTOR  
AS TO OWNERSHIP OF LAND OR OTHER  
QUALIFICATION TO VOTE PURSUANT TO  
SECTION 48-3043, ARIZONA REVISED STATUTES, AS AMENDED**

STATE OF ARIZONA )  
COUNTY OF MARICOPA )  
TOWN OF BUCKEYE )  
ELIANTO COMMUNITY FACILITIES DISTRICT )  
(TOWN OF BUCKEYE, ARIZONA) )

**COMES NOW** the undersigned and, being first duly sworn, deposes and says as follows:

1. I am the authorized representative of CPH Elianto West LLC (the "*Company*"), a limited liability company duly formed and validly existing pursuant to the laws of the State of Delaware and duly authorized to do business within the State of Arizona.

2. The Company I so represent owns 954.441 acres of land in the Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

3. The Company is qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended, as the bona fide owner of 954.441 acres of land within the District, holding title or evidence of title of record of said acres.

4. As the authorized representative of the Company, I have been designated and authorized by the board of directors of the Company to represent and vote for and on behalf of the Company, in the election being held by the District on the date hereof.

**CPH ELIANTO WEST, LLC.**, a Delaware limited liability company

By: Capital Pacific Holdings, Inc.,  
A Delaware corporation  
Its: Sole Member

By: Capital Pacific Homes of Arizona, Inc., a Delaware corporation  
Its: Authorized Agent

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_.

\_\_\_\_\_  
Election Board Member

**AFFIDAVIT OF PROSPECTIVE ELECTOR  
AS TO OWNERSHIP OF LAND OR OTHER  
QUALIFICATION TO VOTE PURSUANT TO  
SECTION 48-3043, ARIZONA REVISED STATUTES, AS AMENDED**

STATE OF ARIZONA )  
 COUNTY OF MARICOPA )  
 TOWN OF BUCKEYE )  
 ELIANTO COMMUNITY FACILITIES DISTRICT )  
 (TOWN OF BUCKEYE, ARIZONA) )

**COMES NOW** the undersigned and, being first duly sworn, deposes and says as follows:

1. I am the authorized representative of E.W. Gardner Family Limited Partnership No. 2 (the "*Partnership*"), a limited partnership duly formed and validly existing pursuant to the laws of the State of Arizona.
2. The Partnership I so represent owns 157.219 acres of land in the Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*").
3. The Partnership is qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended, as the bona fide owner of 157.219 acres of land within the District, holding title or evidence of title of record of said acres.
4. As the authorized representative of the Partnership, I have been designated and authorized by the board of directors of the Company to represent and vote for and on behalf of the Partnership, in the election being held by the District on the date hereof.

**E.W. GARDNER FAMILY LIMITED  
PARTNERSHIP NO. 2**, an Arizona limited partnership

By \_\_\_\_\_  
 Its \_\_\_\_\_

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_.

\_\_\_\_\_  
 Election Board Member

**AFIDAVIT DE UN ELECTOR PRESUNTO  
EN CUANTO A LA POSESION DE PROPIEDAD U OTRAS  
CALIFICACIONES PARA VOTAR SEGUN LA SECCION 48-3043,  
ESTATUTOS REVISADOS DE ARIZONA, COMO ENMENDADOS**

ESTADO DE ARIZONA )  
CONDADO DE MARICOPA )  
PUEBLO DE BUCKEYE )  
ELIANTO COMMUNITY FACILITIES DISTRICT )  
(PUEBLO DE BUCKEYE, ARIZONA) )

**POR CUANTO** el suscrito y, siendo primeramente afirmado bajo juramento, depone y dice como sigue:

1. Soy el representante autorizado de la Sociedad Limitada Número 2 de la Familia E. W. Gardner (la "*Sociedad*"), una sociedad limitada debidamente formada y válidamente existiendo según las leyes del Estado de Arizona.
2. La Sociedad que yo represento es propietaria de 157.219 acres de terreno en el Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el "*Distrito*").
3. La Sociedad está capacitada votar según la Sección 48-3043, Estatutos Revisados de Arizona, como enmendados, como una propietaria de buena fe de 157.219 acres de terreno dentro del Distrito, con título o evidencia de un título documentado de dichos acres.
4. Como el representante de la Sociedad, yo he sido designado y autorizado por la junta de directores de la Compañía a representar a y votar por y en nombre de la Sociedad, en la elección que el Distrito celebrará en la fecha de esto.

**SOCIEDAD LIMITADA NUMERO 2 DE LA  
FAMILIA DE E. W. GARDNER, una sociedad  
limitada de Arizona**

Por \_\_\_\_\_  
Su \_\_\_\_\_

SUBSCRITO Y JURADO ante mí el \_\_\_\_\_.

\_\_\_\_\_  
Miembro Junta de la Elección

**AFIDAVIT DE UN ELECTOR PRESUNTO  
EN CUANTO A LA POSESION DE PROPIEDAD U OTRAS  
CALIFICACIONES PARA VOTAR SEGUN LA SECCION 48-3043,  
ESTATUTOS REVISADOS DE ARIZONA, COMO ENMENDADOS**

ESTADO DE ARIZONA )  
CONDADO DE MARICOPA )  
PUEBLO DE BUCKEYE )  
ELIANTO COMMUNITY FACILITIES DISTRICT )  
(PUEBLO DE BUCKEYE, ARIZONA) )

**POR CUANTO** el suscrito y, siendo primeramente afirmado bajo juramento, depone y dice como sigue:

1. Yo soy el representante autorizado de la (CPH Elianto West LLC (la "*Compañía*"), una compañía limitada y responsable debidamente formada y válidamente existiendo, según las leyes del Estado de Delaware y debidamente autorizado para negociar dentro del Estado de Arizona.

2. La Compañía que yo represento es propietaria de 954.441 acres de terreno en el Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el "*Distrito*").

3. La Compañía está capacitada votar según la Sección 48-3043, Estatutos Revisados de Arizona, como enmendados, como una propietaria de buena fe de 954.441 acres de terreno dentro del Distrito, con título o evidencia de un título documentado de dichos acres.

4. Como el representante autorizado de la Compañía, yo he sido designado y autorizado por la junta de directores de la Compañía a representar a y votar por y en nombre de la Compañía, en la elección que el Distrito celebrará en la fecha de esto.

**CPH ELIANTO WEST, LLC.**, una compañía limitada y responsable de Delaware

Por: Capital Pacific Holdings, Inc.,  
Una corporación de Delaware  
Su: Unico Miembro

Por: Capital Pacific Homes of Arizona, Inc.  
Una corporación de Delaware  
Su: Agente Autorizado

Por \_\_\_\_\_  
Nombre: \_\_\_\_\_  
Su: \_\_\_\_\_

Por \_\_\_\_\_  
Nombre: \_\_\_\_\_  
Su: \_\_\_\_\_

SUBSCRITO Y JURADO ante mí el \_\_\_\_\_.

\_\_\_\_\_  
Miembro Junta de la Elección

**AFIDAVIT DE UN ELECTOR PRESUNTO**

**EN CUANTO A LA POSESION DE PROPIEDAD U OTRAS  
CALIFICACIONES PARA VOTAR SEGUN LA SECCION 43-3043  
ESTATUTOS REVISADOS DE ARIZONA, COMO ENMENDADOS**

ESTADO DE ARIZONA )  
CONDADO DE MARICOPA: )  
PUEBLO DE BUCKEYE )  
ELIANTO COMMUNITY FACILITIES DISTRICT )  
(PUEBLO DE BUCKEYE, ARIZONA) )

**EN CUANTO** el suscrito y, siendo primeramente afirmado bajo juramento, depone y dice como sigue:

1. Yo soy el representante autorizado de Elianto, LLC (la "*Compañía*"), una compañía limitada y responsable debidamente formada y válidamente existiendo según las leyes del Estado de Arizona.

2. La Compañía que yo represento es propietaria de 2,771.072 acres en el Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el "*Distrito*").

3. La Compañía está capacitada votar según la Sección 48-3043, Estatutos Revisados de Arizona, como enmendados, como una propietaria de buena fe de 2,771.072 acres de terreno dentro del Distrito, con título o evidencia de un título documentado de dichos acres.

4. Como el representante autorizado por la Compañía, yo he sido designado y autorizado por la junta de directores de la Compañía a representar a y votar por y en nombre de la Compañía, en la elección que el Distrito celebrará en la fecha de esto.

**ELIANTO, LLC.**, una compañía limitada y responsable de Arizona

Por: Lennar Communities Development, Inc.  
Su: Gerente

Por \_\_\_\_\_  
Su \_\_\_\_\_

**SUBSCRITO Y JURADO** anta mí el \_\_\_\_\_.

\_\_\_\_\_  
Miembro Junta de la Elección

RESOLUTION NO. 02-05

A RESOLUTION DECLARING THE RESULTS OF AND ADOPTING A CERTIFICATE OF RESULT OF THE GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION HELD IN AND FOR THE DISTRICT AND ORDERING THE RECORDING OF SUCH CERTIFICATE

BE IT RESOLVED BY THE DISTRICT BOARD OF ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) as follows:

1. Findings.

A. Elianto Community Facilities District (Town of Buckeye, Arizona) (hereinafter referred to as the "*District*") is authorized (1) by Section 48-719, Arizona Revised Statutes, as amended, to issue and sell general obligation bonds of the District to provide moneys for certain "public infrastructure purposes" consistent with the "general plan" of the District [as such terms are defined in Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (hereinafter referred to as the "*Act*")]; and (2) by Section 48-723 of the Act to levy an ad valorem tax to provide for the payment of the District's operation and maintenance expenses.

B. Such general obligation bonds may not be issued and such ad valorem tax to pay operation and maintenance expenses may not be levied unless approved at an election ordered and called to submit to the qualified electors of the District (hereinafter referred to as "*qualified electors*") or to those persons who are qualified to vote pursuant to Section 48-707(G), Arizona Revised Statutes, as amended, being, if no person has registered to vote within the District within fifty (50) days immediately preceding any scheduled election date, the owners of land within the District who are qualified electors of the State of Arizona and other landowners according to Section 48-3043, Arizona Revised Statutes, as amended (hereinafter referred to as the "*Landowners*" and in either case hereinafter referred to as, collectively, the "*Electors*") the question of authorizing the governing board of the District (hereinafter referred to as the "*District Board*") to issue such general obligation bonds for such purposes set forth in the ballot and the question authorizing the District Board to levy such ad valorem tax to pay operation and maintenance expenses.

C. The District Board deemed it necessary and advisable to order and call such an election and to establish the procedures whereby such election should be held; and did so pursuant to Resolution No. 01-05 ordering and calling a general obligation bond and operation and maintenance ad valorem tax election adopted by the District Board on February 1, 2005, which provided that a special election, in and for the District, be held on March 8, 2005 (hereinafter referred to as the "*Election*"). No person had registered to vote within the District within fifty (50) days immediately preceding the Election or at any other time prior to the Election. On March 8, 2005, there was submitted to the Electors of the District the questions set forth in the official ballot described in Resolution No. 01-05.

D. The election board for the Election has filed with the District Board its returns of election and the ballots cast at the polling place, and, within fourteen days after the election, the District Board has canvassed the returns of the Election and determined:

(1) that no persons who would constitute resident qualified electors resided in the District;

(2) that Landowners of the land according to A.R.S. § 48-3043 were eligible to vote;

(3) that the total number of votes eligible to be cast (equal to the number of acres or portions thereof rounded upward to the nearest one-fifth of an acre) equaled 4,466 acres;

(4) that a total of 3 ballots representing all of the acres in the District had been cast by Landowners in response to Question No. 1, that 3 ballots were marked "Bonds, Yes" and 0 ballots were marked "Bonds, No";

(5) that a total of 3 ballots representing all of the acres in the District had been cast by Landowners in response to Question No. 2, that 3 ballots were marked "Tax, Yes" and 0 ballots were marked "Tax, No";

(6) that the Election had been conducted and the returns thereof made as required by law; and

(7) that only qualified electors (none) and Landowners of land within the District were permitted to vote at the Election.

2. Canvass. After careful examination of the official returns of the Election, it is found and determined by the District Board as follows:

A. That a majority of the votes cast by the Electors voting at the Election voted in favor of the questions shown on Exhibit A attached hereto.

B. That up to and including \$175,000,000 aggregate principal amount of general obligation bonds are therefore authorized to be issued and sold and the District Board, and that the District Board has been authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate of not to exceed thirty cents per one hundred dollars of assessed valuation, such taxes to be applied to the operation and maintenance expenses of the District;

C. That the Chairman of the District Board shall execute, and the District Clerk attest, the "Certificate of Result of Election" attached as Exhibit B hereto; and

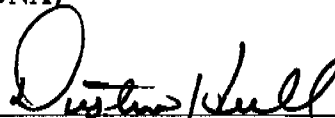
D. That the District Clerk is hereby directed to record the attached "Certificate of Result of Election" in the Office of the County Recorder of Maricopa County, Arizona; to return said copy with the recording date shown therein to the official records of the District; and to provide a copy thereof to the State Real Estate Department.

3. Effective Date. This resolution shall be effective immediately.

Res. 02-05

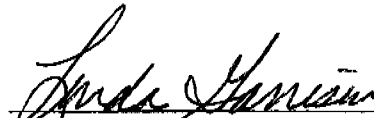
PASSED by the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) on March 16, 2005.

**ELIANTO COMMUNITY FACILITIES  
DISTRICT (TOWN OF BUCKEYE,  
ARIZONA)**



Chairman, District Board

ATTEST:

  
District Clerk

APPROVED AS TO FORM

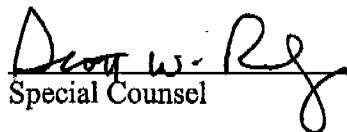
  
Special Counsel

Exhibit A Ballot  
Exhibit B Certificate of Results of Election

Res. 02-05



When recorded, return to:

Mr. Scott W. Ruby  
Gust Rosenfeld P.L.C.  
201 E. Washington Street, Suite 800  
Phoenix, AZ 85004

**CERTIFICATE OF RESULT OF ELECTION BY THE DISTRICT BOARD OF  
ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA),  
RELATIVE TO THE SPECIAL ELECTION HELD ON MARCH 8, 2005.**

The District Board of Elianto Community Facilities District (Town of Buckeye, Arizona), hereby certifies as follows:

1. Pursuant to the resolution passed and adopted by the District Board on February 1, 2005, an election was duly and regularly held on March 8, 2005, for the purpose of approving the issuance and sale of bonds in the total principal amount of \$175,000,000 and approving the levy of an ad valorem tax for payment of operation and maintenance costs in the District.

2. The election has been conducted and the official returns thereof have been filed as required by law and the total number of votes cast at the special bond election in answer to the question submitted were as follows:


<u>QUESTION NUMBER</u>	<u>VOTES, YES</u>	<u>VOTES, NO</u>
Question 1 - \$175,000,000 General Obligation Bonds	3	0
Question 2 - Operation and Maintenance Tax	3	0

3. Each and every person who voted at the special election was a lawful elector of the District.

4. The majority of the votes cast at the election was in favor of the issuance and sale of the bonds described in the official ballot.

5. The majority of the votes cast at the election was in favor of the levy of the ad valorem tax to provide for payment of the operation and maintenance expenses of the District.

IN WITNESS WHEREOF, the Chairman of this Board has hereunto placed his hand and caused the same to be attested by the Clerk on March 16, 2005.

  
Chairman, District Board

ATTEST:

  
Clerk

THIS DOCUMENT MUST BE RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, AND A COPY OF THIS DOCUMENT, ONCE RECORDED, SHALL BE FILED WITH THE ARIZONA STATE REAL ESTATE DEPARTMENT.

**ELIANTO COMMUNITY FACILITIES DISTRICT  
TOWN OF BUCKEYE, ARIZONA**

**MARCH 16, 2005**

**AGENDA**

**Town Council Chambers  
100 N. Apache Road  
Buckeye, AZ 85326  
6:00 p.m.**

*Accessibility for all persons with disabilities will be provided upon request. Please telephone your accommodation request (623 386-4691) 72 hours in advance if you need a sign language interpreter or alternate materials for a visual or hearing impairment.*

*Members of the Board will either attend in person or by telephone conference call or video presentation. Items listed may be considered by the Council in any order.*

**1. Call to Order/Roll Call.**

**2. Approval of Minutes – Board to consider approval of the February 1, 2005 Elianto Community Facilities District Meeting.**

*Board Action: Discussion and possible motion.*

**3. Call to the Public – Open Meeting Law does not permit Board discussion of items not specifically on the agenda.**

*Board Action: None.*

**4. Canvass results of election held on March 8, 2005 and, if deemed advisable, adopt Resolution No. 02-05, concerning the results of the election.**

*Board Action: Discussion and possible motion.*

**5. Adjournment.**

*Board Action: Motion to adjourn.*

**ELIANTO COMMUNITY FACILITIES DISTRICT  
TOWN OF BUCKEYE, ARIZONA  
MARCH 16, 2005  
MINUTES**

**Town Council Chambers  
100 N. Apache Road  
Buckeye, AZ 85326  
6:00 p.m.**

**1. Call to Order/Roll Call.**

Vice Chair Urwiller called the meeting to order at 6:08 p.m.

Members Present: Boardmember Beard, Boardmember May, Boardmember Doster, and Vice Chairman Urwiller.

Members Absent: Boardmember Meck, Boardmember Garza, and Chairman Hull.

Staff Present: Carroll Reynolds and Lucinda Aja.

**2. Approval of Minutes – Board to consider approval of the February 1, 2005 Elianto Community Facilities District Meeting.**

Motion made by Boardmember May and seconded by Boardmember Doster to approve the minutes as presented. Motion passed unanimously.

**3. Call to the Public**

None

**4. Canvass results of election held on March 8, 2005 - Resolution No. 02-05**

Motion made by Boardmember Beard and seconded by Boardmember May to approve Resolution No. 02-05, canvassing the results of the election. Motion passed unanimously.

**5. Adjournment.**

There being no further business to come before the Board motion made by Boardmember Beard and seconded by Boardmember May to adjourn at 6:10 p.m. Motion passed unanimously.

---

**Chris Urwiller, Vice Chairman**

**ATTEST:**

---

**Linda Garrison, Town Clerk**

I hereby certify that the foregoing is a true and correct copy of the Elianto Community Facilities District Meeting held on the 16th day of March, 2005. I further certify that a quorum was present.

---

**Linda Garrison, Town Clerk**

*GUST  
ROSENFELD*  
ATTORNEYS SINCE 1921 P.L.C.

■ 201 E. WASHINGTON, SUITE 800 ■ PHOENIX, ARIZONA 85004-2327 ■ TELEPHONE 602-257-7422 ■ FACSIMILE 602-254-4878 ■

SCOTT W. RUBY  
602.257.7432  
FAX: 602.340.1538  
*swruby@gustlaw.com*

February 3, 2005

Hand Delivered

Ms. Fran McCarroll  
Clerk, Board of Supervisors  
Maricopa County  
301 West Jefferson Street  
Phoenix, Arizona 85003

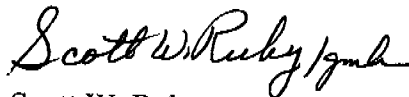
Re: Elianto Community Facilities District  
(Town of Buckeye, Arizona)  
Our File No. 006718-00037

Dear Fran:

Pursuant to Section 48-708(A), Arizona Revised Statutes, as amended, on behalf of the Tartesso West Community Facilities District (Town of Buckeye, Arizona), we enclose a copy of the resolution ordering formation of the referenced District, adopted by the Council of the Town of Buckeye, Arizona, on February 1, 2005. Please provide a copy of such resolution to the members of the Board of Supervisors of Maricopa County and file a copy in the official records of the County.

Please call me if you have any questions or if we can be of any assistance in this

Very truly yours,



Scott W. Ruby  
For the Firm

SWR:gmh  
Enclosure  
554521

*GUST  
ROSENFELD*  
ATTORNEYS SINCE 1921 P.L.C.

☐ 201 E. WASHINGTON, SUITE 800 ☐ PHOENIX, ARIZONA 85004-2327 ☐ TELEPHONE 602-257-7422 ☐ FACSIMILE 602-254-4878 ☐

SCOTT W. RUBY  
602.257.7432  
FAX: 602.340.1538  
*swruby@gustlaw.com*

March 7, 2005

Compliance Information  
State Real Estate Department  
2910 North 44th St., Suite 100  
Phoenix, AZ 85018

Re: Elianto Community Facilities District  
(Town of Buckeye, Arizona)  
Our File No. 006718-00037

Dear Sir:

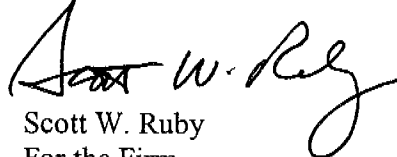
On behalf of the captioned District and pursuant to A.R.S. § 48-718, as amended, we have recorded the following documents with the County Recorder of Maricopa County, Arizona:

- (1) The resolution of the Town of Buckeye, Arizona, forming the District pursuant to A.R.S. § 48-708(A), as amended; and
- (2) The General Plan of the District pursuant to A.R.S. § 48-702, as amended.

Pursuant to A.R.S. § 48-718, as amended, we enclose copies of the recorded instruments indicated in subparagraphs 1 and 2 above.

Please call me if you have any questions or if we can be of any assistance in this matter.

Very truly yours,

  
Scott W. Ruby  
For the Firm

SWR:par  
Enclosures

*GUST  
ROSENFELD*  
ATTORNEYS SINCE 1921 P.L.C.

■ 201 E. WASHINGTON, SUITE 800 ■ PHOENIX, ARIZONA 85004-2327 ■ TELEPHONE 602-257-7422 ■ FACSIMILE 602-254-4878 ■

GWYNE M. HENNING  
602.257.7447  
FAX: 602.340.1538  
[ghenning@gustlaw.com](mailto:ghenning@gustlaw.com)

February 3, 2005

Honorable Keith E. Russell  
Maricopa County Assessor  
301 West Jefferson Street  
Phoenix, Arizona 85003

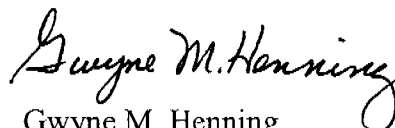
Re: Elianto Community Facilities District  
(Town of Buckeye, Arizona)  
Our File No. 006718-00037

Dear Mr. Russell:

Pursuant to Section 48-708(A), Arizona Revised Statutes, as amended, on behalf of the Elianto Community Facilities District (Town of Buckeye, Arizona), we enclose a copy of the resolution ordering formation of the referenced District, adopted by the Council of the Town of Buckeye, Arizona, on February 1, 2005. Please file such resolution in the official records of the County Assessor. (For your convenience, we also enclose a map of the District as described in such resolution.)

Please call me if you have any questions or if we can be of any assistance in this matter.

Very truly yours,



Gwyne M. Henning  
Paralegal

Enclosure  
554512

*GUST  
ROSENFELD*  
ATTORNEYS SINCE 1921 P.L.C.

■ 201 E. WASHINGTON, SUITE 800 ■ PHOENIX, ARIZONA 85004-2327 ■ TELEPHONE 602-257-7422 ■ FACSIMILE 602-254-4878 ■

GWYNE M. HENNING  
602.257.7447  
FAX: 602.340.1538  
*ghenning@gustlaw.com*

February 3, 2005

Arizona Department of Revenue  
Central Information Services  
1600 West Monroe Street, Room 420  
Phoenix, AZ 85007

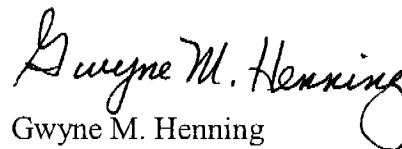
Re: Elianto Community Facilities District  
(Town of Buckeye, Arizona)  
Our File No. 006718-00037

Gentlemen:

Pursuant to Section 48-708(A), Arizona Revised Statutes, as amended, on behalf of the Elianto Community Facilities District (Town of Buckeye, Arizona), we enclose a copy of the resolution ordering formation of the referenced District, adopted by the Council of the Town of Buckeye, Arizona, on February 1, 2005. A map of the District is attached to such resolution as Exhibit B. Please file a copy of such resolution in the official records of the Department.

Please call me if you have any questions or if we can be of any assistance in this matter.

Very truly yours,



Gwyne M. Henning  
Paralegal

Enclosure  
554524



OFFICIAL RECORDS OF  
MARICOPA COUNTY RECORDER  
HELEN PURCELL  
2005-1424242 09/27/2005 09:56  
00671800037A-5-1-1--  
**ELECTRONIC RECORDING**

When recorded, return to:

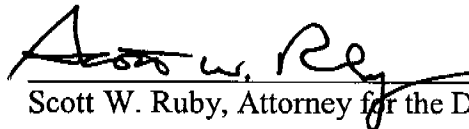
Mr. Scott W. Ruby  
Gust Rosenfeld P.L.C.  
201 East Washington Street, Suite 800  
Phoenix, AZ 85004-2327

**NOTICE OF FORMATION OF  
ELIANTO COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

STATE OF ARIZONA  
COUNTY OF MARICOPA

Pursuant to Resolution No. 11-05, Ordering and Declaring Formation of Elianto Community Facilities District (Town of Buckeye, Arizona), adopted by the Mayor and Council of the Town of Buckeye, Arizona, on February 1, 2005, a community facilities district was formed pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended, over all of the real property described by metes and bounds in Exhibit A attached hereto. For further information, please contact Scott W. Ruby at (602) 257-7432.

DATED: September 26, 2005

  
\_\_\_\_\_  
Scott W. Ruby, Attorney for the District

ATTACHMENT:

Exhibit A - Legal Description of District

December 16, 2004

LEGAL DESCRIPTION FOR  
ELIANTO  
OVERALL CFD

PARCEL 1

That part of Sections 15, 16, 21, 22, 27, 28 and 29, Township 2 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the South Quarter Corner of said Section 28;

Thence North  $89^{\circ}29'14''$  West, along the South line of the Southwest Quarter of said Section 28, a distance of 2,615.02 feet to the Maricopa County Highway Department Brass Cap in a handhole marking the Southeast Corner of said Section 29;

Thence North  $89^{\circ}17'21''$  West, along the South line of the Southeast Quarter of said Section 29, a distance of 2,652.50 feet to the South Quarter Corner thereof;

Thence North  $01^{\circ}40'24''$  East, along the North South mid-section line of said Section 29, a distance of 2,639.30 feet to the Center of said Section 29;

Thence South  $89^{\circ}19'21''$  East, along the East West mid-section line of said Section 29, a distance of 2,536.40 feet to the West Quarter Corner of said Section 28;

Thence North  $02^{\circ}55'38''$  East, along the West line of the Northwest Quarter of said Section 28, a distance of 2,650.09 feet to the Southwest Corner of said Section 21;

Thence North  $00^{\circ}24'07''$  West, along the West line of the Southwest Quarter of said Section 21, a distance of 2,648.08 feet to the West Quarter Corner thereof;

Thence continuing North  $00^{\circ}24'07''$  West, along the West line of the Northwest Quarter of said Section 21, a distance of 2,648.35 feet to the Southwest Corner of said Section 16;

Thence North  $00^{\circ}01'13''$  East, along the West line of the Southwest Quarter of said Section 16, a distance of 2,648.88 feet to the West Quarter Corner thereof;

Thence South  $89^{\circ}10'22''$  East, along the East West mid-section line of said Section 16, a distance of 2,614.18 feet to the Center of said Section 16;

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence continuing South  $89^{\circ}10'22''$  East, along said East West mid-section line, a distance of 2,607.50 feet to the West Quarter Corner of said Section 15;

Thence South  $89^{\circ}23'26''$  East, along the East West mid-section line of said Section 15, a distance of 1,347.51 feet to the Southwest Corner of the South Half of G.L.O. Lot 6;

Thence North  $01^{\circ}51'59''$  East, along the West line of G.L.O. Lot 6, a distance of 691.81 feet to the Northwest Corner of the South Half of G.L.O. Lot 6;

Thence South  $89^{\circ}27'48''$  East, along the North line of the South Half of G.L.O. Lot 6, a distance of 1,342.30 feet to the Northwest Corner of the South Half of G.L.O. Lot 7;

Thence continuing South  $89^{\circ}27'48''$  East, along the North line of G.L.O. Lot 7, a distance of 1,303.31 feet to the Northeast Corner thereof;

Thence South  $02^{\circ}04'21''$  West, along the East line of said G.L.O. Lot 7, a distance of 695.22 feet to the Southeast Corner thereof;

Thence South  $89^{\circ}23'26''$  East, along the East West mid-section line of said Section 15, a distance of 1,295.52 feet to the East Quarter Corner thereof;

Thence South  $00^{\circ}15'01''$  West, along the East line of the Southeast Quarter of said Section 15, a distance of 2,641.39 feet to the Northeast Corner of said Section 22;

Thence North  $89^{\circ}25'01''$  West, along the North line of the Northeast Quarter of said Section 22, a distance of 1,322.78 feet to the Northeast Corner of the West Half of the Northeast Quarter of said Section 22;

Thence South  $00^{\circ}06'06''$  East, along the East line of said West Half, a distance of 1,968.79 feet to the Southeast Corner of the North Half of the Southwest Quarter of the Northeast Quarter of said Section 22;

Thence North  $89^{\circ}01'22''$  West, along the South line of the North Half of the Southwest Quarter of the Northeast Quarter of said Section 22, a distance of 1,321.26 feet to a point on the North South mid-section line of said Section 22;

Thence South  $00^{\circ}09'00''$  East, along the North South mid-section line, a distance of 653.24 feet to the Center of said Section 22;

Thence continuing South  $00^{\circ}09'00''$  East, along said North South mid-section line, a distance of 1,994.48 feet to the Northwest Corner of the South Half of the South Half of the Southeast Quarter of said Section 22;

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence South  $89^{\circ}15'59''$  East, along the North line of the South Half of the South Half of the Southeast Quarter of said Section 22, a distance of 2,638.89 feet to the Northeast Corner of the South Half of the South Half of the Southeast Quarter of said Section 22;

Thence South  $00^{\circ}04'58''$  East, along the East line of the Southeast Quarter of said Section 22, a distance of 658.96 feet to the Northeast Corner of said Section 27;

Thence South  $00^{\circ}16'27''$  East, along the East line of the Northeast Quarter of said Section 27, a distance of 1,318.69 feet to the Southeast Corner of the North Half of the Northeast Quarter of said Section 27;

Thence North  $89^{\circ}27'00''$  West, along the South line thereof, a distance of 2,643.32 feet to the Southwest Corner of the North Half of the Northeast Quarter of said Section 27;

Thence South  $00^{\circ}02'36''$  East, along the North South mid-section line, a distance of 1,321.23 feet to the Center of said Section 27;

Thence South  $00^{\circ}02'36''$  East, along the North South mid-section line of said Section 27, a distance of 2,639.04 feet to the South Quarter Corner thereof;

Thence North  $89^{\circ}34'35''$  West, along the South line of the Southwest Quarter of said Section 27, a distance of 2,661.01 feet to the Southeast Corner of said Section 28;

Thence North  $89^{\circ}29'08''$  West, along the South line of the Southeast Quarter of said Section 28, a distance of 2,652.13 feet to the Point of Beginning.

Containing 2,928.292 Acres, more or less.

#### PARCEL 2

That part of the West Half of Section 17 and that part of Section 18, Township 2 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the South Quarter Corner of said Section 17;

Thence North  $89^{\circ}33'33''$  West, along the South line of the Southwest Quarter of said Section 17, a distance of 2,564.00 feet to the G.L.O. Brass Cap marking the Southeast Corner of said Section 18;

Thence North  $88^{\circ}50'03''$  West, along the South line of the Southeast Quarter of said Section 18, a distance of 2,640.27 feet to the South Quarter Corner thereof;

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence South 89°57'40" West, along the South line of the Southwest Quarter of said Section 18, a distance of 941.53 feet to the beginning of a tangent curve of 2,600.00 foot radius, concave Northeasterly;

Thence Northwesterly, departing said South line, along said curve, through a central angle of 31°13'45", a distance of 1,417.13 feet;

Thence North 58°48'35" West, a distance of 595.03 feet to a point on the West line of the Southwest Quarter of said Section 18;

Thence North 00°20'38" East, along the West line of the Southwest Quarter of said Section 18, a distance of 1,959.24 feet to the West Quarter Corner thereof;

Thence North 00°22'00" East, along the West line of the Northwest Quarter of said Section 18, a distance of 2,644.07 feet to the Northwest Corner thereof;

Thence North 89°48'05" East, along the North line of the Northwest Quarter of said Section 18, a distance of 2,543.69 feet to the North Quarter Corner thereof;

Thence South 88°46'54" East, along the North line of the Northeast Quarter of said Section 18, a distance of 2,654.20 feet to the Northwest Corner of said Section 17;

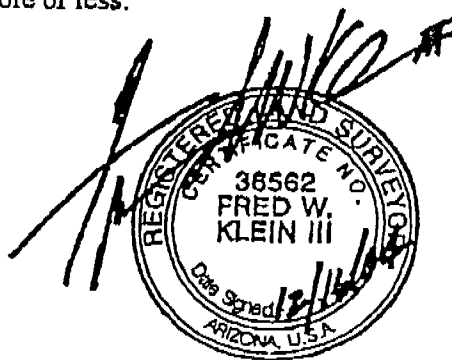
Thence South 89°19'19" East, along the North line of the Northwest Quarter of said Section 17, a distance of 2,682.29 feet to the North Quarter Corner thereof;

Thence South 01°01'27" East, along the North South mid-section line of said Section 17, a distance of 2,633.10 feet to the Center of said Section 17;

Thence continuing South 01°01'27" East, along said North South mid-section line, a distance of 2,648.40 feet to the Point of Beginning.

Containing 954.441 Acres, more or less.

Containing 3882.733 Total Acres, more or less.





U.S. Department of Justice

Civil Rights Division

JKT:RPL:TGL:maf  
DJ 166-012-3  
2005-3400

Voting Section - NWB.  
950 Pennsylvania Avenue, N.W.  
Washington, DC 20530

November 8, 2005

Scott W. Ruby, Esq.  
Gust Rosenfeld  
201 East Washington, Suite 800  
Phoenix, Arizona 85004-2327

Re: Your File No. 006718-00037

Dear Mr. Ruby:

This refers to the creation of the Elianto Community Facilities District; the Spanish language election procedures; the establishment of the polling place and polling hours; the use of paper ballots; and the procedures for conducting the March 8, 2005, special bond and tax election for the District in Maricopa County, Arizona, submitted to the Attorney General pursuant to Section 5 of the Voting Rights Act, 42 U.S.C. 1973c. We received your submission on September 16, 2005.

The Attorney General does not interpose any objection to the specified changes. However, we note that Section 5 expressly provides that the failure of the Attorney General to object does not bar subsequent litigation to enjoin the enforcement of the changes. Procedures for the Administration of Section 5 of the Voting Rights Act (28 C.F.R. 51.41).

We note that there are few, if any, persons in the District whose participation in the electoral process would be made more effective by the provision of written materials or oral assistance or publicity in the Spanish language. It is the view of the Attorney General, as expressed in Sections 55.17, 55.18, and 55.20 of the Interpretative Guidelines for Implementation of the Provisions of the Voting Rights Act Regarding Language Minority Groups (28 C.F.R.), that such a jurisdiction may satisfy the language minority requirements of the Voting Rights Act through a "targeting" system, as explained in those sections.

Sincerely,

A handwritten signature in black ink, appearing to read "John Tanner".

John Tanner  
Chief, Voting Section

*GUST  
ROSENFELD*  
ATTORNEYS SINCE 1921 P.L.C.

■ 201 E. WASHINGTON, SUITE 800 ■ PHOENIX, ARIZONA 85004-2327 ■ TELEPHONE 602-257-7422 ■ FACSIMILE 602-254-4878 ■

SCOTT W. RUBY  
602.257.7432  
FAX: 602.340.1538  
swruby@gustlaw.com

September 14, 2005

Via FedEx

Mr. John Tanner, Chief, Voting Section  
Civil Rights Division  
Room 7254 - NWB  
U.S. Department of Justice  
1800 G Street, N.W.  
Washington, DC 20006

Re: Submission under Section 5, Voting Rights Act:  
Elianto Community Facilities District  
(Town of Buckeye, Arizona)  
Our File No. 006718-00037

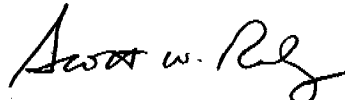
Dear Sir:

The Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*") requests approval of voting procedures pursuant to Section 5 of the Voting Rights Act of 1965, as amended (the "*Act*").

This submission is to secure approval by your office of the voting procedures only for the special election as set forth in the Attachment. The voting procedures submitted in this submission will not be used for future general elections. This submission is not in any way to be construed as a waiver of the right to file a subsequent action in the Federal District Court in the District of Columbia pursuant to Section 5 of the Act should you deny the requested procedures.

Any questions relative to this submission should be addressed to the undersigned. If questions arise, please telephone collect to the number on our letterhead.

Very truly yours,



Scott W. Ruby  
For the Firm

SWR:gmh  
Attachment  
602264

## ATTACHMENT

### **Election Involved**

Pursuant to Arizona Revised Statutes (A.R.S.) § 48-707, the recently created Elianto Community Facilities District (the "*District*") of the Town of Buckeye, Arizona (the "*Town*") held a special election on March 8, 2005, to submit to the voters the questions of whether to authorize the District to (1) issue general obligation bonds to obtain funds to construct certain public infrastructure improvements within the District and (2) levy an ad valorem tax on the real and personal property in the District to pay the operation and maintenance costs of the District.

### **General Information**

There are approximately 3,883 acres in the District, which is located in the west portion of Maricopa County within the Town limits. The mailing address of the District is: c/o Manager, Town of Buckeye, Arizona, 100 N. Apache, Suite A, Buckeye, Arizona, 85326, telephone (623) 386-4691. At the time of the submitted election and currently, the District is comprised of vacant desert land. There are no residents in the District and consequently, with the written consent of all of the property owners in the District, no election was required to form the District. Pursuant to a petition signed by 100% of the property owners, the District was formed on February 1, 2005 by Resolution No. 11-05 of the Town Council. After formation, the District Governing Board decided to hold a general obligation bond election and maintenance tax election. The bond and maintenance tax election requires a vote by the residents, if any, and a vote of the property owners. On March 8, 2005, the election date and currently, there were no residents or qualified electors in the District, therefore the election was just a property owner election. All of the property in the District at the time of formation and at the time of the election was owned by three entities, Elianto, LLC; CPH Elianto West, LLC; and E. W. Gardner Family Limited Partnership No. 2 (collectively, the "*Owners*"). The Owners voted in the election (representing 3,883 acres) and voted in favor of the general obligation bonds and maintenance tax.

### **Election and Incorporation of Voting Procedures**

The March 8, 2005, special election was the District's first election.

The District is a tax levying public improvement district and special purpose district. The District was formed pursuant to A.R.S. §§ 48-701, et seq., which was enacted by the Arizona Legislature as Chapter 320 of Arizona Session Laws 1988 and was approved by the United States Justice Department (the "*Department*") by its letter dated December 23, 1988. See *Exhibit A*. The District conducted its election in accordance with A.R.S. §§ 48-701, et seq., and A.R.S. § 16-191 which was approved by the Department by its letter dated September 12, 1986. See *Exhibit A*. A.R.S. § 16-191 states that the election procedures set forth in Title 16 of Arizona Revised Statutes apply to all elections held in Arizona, unless otherwise provided by statute. Title 16 controls state and county general election procedures. We understand those procedures



have already been approved by the Department for such general election purposes and the District adopted them for use in its election unless otherwise noted.

### **Polling Place**

The District lies totally within the White Tank precinct in Maricopa County. The map attached hereto as Exhibit B shows the general location of the District. Because there were no residents in the District, the polling place was established at Town Hall for convenience of the Owners.

### **Notice of Election**

This special election was called by the Governing Board of the District on February 1, 2005 by Resolution No. 01-05, a copy of which is attached hereto as Exhibit C.

Notice of this special election was given by publishing a notice of special election in substantially the form attached hereto as Exhibit D in both English and Spanish once a week for two weeks prior to the election in *The Buckeye Valley News*, *The West Valley View* and *The Arizona Republic*, newspapers of general circulation in the Town and the District, and by posting a copy of the notice of special election in both English and Spanish in at least three public places and at the polling place at least twenty (20) days prior to the election. In addition, the District provided written notice to the property owners of the special election prior to the election date.

It is submitted that the notice procedure does not discriminate on account of race or adversely affect any language minority.

### **Ballots**

Because there were only three voters in the District and, in order to save time and money, paper ballots were used at the election and ballots were available for any voter owning property in the District in substantially the form attached hereto as Exhibit E.

### **Precinct Registers**

At general elections, precinct registers are used with 29-day registration and residency requirements. This procedure was used in the March 8, 2005 election.

### **Voting Hours**

The polls were open from 9:00 a.m. until 4:00 p.m. The only reason for the voter hours being shorter than those normally used (6:00 a.m. to 7:00 p.m.) was that there were only three voters at the election.

## **Bilingual Procedures**

Section 16-580(G), Arizona Revised Statutes, states as follows:


G. Any registered voter may, at his option, be accompanied and assisted by a person of his own choice or shall be assisted by two election officials, one from each major political party, during any process relating to voting or during the actual process of voting on a paper ballot, machine or electronic voting system.

The application of this law was as follows: the District had a poll worker available for interpretation but such interpreter would have accompanied the elector who needed assistance only if the person was not accompanied by a person of his choice. The interpreter would have acted as the "person of choice" if requested to do so by the elector. As the special election was non-partisan, officials from the political parties were not available. Therefore, the procedure for using two persons to aid the voter was not used and only one person was available to assist the voter at any time.

In addition to the ballot, notice of election, instructions to voters and informational materials were available in both English and Spanish and those items required to be published, posted or recorded were published, posted or recorded in both languages.

## **Sources of Information**

The information contained herein was obtained from the Manager or Clerk of the Town of Buckeye and the District. The District office is located at 100 N. Apache, Suite A, Buckeye, Arizona 85326; the telephone number is (623) 386-4691.



WBR:MAP:CME:gmh  
DJ 166-012-3  
P7747-7749  
R0127-0149

Washington, D.C. 20530

September 12, 1986

John B. Shadegg, Esq.  
Special Assistant Attorney General  
1275 West Washington  
Phoenix, Arizona 85007

Dear Mr. Shadegg:

This refers to Chapter 320, H.B. No. 2362 (1986), which amends and repeals provisions concerning voter qualifications; provides for special district election dates; specifies procedures for calling, and becoming a candidate in, nonpartisan elections; requires that an affidavit certifying compliance with federal and state election laws be filed by special districts; amends and adds provisions with respect to nomination petitions; establishes procedures with respect to the conduct of special district elections; provides for district election precincts in special districts; provides for the manner in which candidates for the position of presidential elector are to be listed on the ballot; amends the procedure for appointment of election boards and tally boards; provides that the governing body of each election district is responsible for furnishing the necessary supplies for those elections over which the board of supervisors has no responsibility; provides that the code section concerning the hours that polls are opened and closed applies to all elections called pursuant to the laws of the state; amends the procedures for obtaining a ballot in a special district election; amends the procedures with respect to challenging electors; amends the procedures for canvassing returns; amends the procedures by which election laws may be enforced; amends the provision concerning false registration and cancellation of registration; and provides that Title 16 applies to all elections in the state except where different election provisions are set forth by statute in the State of Arizona, submitted to the Attorney General pursuant to Section 5 of the Voting Rights Act of 1965, as amended, 42 U.S.C. 1973c. We received your submission on July 14, 1986.

EXHIBIT A

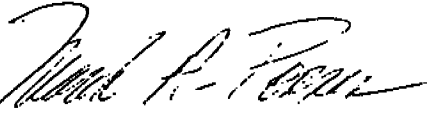
The Attorney General does not interpose any objections to the changes in question. However, we feel a responsibility to point out that Section 5 of the Voting Rights Act expressly provides that the failure of the Attorney General to object does not bar any subsequent judicial action to enjoin the enforcement of such changes. See the Procedures for the Administration of Section 5 (28 C.F.R. 51.48).

The provisions of this Act which provide for special district election dates is viewed as enabling legislation. Therefore, local jurisdictions are not relieved of their responsibility to seek preclearance, pursuant to the requirements of Section 5, of any changes affecting voting (e.g., any changes relating to the selection of a special district election date) adopted as a result of the provisions of this Act. See also 28 C.F.R. 51.14.

Sincerely,

Wm. Bradford Reynolds  
Assistant Attorney General  
Civil Rights Division

By:

  
Gerald W. Jones  
Chief, Voting Section



U.S. Department of Justice

Civil Rights Division

JPT:DBM:PAR:gmh:dvs  
DJ 166-012-3  
W9385  
Y0913-0924

*Voting Section*  
*P.O. Box 66128*  
*Washington, D.C. 20035-6128*

December 23, 1988

John B. Shadegg, Esq.  
Special Assistant Attorney General  
1275 West Washington  
Phoenix, Arizona 85007

Dear Mr. Shadegg:

This refers to Chapter 33, H.B. No. 2396 (1988), relating to registration procedures; Chapter 118, H.B. No. 2277 (1988), which relates to precinct registers; Chapter 138, S.B. No. 1315 (1988), which relates to the method of election and election dates of boards of directors of hospital districts; Chapter 140, S.B. No. 1172 (1988), which relates to the applicability of the 50 foot limit restriction in simulated elections; Chapter 184, S.B. No. 2130 (1988), which relates to the procedures for appointing deputy registrars; Chapter 142, S.B. No. 1034 (1988), which provides for a political party trust fund; Chapter 200, H.B. No. 2308 (1988), which provides for fiscal year designations for irrigation districts; Chapter 233, H.B. No. 2106 (1988), which provides for the creation of rural road improvement districts in certain counties; Chapter 283, H.B. No. 2306 (1988), relating to procedures for formation of pest abatement districts; Chapter 320, H.B. No. 2400 (1988), which authorizes the creation of special community facilities districts; and Chapter 323, S.B. No. 1022 (1988), which prescribes special road district election procedures for the State of Arizona, submitted to the Attorney General pursuant to Section 5 of the Voting Rights Act of 1965, as amended, 42 U.S.C. 1973c. We received your submission on October 26, 1988.

The Attorney General does not interpose any objections to the changes in question. However, we feel a responsibility to point out that Section 5 of the Voting Rights Act expressly provides that the failure of the Attorney General to object does not bar any

subsequent judicial action to enjoin the enforcement of such changes. See the Procedures for the Administration of Section 5 (28 C.F.R. 51.41).

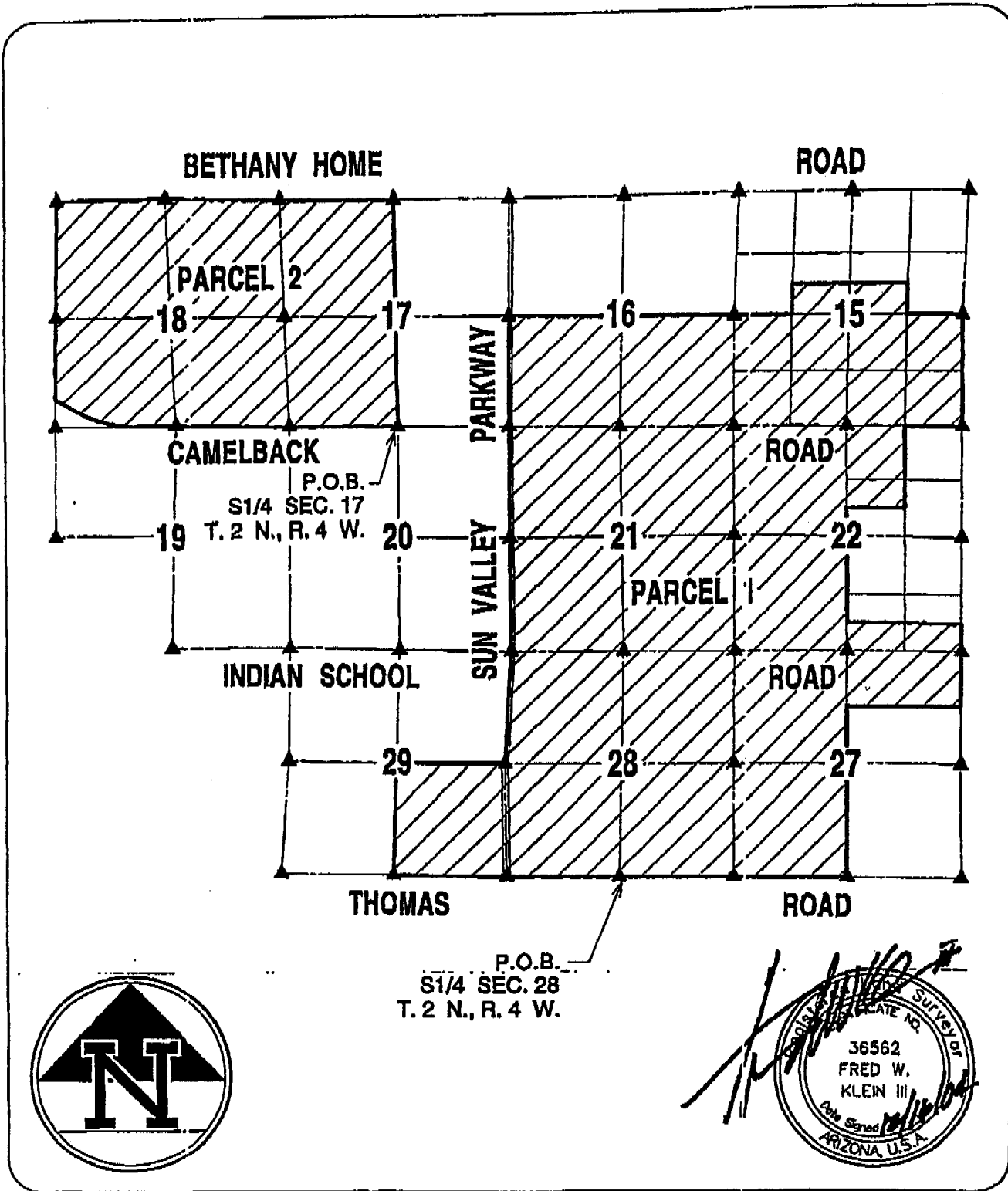
Sincerely,


James P. Turner  
Acting Assistant Attorney General  
Civil Rights Division

By:

*Howe C. Fredway*

for: Barry H. Weinberg  
Acting Chief, Voting Section



<b>EXHIBIT</b>	<b>ELIANTO OVERALL CFD</b>	JOB NO 720001
 4650 North 12th Street Phoenix, Arizona 85014 Telephone 602-264-6831 <a href="http://www.cvl.com">http://www.cvl.com</a>	<b>Coe &amp; Van Loo Consultants, Inc.</b>	SHEET 1 OF 1

FILE: N:\720001\LAND\HCFD2.DGN DATE:12/16/04

RESOLUTION NO. 01-05

A RESOLUTION OF THE DISTRICT BOARD OF ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) APPOINTING DISTRICT OFFICERS; APPROVING THE GENERAL PLAN; TAKING CERTAIN OTHER ACTIONS WITH REGARD TO ORGANIZATION OF THE DISTRICT; AND CALLING A SPECIAL BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION FOR THE DISTRICT; AND ENTERING INTO A DEVELOPMENT, FINANCING PARTICIPATION AND INTERGOVERNMENTAL AGREEMENT NO. 1 WITH THE TOWN.

BE IT RESOLVED BY THE DISTRICT BOARD OF ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) as follows:

Section 1. Findings.

A. On February 1, 2005, the Mayor and Council of the Town of Buckeye, Arizona (hereinafter called the "*Town*"), adopted Resolution No. 11-05 (the "*Resolution*") ordering and declaring formation of Elianto Community Facilities District (Town of Buckeye, Arizona) (hereinafter called the "*District*").

B. All conditions precedent to the formation of the District have been satisfied.

C. As provided by Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (the "*Act*"), the District is a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes, as amended, and, except as otherwise provided in Section 48-708(B), of the Act, is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the Town.

D. The owners of all real property in the District (collectively, the "*Owner*") filed with the Town Clerk the "general plan" for the District, which sets out a general description of the public infrastructure improvements for which the District was formed and the general areas to be improved (hereinafter referred to as the "*General Plan*").

E. Certain matters relating to the organization of the District must be determined by the district board of the District (hereinafter referred to as the "*District Board*"), including consideration of a Development, Financing Participation and Intergovernmental Agreement No. 1 by and among the District, the Town and the Owner (the "*Development Agreement*").

F. The Owner may construct or acquire a portion of the "public infrastructure" (as such term is defined in Section 48-701, of the Act) described in the General Plan or has undertaken "public infrastructure purposes" (as such term is defined in Section 48-701, of the Act) related thereto in contemplation of acquisition of such public infrastructure by a community facilities district.



G. (1) The District is authorized by Section 48-719, of the Act, to issue and sell general obligation bonds of the District to provide moneys for certain "public infrastructure purposes" consistent with the "general plan" of the District.

(2) Such bonds may not be issued unless approved at an election ordered and called to submit to the qualified electors of the District, which qualified electors consist of persons residing in the District who have registered to vote and those persons who are qualified to vote pursuant to Section 48-707(G), of the Act. If no person has registered to vote within the District within fifty (50) days immediately preceding any scheduled election date, the owners of land within the District who are qualified electors of the State of Arizona and other landowners according to Section 48-3043, of the Act (the "*Landowners*" and in either case hereinafter referred to as, collectively, the "*qualified electors*" ) shall vote on the question of authorizing the District Board to issue such bonds for such purposes.

(3). The District is authorized by Section 48-723, of the Act to levy an ad valorem tax on the assessed value of all real and personal property in the District for the purpose of applying the taxes to the operation and maintenance expenses of the District.

(4) The ad valorem tax for operation and maintenance purposes may not be levied unless approved at an election by the qualified electors of the District.

(5) The District Board deems it necessary and advisable to order and call such an election at this time for the purpose of submitting questions that request authorization to issue general obligation bonds and levy an ad valorem property tax for the District's operation and maintenance expenses, and to establish the procedures whereby such election should be held.

(6) An estimate of the amount of financing necessary to provide for, through acquisition, construction or otherwise, the "public infrastructure purposes", a general description of which are set out in the general plan of the District, has been presented to the District Board.

**Section 2.** Appointment of District Officers. The persons serving as Mayor and Vice Mayor of the Town are hereby appointed "Chairman" and "Vice Chairman," respectively, of the District Board; the person serving as the Town Clerk is hereby appointed "District Clerk"; the person serving as the Town Finance Director is hereby appointed "District Treasurer"; the person serving as the Town Manager is hereby appointed "District Manager". Gust Rosenfeld P.L.C. is hereby retained as the District's bond counsel and special counsel and all conflicts of interest that exist now or in the future between the Town and the District caused by such dual representation are waived. The District Manager is authorized to appoint itself, or such other qualified entity, as District Engineer when such appointment shall be necessary to further the purposes of the District. Except as otherwise provided by resolution of the District, all agreements and other documents to which the District is a party shall be executed on behalf of the District by the District Manager or the designee of the District Manager.

**Section 3.** Posting of Notices. Statements of the District directing where all public notices of the meetings of the District shall be posted in substantially the form attached

hereto as Exhibit A has been filed with the Clerks of Maricopa County and the Town and is hereby approved and ratified for all purposes thereof.

**Section 4. Preparation of Budget.** The District Board hereby instructs the District Treasurer to cause to be prepared a draft of a proposed budget for the District for the ensuing fiscal year to be circulated for consideration at a subsequent meeting of the Board as required by Section 48-716, Arizona Revised Statutes, as amended. Such budget shall include the costs of providing the District, its board members, officers, employees, agents and contractors with adequate insurance coverage.

**Section 5. Approval of General Plan.** The General Plan as submitted to the Town is hereby approved in all respects.

**Section 6. Call of Election.** A special election, in and for the District, be and the same is hereby ordered and called to be held on March 8, 2005 (the "Election"), at which time there shall be submitted to the qualified electors of the District the questions set forth in the form of official ballot attached hereto, marked Exhibit B and incorporated by reference herein. Based upon a certificate of the Maricopa County Recorder, dated a date not more than fifty (50) days prior to the date of the Election, there are no persons registered to vote within the District.

The District Clerk is directed to appoint election workers, election officials and such other necessary persons to the extent required to assist in conducting the election. The District Clerk is further directed to take such other actions as are necessary and appropriate to carry out the purposes of this resolution.

**Section 6. Posting and Publishing of Matters Relating to Election.** The Election shall be called by posting notices in three (3) public places within the boundaries of the District not less than twenty (20) days before the date of the Election in substantially the form hereto attached and marked Exhibit C. Notice shall also be published in the The Buckeye Valley News, West Valley View and The Arizona Republic, newspapers of general circulation in the Town, once a week for two consecutive weeks preceding the Election in substantially the form of Exhibit C.

**Section 7. Polling Place.** The polling place and the time the poll shall be opened and closed shall be as provided in Exhibit C.

**Section 8. Affidavit for Landowners.** If the qualified electors are and become the Landowners, prospective electors voting in the Election shall execute an affidavit substantially in the form hereto attached and marked Exhibit D.

**Section 9. Preparation of Ballots and Affidavits.** The District Clerk is hereby authorized and directed to have printed and delivered to the election officers at such polling place such ballots and, if necessary, such affidavits, to be by them furnished to the qualified electors of the District offering to vote at the Election, in substantially the form of Exhibits B and D.

**Section 10. Compliance with Voting Rights Act 1965.** In order to comply with the Voting Rights Act of 1965, as amended, the following shall be translated into Spanish and posted, published and recorded in each instance where posting, publication and recording of such

proceedings are required, to-wit: Exhibits B, C and D, all absentee voting materials and all instructions at the polling place.

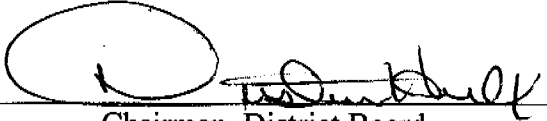
**Section 11. Applicable Law.** The Election shall be held, conducted and canvassed in conformity with the provisions of the general election laws of the State of Arizona, except as otherwise provided by law, and only such persons shall be permitted to vote at such election who are qualified electors of the District. Absentee voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended.

**Section 12. Canvass.** On March 15, 2005, which is a date within fourteen (14) days after the date of the Election, the District Board shall meet and canvass the returns, and if a majority of the votes cast at the Election is in favor of issuing the bonds and levying an ad valorem property tax for operation and maintenance purposes, the Board shall enter the fact on its minutes.

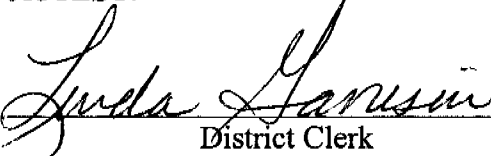
**Section 13. Approval of Development Agreement.** The Development Agreement by and among the Town, the District and the Owner, as presented to the Board and on file with the District Clerk, is hereby approved. The Chairman of the District Board is authorized and directed to execute and deliver, and the Clerk is authorized and directed to attest, the Development Agreement.

**Section 14. Effective Date.** This resolution shall be effective immediately.

**PASSED** by the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) on February 1, 2005.

  
Chairman, District Board

ATTEST:

  
District Clerk

EXHIBITS:

- A - Statements Regarding Posting of Public Meetings
- B - Form of Ballot
- C - Form of Notice of Election
- D - Form of Affidavit of Elector

**EXHIBIT A**

**OPEN MEETING LAW NOTICE**

Notice of Meetings

**ELIANTO COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

TO THE GENERAL PUBLIC:

PLEASE TAKE NOTICE that the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona), will hold its meetings at the Buckeye Town Hall, 100 North Apache, Suite A, Buckeye, AZ 85326, and that notice of such meetings will be given at least twenty-four (24) hours prior to a meeting and notice will be posted on the bulletin board at the Buckeye Town Hall.

Meetings will be held in conjunction with the meetings of the Town Council of the Town of Buckeye, Arizona.

DATED AND POSTED: \_\_\_\_\_, 2005.

  
Clerk

**EXHIBIT B**

Number of acres owned \_\_\_\_\_

**OFFICIAL BALLOT**

**SPECIAL BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION  
ELIANTO COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

Question No. 1

Shall the district board (the "Board") of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed One Hundred Seventy Five Million dollars (\$175,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

The voter shall place a mark in the square opposite the words "Bonds, Yes" or "Bonds, No", whichever words express the voter's choice.

BONDS, YES	<input type="checkbox"/>
BONDS, NO	<input type="checkbox"/>

Question No. 2

Shall the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

The voter shall place a mark in the square opposite the words "Tax, Yes" or "Tax, No", whichever words express the voter's choice.

TAX, YES	<input type="checkbox"/>
TAX, NO	<input type="checkbox"/>

**NOTICE TO VOTERS:**

The vote shall indicate his vote on each question by inserting a mark in the square opposite the phrase which expresses his choice. Only qualified electors of the District are eligible to vote at this special election.

The voter understands that the vote cast will constitute the vote for all of the acres owned by the voter.

EXHIBIT C

NOTICE OF ELECTION

**TO THE QUALIFIED ELECTORS OF ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):**

A general obligation bond and an operation and maintenance ad valorem tax election will be held on \_\_\_\_\_, for the District at the polling place hereafter set forth. The District is comprised of real property located within the \_\_\_\_\_ voting precinct.

**PRECINCT**

**POLLING PLACE** Buckeye Town Hall, 100 North Apache, Suite A, Buckeye, AZ 85326

Precinct registers may contain the names of all registered voters in the precinct, and the election board at the polling place shall require a prospective elector to execute an affidavit stating that the elector is a qualified elector of the District.

The polling place will open at 9:00 a.m. and close at 4:00 p.m.

The purpose of the election is to permit the qualified electors of the District to vote on the following questions:

Question No. 1

Shall the district board (the "Board") of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed One Hundred Seventy Five Million dollars (\$175,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

Question No. 2

Shall the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

Absentee (early) voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. A qualified elector may vote absentee (early) by contacting the office of the District Clerk, 100 North Apache, Suite A, Buckeye, AZ 85326, telephone number 623.386.4691. The "general plan" for the District required by Section 48-702(B), Arizona Revised Statutes, as amended, is on file with the District Clerk at the same location.

**ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA)**

**EXHIBIT D**

**AFFIDAVIT OF PROSPECTIVE ELECTOR  
AS TO OWNERSHIP OF LAND OR OTHER  
QUALIFICATION TO VOTE PURSUANT TO  
SECTION 48-3043, ARIZONA REVISED STATUTES, AS AMENDED**

STATE OF ARIZONA )  
COUNTY OF MARICOPA )  
TOWN OF BUCKEYE )  
ELIANTO COMMUNITY FACILITIES DISTRICT )  
DISTRICT (TOWN OF BUCKEYE, ARIZONA) )

**COMES NOW** the undersigned and, being first duly sworn, deposes and says as follows:

1. I am the authorized representative of Elianto, LLC (the "*Company*"), a limited liability company duly formed and validly existing pursuant to the laws of the State of Arizona.

2. The Company I so represent owns 2,769 acres in the Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

3. The Company is qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended, as the bona fide owner of 2,769 acres of land within the District, holding title or evidence of title of record of said acres.

4. As the authorized representative of the Company, I have been designated and authorized by the board of directors of the Company to represent and vote for and on behalf of the Company, in the election being held by the District on the date hereof.

**ELIANTO, LLC.**, an Arizona limited liability company

By: Lennar Communities Development, Inc.  
Its: Manager

By \_\_\_\_\_  
Its \_\_\_\_\_

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_.

\_\_\_\_\_  
Election Board Member

**AFFIDAVIT OF PROSPECTIVE ELECTOR  
AS TO OWNERSHIP OF LAND OR OTHER  
QUALIFICATION TO VOTE PURSUANT TO  
SECTION 48-3043, ARIZONA REVISED STATUES, AS AMENDED**

STATE OF ARIZONA )  
COUNTY OF MARICOPA )  
TOWN OF BUCKEYE )  
ELIANTO COMMUNITY FACILITIES DISTRICT )  
(TOWN OF BUCKEYE, ARIZONA) )

**COMES NOW** the undersigned and, being first duly sworn, deposes and says as follows:

1. I am the authorized representative of CPH Elianto West LLC (the "*Company*"), a limited liability company duly formed and validly existing pursuant to the laws of the State of Delaware and duly authorized to do business within the State of Arizona.

2. The Company I so represent owns 954 acres of land in the Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

3. The Company is qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended, as the bona fide owner of 954 acres of land within the District, holding title or evidence of title of record of said acres.

4. As the authorized representative of the Company, I have been designated and authorized by the board of directors of the Company to represent and vote for and on behalf of the Company, in the election being held by the District on the date hereof.

**CPH ELIANTO WEST, LLC.,** a Delaware limited liability company

By: Capital Pacific Holdings, Inc.,  
A Delaware corporation  
Its: Sole Member

By: Capital Pacific Homes of Arizona, Inc., a  
Delaware corporation  
Its: Authorized Agent

By \_\_\_\_\_  
Name: A. Clyde Dinnell  
Its: President



By \_\_\_\_\_  
Name: Sara Ridgeway  
Its: Chief Financial Officer

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_.

\_\_\_\_\_  
Election Board Member

**AFFIDAVIT OF PROSPECTIVE ELECTOR  
AS TO OWNERSHIP OF LAND OR OTHER  
QUALIFICATION TO VOTE PURSUANT TO  
SECTION 48-3043, ARIZONA REVISED STATUES, AS AMENDED**

STATE OF ARIZONA )  
 COUNTY OF MARICOPA )  
 TOWN OF BUCKEYE )  
 ELIANTO COMMUNITY FACILITIES DISTRICT )  
 (TOWN OF BUCKEYE, ARIZONA) )

COMES NOW the undersigned and, being first duly sworn, deposes and says as follows:

1. I am the authorized representative of E.W. Gardner Family Limited Partnership No. 2 (the "*Partnership*"), a limited partnership duly formed and validly existing pursuant to the laws of the State of Arizona.

2. The Partnership I so represent owns 160 acres of land in the Elianto Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

3. The Partnership is qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended, as the bona fide owner of 160 acres of land within the District, holding title or evidence of title of record of said acres.

4. As the authorized representative of the Partnership, I have been designated and authorized by the board of directors of the Company to represent and vote for and on behalf of the Partnership, in the election being held by the District on the date hereof.

**E.W. GARDNER FAMILY LIMITED  
PARTNERSHIP NO. 2, an Arizona limited  
partnership**

By \_\_\_\_\_  
 Its \_\_\_\_\_

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_.

\_\_\_\_\_  
 Election Board Member

## NOTICE OF ELECTION

### **TO THE QUALIFIED ELECTORS OF ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):**

A general obligation bond and an operation and maintenance ad valorem tax election will be held on March 8, 2005, for the District at the polling place hereafter set forth. The District is comprised of real property located within the White Tank voting precinct.

#### **PRECINCT WHITE TANK**

**POLLING PLACE** Buckeye Town Hall, 100 North Apache, Suite A, Buckeye, AZ 85326

Precinct registers may contain the names of all registered voters in the precinct, and the election board at the polling place shall require a prospective elector to execute an affidavit stating that the elector is a qualified elector of the District.

The polling place will open at 9:00 a.m. and close at 4:00 p.m.

The purpose of the election is to permit the qualified electors of the District to vote on the following questions:

#### Question No. 1

Shall the district board (the "Board") of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed One Hundred Seventy Five Million dollars (\$175,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

#### Question No. 2

Shall the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

Absentee (early) voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. A qualified elector may vote absentee (early) by contacting the office of the District Clerk, 100 North Apache, Suite A, Buckeye, AZ 85326, telephone number 623.386.4691. The "general plan" for the District required by Section 48-702(B), Arizona Revised Statutes, as amended, is on file with the District Clerk at the same location.

ELIANTO COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE,  
ARIZONA)

**EXHIBIT D**

## AVISO DE UNA ELECCION

### A LOS ELECTORES HABILITADOS DEL ELIANTO COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO"):

Se celebrará una elección de bonos financieros de obligación general y un impuesto ad valorem de manejo y mantenimiento el 8 de marzo de 2005, por el Distrito en el centro de votación nombrado después. El Distrito se compone de propiedad real ubicada dentro del recinto electoral White Tank.

#### RECINTO      WHITE TANK

CENTRO DE VOTACION Ayuntamiento de Buckeye, 100 North Apache, Suite A, Buckeye, AZ 85326

Los registros del recinto electoral pueden contener los nombres de todos los votantes inscritos en el recinto y la junta de elección en el centro de votación requerirá que un elector presunto firme un affidavit declarando que el elector es un elector habilitado del Distrito.

Se abrirá el centro de votación a las 9:00 de la mañana y se cerrará a las 4:00 de la tarde.

El propósito de la elección es el de permitirles a los electores del Distrito votar por las cuestiones siguientes:

#### Cuestión Número 1

¿Se le deberá autorizar al consejo administrativo del distrito (el "Consejo") del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y forma prescritos por el Consejo, y vencidos (no excederán veinticinco (25) años), fechas y tasas del interés pagadero, si fijas o variables, no excederán el doce por ciento (12%) por año, establecidos por el Consejo y conteniendo tales otros términos, condiciones, convenios y acuerdos como el Consejo crea apropiados, en la suma máxima que no exceda ciento setenta y cinco millones de dólares (\$175,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos los mejoramientos siguientes, incluyendo trabajo necesario o incidental, si se construye nuevamente, es renovado o existente y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, el uso y descargo del efluente; (b) sistemas de drenaje y control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, municipal o protección contra incendios incluyendo la producción, colección, depósitos, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo facilidades para la irrigación de agricultura a menos que sea para reparar o reemplazar las instalaciones existentes cuando otros mejoramientos descritos aquí dentro lo requieran; (d) caminos e instalaciones para estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, caballos, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; (f) alamedas para peatones, parques y áreas al aire libre para el uso de los miembros del público para entretenimiento, asamblea y recreo; (g) jardinería ornamental incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas relacionados para entregar agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control de tráfico y aparatos incluyendo señales y controles, (k) sitios y facilidades escolares con el permiso del consejo administrativo del distrito escolar para el cual se adquieren los sitios o las instalaciones; y (l) equipo, vehículos, mobiliario y otros artículos relacionados, (2) para adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (4) establecer reservas en metálico para asegurar el pago del servicio de la deuda de los bonos financieros; (5) la financiación y pago del ingreso del interés de los bonos financieros por un período que no exceda tres (3) años a partir de la fecha de su emisión; (6) para refinanciar cualesquier bonos vencidos o bonos no vencidos con bonos financieros nuevos; y (7) gastos del Distrito propio de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) hasta e incluyendo (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"); y (b) para pagar toda o parte de las sumas avanzadas por los dueños de terreno para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año de toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros cuando pagaderos y para redimir tales bonos financieros cuando se venzan, como autorizados por la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

#### Cuestión Número 2

¿Se le deberá autorizar al consejo administrativo del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el Distrito) a exigir y cobrar un impuesto anual ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán para los gastos del manejo y mantenimiento del Distrito, de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados.

Se permitirá la votación del votante ausente (temprano) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar ausente (temprano) por comunicarse con la oficina del District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, número de teléfono (623) 386-4691. El "plan general" para el Distrito requerido por la Sección 48-702 (B), Estatutos Revisados de Arizona, como enmendados está archivado con el Escribano del Distrito en la misma ubicación.

**ELIANTO COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA)**

Number of acres owned \_\_\_\_\_

**OFFICIAL BALLOT**  
**SPECIAL BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION**  
**ELIANTO COMMUNITY FACILITIES DISTRICT**  
**(TOWN OF BUCKEYE, ARIZONA)**  
**March 8, 2005**

Question No. 1

Shall the district board (the "Board") of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed One Hundred Seventy Five Million dollars (\$175,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

The voter shall place a mark in the square opposite the words "Bonds, Yes" or "Bonds, No", whichever words express the voter's choice.

BONDS, YES <input type="checkbox"/>
BONDS, NO <input type="checkbox"/>

Question No. 2

Shall the District Board of Elianto Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

The voter shall place a mark in the square opposite the words "Tax, Yes" or "Tax, No", whichever words express the voter's choice.

TAX, YES <input type="checkbox"/>
TAX, NO <input type="checkbox"/>

**NOTICE TO VOTERS:**

The vote shall indicate his vote on each question by inserting a mark in the square opposite the phrase which expresses his choice. Only qualified electors of the District are eligible to vote at this special election. The voter understands that the vote cast will constitute the vote for all of the acres owned by the voter.

**BOLETA OFICIAL**  
**UNA ELECCION ESPECIAL DE BONOS FINANCIEROS Y DE UN IMPUESTO AD VALOREM**  
**DE MANEJO Y MANTENIMIENTO**  
**ELIANTO COMMUNITY FACILITIES DISTRICT**  
**(PUEBLO DE BUCKEYE, ARIZONA)**  
**8 de Marzo de 2005**

Cuestión Número 1

¿Se le deberá autorizar al consejo administrativo del distrito (el "Consejo") del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y forma prescritos por el Consejo, y vencidos (no excederán veinticinco (25) años), fechas y tasas del interés pagadero, si fijas o variables, no excederán el doce por ciento (12%) por año, establecidos por el Consejo y conteniendo tales otros términos, condiciones, convenios y acuerdos como el Consejo crea apropiados, en la suma máxima que no exceda ciento setenta y cinco millones de dólares (\$175,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos los mejoramientos siguientes, incluyendo trabajo necesario o incidental, si se construye nuevamente, es renovado o existente y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, el uso y descargo del efluente; (b) sistemas de drenaje y control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, municipal o protección contra incendios incluyendo la producción, colección, depósitos, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo facilidades para la irrigación de agricultura a menos que sea para reparar o reemplazar las instalaciones existentes cuando otros mejoramientos descritos aquí dentro lo requieran; (d) caminos e instalaciones para estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, caballos, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; (f) alamedas para peatones, parques y áreas al aire libre para el uso de los miembros del público para entretenimiento, asamblea y recreo; (g) jardinería ornamental incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas relacionados para entregar agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control de tráfico y aparatos incluyendo señales y controles, (k) sitios y facilidades escolares con el permiso del consejo administrativo del distrito escolar para el cual se adquieren los sitios o las instalaciones; y (l) equipo, vehículos, mobiliario y otros artículos relacionados, (2) para adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (4) establecer reservas en metálico para asegurar el pago del servicio de la deuda de los bonos financieros; (5) la financiación y pago del ingreso del interés de los bonos financieros por un periodo que no exceda tres (3) años a partir de la fecha de su emisión; (6) para refinanciar cualesquier bonos vencidos o bonos no vencidos con bonos financieros nuevos; y (7) gastos del Distrito propio de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) hasta e incluyendo (7), ambas inclusives, siendo "propósitos de la infraestructura pública"); y (b) para pagar toda o parte de las sumas avanzadas por los dueños de terreno para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año de toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros cuando pagaderos y para redimir tales bonos financieros cuando se venzan, como autorizados por la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

El votante pondrá una marca en el cuadro al lado de las palabras "Bonos, Sí" o "Bonos, No", cualesquier palabras que expresen su decisión.

BONOS, YES <input type="checkbox"/>
BONOS, NO <input type="checkbox"/>

Cuestión Número 2

¿Se le deberá autorizar al consejo administrativo del Elianto Community Facilities District (Pueblo de Buckeye, Arizona) (el Distrito) a exigir y cobrar un impuesto anual ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán para los gastos del manejo y mantenimiento del Distrito, de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados.

El votante pondrá una marca en el cuadro al lado de las palabras "Impuesto, Sí" o "Impuesto, No", cualesquier palabras que expresen su decisión.

IMPUESTO, SI <input type="checkbox"/>
IMPUESTO, NO <input type="checkbox"/>

**AVISO A LOS VOTANTES:**

El votante indicará su voto en cada cuestión por poner una marca en el cuadro al lado de la frase que exprese su decisión. Sólo los electores habilitados del Distrito pueden votar en esta elección especial. El votante comprende que su voto depositado constituirá su voto por todos los acres que le pertenecen al votante.



OFFICIAL RECORDS OF  
MARICOPA COUNTY RECORDER  
HELEN PURCELL  
2005-0145225 02/03/05 16:15  
1 OF 1

BLOCKNUMBERS

When recorded, return to:

Mr. Scott W. Ruby, Esq.  
Gust Rosenfeld P.L.C.  
201 E. Washington Street, Suite 800  
Phoenix, AZ 85004-2327

**DEVELOPMENT, FINANCING PARTICIPATION  
AND INTERGOVERNMENTAL AGREEMENT NO. 1**

**ELIANTO COMMUNITY FACILITIES DISTRICT  
(BUCKEYE, ARIZONA)**

**by and among**

**TOWN OF BUCKEYE, ARIZONA**

**and**

**ELIANTO COMMUNITY FACILITIES DISTRICT  
(BUCKEYE, ARIZONA)**

**and**

**ELIANTO, LLC, an Arizona limited liability company  
CPH ELIANTO WEST, LLC, a Delaware limited liability company  
E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO. 2, an Arizona limited partnership**

Dated as of February 3, 2005

**DEVELOPMENT, FINANCING PARTICIPATION  
AND INTERGOVERNMENTAL AGREEMENT NO. 1  
ELIANTO COMMUNITY FACILITIES DISTRICT**

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**THIS DEVELOPMENT, FINANCING PARTICIPATION AND INTER-GOVERNMENTAL AGREEMENT NO. 1 ELIANTO COMMUNITY FACILITIES DISTRICT**, dated as of February 3, 2005 (the "*Agreement*"), by and among the Town of Buckeye, Arizona, a municipal corporation under the laws of the State of Arizona (the "*Municipality*"), Elianto Community Facilities District, a community facilities district formed by the Municipality, and duly organized and validly existing, pursuant to the laws of the State of Arizona (the "*District*"), Elianto, LLC, an Arizona limited liability company, duly formed and validly existing pursuant to the laws of Arizona and duly authorized to do business in the State of Arizona ("*Lead Owner*"), CPH Elianto West, LLC, a Delaware limited liability company, duly formed and validly existing pursuant to the laws of Delaware and duly authorized to do business in the State of Arizona, and E.W. Gardner Family Limited Partnership No. 2, an Arizona limited partnership duly formed and validly existing pursuant to the laws of Arizona and duly authorized to do business in the State of Arizona (collectively, the "*Owners*") who owns in fee title all or substantially all of the real property in the District. Other persons owning or having an interest in any real property within the District (collectively, the "*Other Parties*"), have acknowledged and agreed to the terms and provisions of this Agreement and have consented to the recording of this Agreement as a binding encumbrance against their respective property, by the execution of the Consent and Agreement attached hereto.

**WITNESSETH:**

**WHEREAS**, pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (the "*Act*"), and Section 9-500.05, Arizona Revised Statutes, as amended, the Municipality, the District and the Owners may enter into this Agreement as a "development agreement" to specify, among other things, conditions, terms, restrictions and requirements for "public infrastructure" (as such term is defined in the Act) and the financing of public infrastructure, including, but not limited to subsequent reimbursements or repayments over time; and

**WHEREAS**, with regard to the property described in Exhibit "A" hereto (the "*Property*") which makes up the real property included within the boundaries of the District, the Municipality, the District and the Owners have determined to specify some of such matters in this Agreement, particularly matters relating to the acquisition, construction financing, operation and maintenance of certain public infrastructure by the District, including matters relating to competitive bidding of the construction of the public infrastructure the acceptance thereof by the Municipality, the sale of bonds to finance the costs of the public infrastructure, and, if applicable and approved by the District, the reimbursement or repayment of the Owners with respect thereto, all pursuant to the Act; and

**WHEREAS**, this Agreement as a "development agreement" is consistent with the "general plan" of the Municipality as defined in Section 9-461, Arizona Revised Statutes, as amended, applicable to the Property on the date this Agreement is executed; and

**WHEREAS**, general obligation bonds (the "*G.O. Bonds*") and/or special assessment lien bonds (the "*Assessment Bonds*") of the District may be issued in the sole discretion of the District board of directors (the "*District Board*"), to provide moneys to finance certain "public infrastructure purposes" (as such term is defined in the Act) described in the General Plan of the District (the "*General Plan*") heretofore approved by the Municipality and the

District (collectively, the G.O. Bonds and the Assessment Bonds of the District are referred to as the "*Bonds*"); and

**WHEREAS**, the District Board has ordered, called and conducted a general obligation bond election, whereat the persons qualified to vote at such election pursuant to the Act authorized the District Board to (a) issue, in its sole discretion, G.O. Bonds in an amount not to exceed One Hundred Seventy-Five Million Dollars (\$175,000,000.00) to provide moneys for public infrastructure purposes consistent with the ballot, the General Plan and the Act; and (b) levy and collect an ad valorem property tax for purposes of paying the District's administrative, operation and maintenance expenses pertaining to public infrastructure benefiting the District; and

**WHEREAS**, the District Board, pursuant to the procedures prescribed by Sections 48-576 through 48-589, Arizona Revised Statutes, as amended, as nearly as practicable, or such other procedures as the District Board provides, may, in its sole discretion (but subject to the consent of the Lead Owner during the Exclusivity Period), levy assessments of the costs of any public infrastructure or public infrastructure purpose on any land in the District based on the benefit determined by the District Board to be received by the land, and issue and sell the Assessment Bonds payable from amounts collected from the special assessments; and

**WHEREAS**, the Owners desire that the District utilize the proceeds of the Bonds to acquire public infrastructure from the Owners pursuant to the terms of this Agreement, including but not limited to the provisions of Articles II and III and the Lead Owner will submit a Report (as defined herein) requesting the issuance of Bonds; and

**WHEREAS**, the District desires to provide for the possible financing of public infrastructure utilizing the proceeds of Bonds in instances where it is necessary to contain or alleviate a legitimate threat to public health and safety of the residents in the District and when 15% or less of the developable acreage within the District is owned by Owners or their assigns; and

**WHEREAS**, pursuant to the Act, the District may enter into this Agreement with the Owners with respect to the advance of moneys for public infrastructure or public infrastructure purposes by the Owners and the repayment of such advances; and

**WHEREAS**, pursuant to the Act and Title 11, Chapter 7, Article 3, Arizona Revised Statutes, as amended (the "*Intergovernmental Agreement Act*"), the District and the Municipality may enter into the specified sections of this Agreement as an "intergovernmental agreement" with one another for joint or cooperative action for services and to jointly exercise any powers common to them and for the purposes of the planning, design, inspection, ownership, control, maintenance, operation or repair of public infrastructure; and

**WHEREAS**, pursuant to Section 48-715, Arizona Revised Statutes, as amended, and the CFD Guidelines (as defined herein) before constructing or acquiring any public infrastructure improvements, the District Board is required, in each instance, to cause a report of the feasibility and benefits of the project (the "*Report*") relating to such public infrastructure improvements to be prepared by engineers and other qualified persons, which must include a description of the public infrastructure to be constructed or acquired and all other information useful to understand the project, a map showing, in general, the location of the project, an estimate

of the cost to construct, 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 project, and a plan for financing the project; and

**WHEREAS**, nothing contained in this Agreement is intended to limit the District Board in exercising its judgment with respect to the issuance of Bonds during the process of reviewing and approving or rejecting any Report;

**NOW, THEREFORE**, in the joint and mutual exercise of their powers, in consideration of the above premises and of the mutual covenants herein contained and for other valuable consideration, and subject to the conditions set forth herein the parties hereto agree as follows:

## ARTICLE I

### COMMUNITY FACILITIES DISTRICT

**Section 1.1**      **CFD Guidelines.** Except as otherwise specifically provided in this Agreement, as may be amended from time to time, the District shall be subject to and governed by the terms and provisions of the Town of Buckeye, Arizona, Policy Guidelines and Application Procedures for the Establishment of Community Facilities Districts, as amended from time to time (the "*CFD Guidelines*").

**Section 1.2**      **District Consulting Costs.** The District may retain an independent financial advisor, legal advisor, underwriter, engineer and such other advisors and consultants as may be necessary to assist the District in its operations, including but not limited to evaluating budgets, reports, financing documents, District construction documents and similar matters ("*District Consulting Costs*"). District Consulting Costs shall be included as District Administrative Expenses, provided, however, certain District Consulting Costs constituting capital expenditures of a project financed by Bonds may, if approved by the District Board, be paid with the proceeds of Bonds.

**Section 1.3**      **Compliance with Law and CFD Guidelines.** The District shall maintain its records and conduct its affairs in accordance with the Act, the laws of the State of Arizona and the CFD Guidelines.

**Section 1.4**      **Payment of Municipality's Costs and Expenses.** The Municipality shall be paid by the District for its costs and expenses relating to the District and the public infrastructure financed by the District as described in Section 7.2(d) of this Agreement. The Municipality will provide the District and the District will provide the Lead Owner with an invoice for the Municipality's costs and expenses. The Owners agree to pay to the District the amounts owed per Article VII of this Agreement within forty-five (45) days of receipt of the invoice.

**Section 1.5**      **Contracting for District Financial Infrastructure.**

(a)    **Public Bid Requirement.** All infrastructure described in the General Plan that is or expected to be financed with District moneys or District Bond proceeds ("*District Financed Infrastructure*") shall be public infrastructure improvements as described in the Act. Any District Financed Infrastructure shall be publicly bid and awarded pursuant to the provisions of the Arizona Revised Statutes, as amended, and in accordance with the bidding policies of the Municipality (collectively, the "*Public Bid Requirements*").

(b)    **Notice Inviting Bids.** Commencing on the date of this Agreement, the form of Notice Inviting Bids in *Exhibit "B"* hereto shall be used in substantially the form for such purpose, and the use of such form prior to the execution and delivery of this Agreement is hereby ratified in all respects.

(c)    **Certificate of the Engineers.** Compliance with the Public Bid Requirements shall be evidenced by the certification of the engineers of the Owners and the District (collectively, the "*Engineers*") with respect thereto in the form of *Exhibit "C"* hereto (the "*Certificate of the Engineers*").

(d)    **Limitation on Recourse.** Each construction or acquisition contract relating to the public infrastructure improvements or purposes shall provide that the respective contractors or vendors shall not have recourse, directly or indirectly, to the Municipality. In the case of any initial financing provided by the Owners of any construction or acquisition contract relating to public infrastructure improvements or purposes for which reimbursement is expected, such contract shall provide that the respective contractors or vendors shall not have recourse, directly or indirectly to the District, for the payment of any costs under such contract or any liability, claim or expense arising therefrom and that the Owners shall have sole liability for payment under such contract of all such amounts.

**Section 1.6**      **Submission of Reports; Approval or Rejection.** The right to submit one or more Reports to the District Board requesting the construction, acquisition and financing of all or a part of the District Financed Infrastructure or any public infrastructure purpose described in the General Plan, and the corresponding right to request the issuance of Bonds, shall be reserved exclusively (except as specifically provided in the following sentence) to the Lead Owner or one or more Owner(s) designated by the Lead Owner until 15% or less of the developable acreage within the District is owned by the Owners and their assigns or affiliates (the "*Owner Exclusive Period*"). Bonds issued during the Owner Exclusive Period at the request of Lead Owner or Owner(s) designated by Lead Owner shall be "*Owner Bonds*". All Bonds that are not Owner Bonds shall be "*Third Party Bonds*". Upon the end of the Owner Exclusive Period, any third party owning real property within the District, including Owners, and the District at any time during or after the Owner Exclusive Period if it is necessary to contain or alleviate a threat to public health and safety of the residents in the District, shall have the right to submit to the District Board one or more Reports pertaining to the issuance of Third Party Bonds to finance the construction, acquisition or installation of all or a part of the public infrastructure improvements described in the General Plan.

The District Board, exercising its sole discretion may thereafter approve or reject the Report and approve or reject the issuance of Bonds.

**Section 1.7**      **Withdrawal of Reports.** Notwithstanding Section 1.6 above, Lead Owner or one or more Owners designated by Lead Owner shall be permitted to withdraw any Report submitted by such Owner(s) from consideration by the District at any time before the conclusion of the hearing thereon. In the event of such a withdrawal, the District Board shall not approve the Report or adopt any resolution which would effect an implementation of any part of the transaction described in such Report. Such Owner(s) shall be permitted to resubmit any such withdrawn Report or any Report which has been rejected by the District Board and then amended by such Owner(s), at such time as such Owner(s) may, in its sole discretion, deem advisable. The Owner(s) who submitted the Report shall be responsible for the costs incurred prior to the withdrawal, including consultant fees.

## ARTICLE II

### CONSTRUCTION OF PROJECTS BY OWNERS

**Section 2.1**      **Construction by Owners.**

(a)      **At Owners' Expense.** Subject to the other terms and provisions of this Agreement, Lead Owner, or an Owner or Owners designated by Lead Owner, at its/their sole cost and expense, may, unless the procedure to have the District construct the public infrastructure improvements as described in Article IV hereof is followed, cause the public infrastructure improvements or purposes, including but not limited to those improvements described in the General Plan (collectively, the "*Acquisition Infrastructure*" and as detailed in the General Plan on a project-by-project basis as an "*Acquisition Project*" or the "*Acquisition Projects*") to be provided pursuant to plans and specifications approved by the Municipality (the "*Plans and Specifications*").

(b)      **Compliance with Applicable Codes, Etc.** The Acquisition Projects shall be constructed in a good and workmanlike manner in compliance with all applicable standards, codes, rules, guidelines or regulations of the Municipality, as in effect from time to time, for the same or comparable construction projects of the Municipality.

**Section 2.2**      **Public Bidding.** The Acquisition Projects shall be bid in one or more parts pursuant to the Public Bid Requirements and the requirements set forth in Section 1.5 of this Agreement. Any contracts for such work entered into Lead Owner or one or more Owners designated by Lead Owner shall be hereafter referred to as the "*Acquisition Project Construction Contracts*" and individually as an "*Acquisition Project Construction Contract*". Plans, specifications, bid documents and bidding procedures are subject to review and approval by the District. Bids will be submitted to, or as directed by, the District for opening and review. No award of an Acquisition Project Construction Contract shall be made without the concurrence of the District.

**Section 2.3**      **Project Costs; Change Orders.** The total bid amount of any Acquisition Project Construction Contract plus any other costs of the Acquisition Project that are not required to be bid pursuant to the Public Bid Requirements shall be submitted for review to and if acceptable, approved by the Manager for the District (the "*District Manager*") or his designee and the engineer for the District (the "*District Engineer*"). The total bid amount of any

Acquisition Project Construction Contract shall not exceed the estimated cost of the Acquisition Project set forth in the approved Report. Any change order to any Acquisition Project Construction Contract shall be subject to approval by the District Engineer and District Manager (which approval shall not be unreasonably withheld or delayed) and shall be certified to in the Certificate of the Engineers; provided, however, that any change order increasing the amount of an Acquisition Project Construction Contract by more than 10% of the original contract amount or modifying significantly the scope of the work otherwise shall be approved by the District Board. Any increase in cost caused by any change order shall be the sole responsibility of Owners provided that such increase in cost caused by an approved change order may be included by Owners in any applicable Segment Price pursuant to Section 3.2 hereof.

**Section 2.4** **At Owner's Risk.** As between Owners, the Municipality and the District, the Owner(s) who enter into or otherwise initiate an Acquisition Project Construction Contract shall bear all risks, liabilities, obligations and responsibilities under each such Acquisition Project Construction Contract and all risk of loss of or damage to any Acquisition Project (or any part thereof) occurring prior to the time of acquisition of such Acquisition Project (or part thereof). As between just the Owners, all risks, liabilities, obligations and responsibilities shall be allocated as stated in the agreements between the Owners.

**Section 2.5** **Prior Conveyance Not a Bar.** The prior conveyance or dedication of easements, right-of-way or public infrastructure shall not affect or proscribe Owner's right to construct public infrastructure improvements or purposes thereon or to be paid or reimbursed for such construction upon acquisition by the District.

### ARTICLE III

#### ACQUISITION OF PROJECTS FROM OWNERS

**Section 3.1** **Acquisition by District.**

(a) **Purchase.** Subject to the other terms and provisions of this Agreement and after approval by the District Board, exercising its sole discretion, approves a Report pertaining to the applicable Acquisition Project, the applicable Owners having an interest in an Acquisition Project or Segment shall sell to the District, and the District shall acquire from the applicable Owners, each Acquisition Project, together with all real property or interests therein necessary to operate and maintain the District Financed Improvements (collectively, the "*Necessary Public Property*"), as a whole (the entire Acquisition Project) or, if applicable, in completed, discrete portions as determined by the District Engineer and the District Manager and in accordance with the Plans and Specifications (referred to herein as a "*Segment*") at the price for the Acquisition Project or, if applicable, each Segment (the "*Project Price*" or the "*Segment Price*" as applicable) established as provided in Section 3.2 hereof. At the request of the District the applicable Owners shall convey any acquired Acquisition Project or Segment(s) and the Necessary Public Property to be conveyed directly to the Municipality, together with a direct assignment of any warranties, guarantees and bonds. Lead Owner shall provide information to the District as to how a Project Price or Segment Price is to be allocated among the Owners as provided in any agreement between the applicable Owners.

With regard to this Section, and the entire Agreement during the Owner Exclusive Period, District shall be entitled to rely upon the directions from and information received from Lead Owner and shall have no duty, obligation or right to take directions from any other Owner (except pursuant to an express designation by Lead Owner pursuant to this Agreement) or independently review, investigate or interpret any agreement between the Owners. The preceding sentence shall not limit the rights any Owner may have under any agreement between the Owners.

(b) **Financing; Limited Liability.** Any such acquisition shall be financed (i) at any time before the sale and delivery of any of the Bonds only pursuant to Section 5.1(a) hereof and (ii) at any time after the sale and delivery of any of the Bonds only pursuant to Section 5.1(b) hereof. Payment of the Project Price or Segment Price is subject to the availability of proceeds of District Bonds as described in Section 5.1.

(c) **Compensation Limited.** Owners have not been and shall not be compensated for any of the Acquisition Infrastructure except as provided by this Agreement. The District shall not be liable for any payment or repayment to Owners therefor except as provided by this Agreement.

(d) **No Prior Dedication.** As of the date of this Agreement, none of the Acquisition Infrastructure has been dedicated by Owners or accepted by the District or the Municipality or offered for dedication by Owners or acceptance by the District or the Municipality.

### **Section 3.2**      **Determining Project Price.**

(a) **Actual Costs.** The Project Price for an Acquisition Project or the Segment Price for a Segment, as applicable, shall be equal to the sum of the amounts bid (together with or net of any approved change orders), and approved pursuant to Section 2.3 hereof, plus any other amounts that are not required to be bid pursuant to the Public Bid Requirements but are approved pursuant to Section 2.3 hereof, and actually paid by Owners for (1) third-party design and/or engineering of the Acquisition Project or Segment, (2) construction and or installation of the Acquisition Project or Segment pursuant to the Acquisition Project Construction Contract for such Acquisition Project or Segment, (3) inspection and supervision of the construction of the Acquisition Project or Segment by the District for performance under such Acquisition Project Construction Contract and a reasonable third-party construction management fee, and, (4) other miscellaneous and incidental costs relating to the construction and/or installation of such Acquisition Project or Segment allowed by the Act and approved in the Report, but not including any Necessary Public Property.

(b) **Certificate of Engineers.** The determination of the Project Price or the Segment Price shall be certified in the Certificate of the Engineers for that Segment.

**Section 3.3**      **Conditions for Payment.** The District shall pay the Project Price or the Segment Price, as applicable for, and acquire from the applicable Owners, and the applicable Owners shall, subject to Section 5.1(a)(ii) below, accept the Project Price or the Segment Price for and sell to the District, the Acquisition Project or Segment as provided in Section 3.1 hereof after the approval of the Report and after receipt by the District Manager of the

following with respect to the acquisition Project or Segment, in form and substance reasonably satisfactory to the District Manager:

- (i) The Certificate of the Engineers;
- (ii) The "Conveyance for Segment of Project" either in the form of Exhibit "D" hereto or otherwise in form and substance satisfactory to the District Manager (hereinafter referred to as a "Conveyance");
- (iii) Evidence that all Necessary Public Property has been conveyed to the Municipality and public access to the Segment or the Acquisition Project, as applicable, has been or will be provided to the Municipality;
- (iv) The assignment of all contractors' and material men's warranties and guarantees as well as payment and performance bonds, if required;
- (v) An acceptance letter or such other evidence of acceptance as required by the Municipality, issued by the Municipality and by its terms subject specifically to recordation of the Conveyance of the Acquisition Project or Segment, as applicable, which is the subject of such letter; and
- (vi) Such other documents, instruments, approvals or opinions as may reasonably be requested by the District Manager including, with respect to any Necessary Public Property, title reports, insurance and opinions and evidence satisfactory to the District Manager that any Necessary Public Property to be acquired does not contain environmental contaminants which make such real property unsuitable for its intended use or, to the extent such contaminants are present, a plan satisfactory to the District Manager which sets forth the process by which such Necessary Public Property will be made suitable for its intended use and the sources of funds necessary to accomplish such purpose.

**Section 3.4 Conveyance of Necessary Public Property.** As a condition to the payment of the Project Price or the Segment Price, as applicable, by the District to the Owners, and the acquisition of the Acquisition Project or the Segment by the District or Municipality, the Owners shall convey to the District, or if directed by the District and consented to by the Municipality, dedicate to the Municipality, without cost, all Necessary Public Property required for the operation and maintenance of the Acquisition Project or Segment, as applicable. The Necessary Public Property required shall be similar to the requirements for construction projects of the Municipality similar to the Segment.

#### ARTICLE IV

#### CONSTRUCTION OF PROJECTS BY THE DISTRICT

**Section 4.1 Construction by District.**

(a) **Generally.** Subject to the other terms and provisions of this Agreement, the District, after the District Board, exercising its sole discretion, approves a Report submitted by Lead Owner or Owner(s) designated by Lead Owner, prior to the bidding therefor, may cause any



of the public infrastructure described in the General Plan (hereinafter referred to if constructed pursuant to the provisions of this Article IV as collectively the "*Constructed Infrastructure*" and as detailed in the General Plan on a project-by-project basis a "*Construction Project*" or the "*Construction Projects*") to be constructed pursuant to the Plans and Specifications.

(b) **Similar Requirements.** The Construction Projects shall be constructed in accordance with the requirements for construction projects of the Municipality similar to the Construction Projects unless heretofore agreed otherwise by the Municipality.

**Section 4.2** **Contracts.** The Construction Projects shall be bid in one or more parts by and in the name of the District pursuant to the Public Bid Requirements, and contracts shall be entered into by the District (hereinafter referred to as collectively the "*Construction Project Construction Contracts*" and as individually a "*Construction Project Construction Contract*").

**Section 4.3** **Convey Necessary Public Property.** Prior to bidding any contract for the construction of a Construction Project, as a condition to the District proceeding with a Construction Project, the applicable Owner(s) shall convey to the District, without cost, or if directed by the District and consented to by the Municipality, dedicate to the Municipality, without cost, all Necessary Public Property required for the construction, operation and maintenance of the public improvements comprising the Construction Projects. The type, size and terms of the Necessary Public Property required for the construction, operation or maintenance of the Construction Project shall be similar to the requirements for construction projects of the Municipality similar to the Construction Projects. In addition, such conveyance shall occur after receipt by the District Manager of the following with respect to such Necessary Public Property, in form and substance reasonably satisfactory to the District Manager:

(i) a special warranty deed or easement from the applicable Owner(s) for such Necessary Public Property executed by an authorized officer of the applicable Owner(s),

(ii) such environmental assessments or other evidence satisfactory to the District Manager that such Necessary Public Property does not contain environmental contaminants which make such Necessary Public Property unsuitable for its intended use or to the extent such contaminants are present, a plan satisfactory to the District Manager which sets forth the process by which such Necessary Public Property will be made suitable for its intended use, a plan for remediation of such contaminants, if required by the District Manager and the sources of funds necessary to accomplish such purpose, and

(iii) such other documents, instruments, approvals or opinions as the District Board may reasonably request including title reports, insurance and opinions.

**Section 4.4** **Limited Compensation.** Owners have not been and shall not be compensated for any costs of any Construction Project except as provided herein.

**Section 4.5** **Approval of Report.** Construction of any Construction Project has not and shall not commence prior to the approval of the Report as required by, and for all purposes of, the Act and conveyance or dedication of a Necessary Public Property as provided in Section 4.3 hereof.

**Section 4.6**      **Financing; Limited Liability.** Any such construction or acquisition shall be financed (i) at any time before the sale and delivery of any of the Bonds only pursuant to Section 5.2(a) hereof and (ii) at any time after the sale and delivery of any of the Bonds only pursuant to Section 5.2(b) hereof. Payment of the costs of any Construction Project is subject to the availability of proceeds of District Bonds as described in Section 5.2.

## ARTICLE V

### FINANCING OF PROJECTS

#### **Section 5.1**      **Acquisition Projects.**

##### (a)      **Before Bond Sale.**

(i) To provide for any acquisition of an Acquisition Project or a Segment occurring before the sale and delivery of any Bonds, the Project Price or, if applicable, the Segment Price(s) for Segment(s) comprising an Acquisition Project shall be paid by the Owner(s) who caused the construction of such Acquisition Project or Segment as designated by the Lead Owner subject to payment and acquisition by the District pursuant to the terms of this Agreement and the Conveyance of the Acquisition Project or Segment.

(ii) As soon as possible after the sale and delivery of any Bonds issued for the purpose of acquiring an Acquisition Project or any Segment, the amount of the Project Price for the Acquisition Project or the Segment Price of a Segment paid by one or more Owner(s) prior to the sale and delivery of the Bonds shall, subject to the requirements of Section 3.3 hereof, be paid to such Owner(s) from, and only from, the proceeds of the sale and delivery of the Bonds issued for the purpose of acquiring an Acquisition Project or any Segment. Neither the District nor the Municipality shall be liable to Owners (or any contractor or assigns under any Contract) for payment of any Project Price or Segment Price except, the District shall be liable to the extent unencumbered proceeds of the sale of the Bonds issued for the purpose of acquiring an Acquisition Project or any Segment, are available for such purpose. No representation or warranty is given by the District, or District Board that Bonds will be approved for issuance and sale by the District Board, can be sold by the District, or that sufficient proceeds from the sale of the Bonds shall be available to pay any Project Price or Segment Price. The foregoing is not intended to limit the right of Owners to payment for any amount of the Project Price or Segment Price paid by Owners in excess of the proceeds from the sale of the Bonds if the District thereafter finances such amount from future Bond proceeds, and the District and the Municipality shall reasonably cooperate with Owners in preserving the right to any such future payment.

(iii) Until the sale and delivery of the Bonds issued and sufficient for the purpose of acquiring an Acquisition Project or any Segment, the District shall not have any obligation to repay Owners for any payment made by Owners to pay any Project Price or Segment Price.

(b) **After Bond Sale.**

(i) Any acquisition of an Acquisition Project or any Segment occurring after the sale and delivery of any Bonds issued for the purpose of acquiring an Acquisition Project or any Segment shall, subject to the requirements of Section 3.3 hereof, be provided for by the payment of the Project Price or Segment Price from, and only from, the proceeds of the sale and delivery of the Bonds issued and sufficient for the purpose of acquiring an Acquisition Project or any Segment.

(ii) Until the sale and delivery of the Bonds issued and sufficient for the purpose of acquiring an Acquisition Project or any Segment, the District shall have no obligation to pay such Project Price or Segment Price. Neither the District nor the Municipality shall be liable to Owners (or any contractor or assigns under any Contract) for payment of any Project Price or Segment Price except, the District shall be liable to the extent unencumbered proceeds of the sale of the Bonds issued for the purpose of acquiring an Acquisition Project or any Segment, are available for such purpose. No representation or warranty is given by the District or the District Board that Bonds will be approved for issuance and sale by the District Board, can be sold by the District or that sufficient proceeds from the sale of the Bonds issued for the purpose of acquiring an Acquisition Project or any Segment, shall be available to pay such Project Price or Segment Price. The foregoing is not intended to limit the right of Owners to payment for any deficiency between the proceeds from the sale of the Bonds and the amount of any Project Price or Segment Price paid by Owners if the District thereafter finances such amount from other or future Bonds and the District and the Municipality shall reasonably cooperate with Owners in preserving the right to any such future payment.

(c) **If Sufficient Bonds Not Issued.** If the Bonds are not issued or if the proceeds of the Bonds are insufficient to pay all of the Project Price or Segment Price, there shall be no recourse to the District or the Municipality and the District and the Municipality shall not have liability with respect to, the Project Price or Segment Price, except, the District shall be liable for payment only from the proceeds of the sale of the Bonds, if any. Nothing contained in this Section 5.1 shall obligate the Municipality to pay for any Segment Price or Acquisition Infrastructure from any monies of the Municipality. The foregoing is not intended to limit the ability of the Owners to payment for any deficiency between the proceeds from the sale of the Bonds for such purpose and the amount of a Project Price or Segment Price, if the District thereafter finances such amount from future Bond proceeds.

**Section 5.2**      **Construction Project.**

(a) **Before Bond Sale.**

(i) To provide for amounts due pursuant to any Construction Project Construction Contract (including incidental costs relating thereto) (the "*Construction Costs*") after the biddings thereof but before the sale and delivery of any Bonds, such amounts shall be paid by Owner(s) who initiated such Construction Project as designated by Lead Owner pursuant to the terms of this Agreement. Incidental costs related to a Construction Project Construction Contract shall include, without limitation, permits, staking costs, general conditions, engineering costs, and third-party construction management costs. Each payment of such Construction Costs by the such Owners shall be evidenced by a written acknowledgement of the District Manager included as part

of the written approval of the District Engineer of each pay request of the contractor for such Construction Project Construction Contract.

(ii) As soon as possible after the sale and delivery of any Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract and sufficient Bond proceeds are reserved to pay the remaining Construction Costs of a Construction Project Construction Contract, the total amounts of the Construction Costs paid by Owners prior to the sale and delivery of the Bonds shall be paid to the Owners who made such payment from, and only from, the proceeds of the sale and delivery of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract. Neither the District nor the Municipality shall be liable to Owners (or any contractor or assigns under any Contract) for payment of any such Construction Cost amount except, the District shall be liable to the extent unencumbered proceeds of the sale of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract are available for such purpose. No representation or warranty is given by the District or District Board that sufficient proceeds from the sale of any Bonds shall be available to pay such amounts of the Construction Costs paid by Owners. The foregoing is not intended to limit the right of Owners to payment for any amount of the Construction Costs paid by Owners in excess of the proceeds from the sale of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract if the District thereafter finances such amount from future Bonds and the District and the Municipality shall reasonably cooperate with Owners in preserving the right to any such future payment.

(iii) Until the sale and delivery of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract, the District shall not have any obligation to repay Owners for any payment of a Construction Cost paid by Owners, and after the sale and delivery of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract such obligation shall be limited to the amount of the proceeds of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract available for such purpose.

(b) **After Bond Sale.**

(i) Any Construction Cost amounts due pursuant to any Construction Project Construction Contract after the sale and delivery of any of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract shall be provided for by the payment of such Construction Cost amounts from, and only from, the proceeds of the sale and delivery of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract.

(ii) Until the sale and delivery of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract, the District shall have no obligation to pay such Construction Cost amounts. Neither the District nor the Municipality shall be liable to Owners for payment of any such Construction Cost amount except, the District shall be liable to the extent unencumbered proceeds of the sale of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract are available for such purpose. No representation or warranty is given by the District or District Board

that the Bonds can be sold by the District, or that sufficient proceeds from the sale of the Bonds shall be available to pay such Construction Cost amounts.

(c) **If Sufficient Bonds Not Issued.** If the Bonds are not issued or if the proceeds of the sale of the Bonds are insufficient to pay any or all of the amounts described in Subsections (a) or (b), there shall be no recourse to the District or the Municipality and the District and the Municipality shall have no liability with respect to any Construction Project Construction Contract, except, the District shall be liable for payment only from the proceeds of the sale of the Bonds. Nothing contained in this Section 5.2 shall obligate the Municipality to pay for any Construction Cost from any monies of the Municipality.

## ARTICLE VI

### MATTERS RELATING TO THE BONDS AND OTHER OBLIGATIONS OF THE DISTRICT

#### **Section 6.1**      **Bonds Generally.**

(a) **Submission of Report; Approval of Bonds.** Upon the submission of a Report, and upon a date established by the District Manager, the District Board may, in its sole, unfettered discretion, take all such reasonable action necessary for the District to consider the approval or rejection of the Report. If the Report is approved, the District Board shall take all reasonable action necessary to issue and sell the Bonds pursuant to the terms and conditions as may be established by the District Board in connection with its approval of the Report (the "*Approval*"), and the provisions of the CFD Guidelines and the Act.

(b) **Sales of Bonds; Amount.** The Bonds may be sold in one or several series, in an amount sufficient (i) to pay the Acquisition Price or the Segment Prices for the Acquisition Infrastructure and all Construction Costs relating to any Construction Project Construction Contract for the Constructed Infrastructure, in each case as established pursuant hereto and in the Approval (hereinafter referred to collectively as the "*Work*") which shall be based on the estimated costs and expenses indicated in the Report or the Approval (hereinafter referred to as the "*Estimate*"), (ii) to pay all other amounts indicated in any Report submitted as required by this Agreement, (iii) to pay all relevant issuance costs related to the applicable series of the Bonds, (iv) to pay capitalized interest for a period not in excess of that permitted by the Act and described in the Report or Approval, and (v) to the extent permitted by law, to fund a debt service reserve fund in an amount not in excess of that permitted by the Act and described in the Report or Approval (collectively, the "*Financeable Amount*").

#### (c) **Assessment Bonds.**

(i) Assessment Bonds shall be special assessment lien bonds payable from amounts collected from, among other sources, the hereinafter described special assessment (referred to as originally levied and as thereafter may be reallocated as described herein as the "*Assessments*").

(ii) The Assessments shall be based on the Financeable Amount indicated in the Report or the Approval. None of the Acquisition Project Construction Contracts or the Construction Project Construction Contracts applicable to the Work shall be required to be bid or awarded as a prerequisite to the levying of the Assessments.

(iii) The Assessments shall be levied pursuant to the procedures prescribed by Sections 48-576 through 48-589, Arizona Revised Statutes, as amended, as nearly as practicable or such other procedures as the District provides.

(iv) In the event of nonpayment of the Assessment, the procedures for collection thereof and sale of the applicable portion of the Property may be established by the District, or the District may adopt the procedures prescribed by Sections 48-601 through 48-607, Arizona Revised Statutes, as amended, as nearly as practicable, except that, under all procedures, neither the District nor the Municipality is required to purchase any of the Property at the sale if there is no other purchaser.

(v) To prepay, from property owner payments, in whole or in part the applicable portion of the Assessment, on any interest payment date, the following shall be paid in cash to the District: (A) the interest on such portion to the next date Bonds may be redeemed plus (B) the unpaid principal amount of such portion rounded up to the next highest multiple of the lowest authorized denomination of the Bonds plus (C) any premium due on such redemption date with respect to such portion plus (D) any administrative or other fees charged by the District with respect thereto less (E) the amount by which the reserve described in Section 6.2(d) may be reduced on such redemption date as a result of such prepayment.

(vi) The Owners hereby acknowledges that lenders and other parties involved in financing future improvements on the Property (including mortgages for single family residences) may require that liens associated with the Assessment (or applicable portions thereof) be paid and released prior to accepting a lien with respect to any such financing.

(vii) This Agreement shall be construed to be an express consent by the Owners that (A) the District Board may designate the boundaries of an Assessment area; (B) the District may, with respect to the Property, incur costs and expenses necessary to complete the Work provided that the Work is a part of a Construction Project, and (C) the District may levy and collect the Assessments in amounts sufficient to pay all costs and expenses of the Financeable Amount, including the Work.

(viii) Proceeds of Assessment Bonds may be used for any purpose permitted by the Act.

(ix) The sale of Assessment Bonds shall be in the authorized denominations established by the Board and in one thousand dollar integral multiples in excess thereof.

### **Section 6.2      Requirements for Assessment Bonds.**

(a) **CFD Guidelines Apply.** The terms and provisions of the Assessment Bonds and the manner of sale shall be established by the CFD Guidelines, except as such CFD Guidelines are modified by this Agreement or the Approval.

(b) **Appraisal; Coverage Ratio.** At the time of sale of the Assessment Bonds, an appraisal dated not earlier than six (6) months prior to the date of sale of the Assessment Bonds, in form and substance satisfactory to the District, in its sole and absolute discretion, and prepared by an MAI appraiser (the "*Appraisal*") must show that the wholesale (bulk) value of each assessed parcel or lot in any assessment area securing the Assessment Bonds (as improved by the public infrastructure described in the relevant Report), less a five percent (5%) deemed cost of sale, is worth at least six times (in the case of a public sale of Assessment Bonds), and four times (in the case of a sale of the Assessment Bonds to qualified institutional buyers [as defined in Rule 144A as amended], accredited investors [as defined in Rule 501(a), Regulation A, as amended] or sophisticated municipal market participants) as much as the principal amount of the Assessment Bonds allocated to each assessed parcel.

(c) **Financial Assurance.** At the time of sale of the Assessment Bonds, and to the extent not already provided by the contractors pursuant to the Public Bid Requirements, the Owners who requested such Assessment Bonds as designated by Lead Owner shall provide or cause to be provided financial assurances in the form of escrowed cash, bonds, letter of credit or other similar assurances, accessible by the District and in each case in form acceptable to the District Manager, for amounts necessary to pay all costs and expenses associated with providing all the public infrastructure purposes described in the Report as well as any unpaid costs and expenses of any public infrastructure purposes not paid or payable from the proceeds of the sale of the Assessment Bonds because such proceeds are insufficient in amount for such purposes. The foregoing is not intended to limit the right of such Owners to reimbursement for any amount advanced in excess of the proceeds from the sale of the Assessment Bonds if the District is able to finance such amount from other or future Assessment Bond proceeds, and the District and the Municipality shall reasonably cooperate with such Owners in preserving the right to any such future reimbursement.

(d) **Reserve Fund.** Unless reduced by the District Board in the Approval, the amount of the Assessment Bonds and the "sale proceeds" thereof shall be sized to include an amount sufficient to fund a reserve to secure payment of debt service on the Assessment Bonds. Payment from such reserve shall not effect a reduction in the amount of the Assessment, and any amount collected with respect to the Assessment thereafter shall be deposited to such reserve to the extent the Assessment is so paid therefrom.

### **Section 6.3 Requirement for General Obligation Bonds.**

(a) **CFD Guidelines Apply.** Proceeds of G.O. Bonds may be used for any purpose permitted by the Act, including but not limited to the refunding of Assessment Bonds issued by the District. The terms and provisions of the G.O. Bonds and the manner of sale shall be established by the CFD Guidelines, except as such CFD Guidelines are modified by, or inconsistent with, this Agreement or the Approval.

(b) **Tax levy for Bonds.** The District may annually levy and collect an ad valorem tax upon all taxable property in the District which shall be sufficient after giving prudent consideration to other funds available to the District to pay when due the principal of, interest on and premium, if any, on the G.O. Debt (as hereinafter defined) incurred by the District to finance the construction or acquisition of public infrastructure.

(c) **Limitations on Tax Levy for Bonds.** No indebtedness (indebtedness shall not include maintenance, administrative or operation expenses) secured by a pledge of ad valorem taxes, including, but not limited to, G.O. Bonds (collectively hereinafter referred to as "G.O. Debt"), shall be incurred unless ninety-five percent (95%) of the amount of ad valorem taxes estimated to be collected at a tax rate of not greater than three dollars (\$3.00) per one hundred dollars (\$100.00) of the secondary assessed value of the taxable property within the District, is sufficient to pay the highest combined debt service requirements for the proposed G.O. Debt and any other G.O. Debt outstanding. The secondary assessed value of the taxable property shall, for purposes of this paragraph, be equal to the value at the time of the issuance of the proposed G.O. Debt as shown in the records of the County Assessor. Notwithstanding the foregoing or any other provision of this Agreement, G.O. Debt may be authorized by the District Board in its sole discretion, for situations where a tax rate greater than three dollars (\$3.00) per one hundred dollars (\$100.00) of secondary assessed value of taxable property would be necessary to pay the highest combined debt service of the proposed and outstanding G.O. Debt, if other sources of revenue or additional security acceptable to the District Board are pledged to pay debt service on the G.O. Debt in an amount that, when combined with the taxes collected at three dollars (\$3.00) tax rate or less, provides a sufficient amount to pay the highest combined debt service of the proposed and outstanding G.O. Debt.

(d) **Limited on Indebtedness.** Except as otherwise provided herein or in an Approval, at the time of sale of the G.O. Bonds, the full cash value of the taxable property in the District as shown in the records of the County Assessor shall be at least four (4) times the principal amount of the G.O. Bonds to be issued and the outstanding G.O. Debt.

**Section 6.4 General Requirements.** The following requirements are hereby established and required with respect to any financing by the District.

(a) **Limited Offering of Bonds; Transfer Restrictions.** The District may impose offering and transfer restrictions with respect to any issue of Bonds. Such restrictions may include but are not limited to the following: Except as permitted below, the Bonds (Assessment Bonds or G.O. Bonds) shall be sold only to accredited investors (as defined in Rule 501(a), Regulation D as amended), qualified institutional buyers (as defined in Rule 144A, as amended) or sophisticated municipal market participants. Secondary transfers of the Bonds will be permitted upon the execution by the bondholder of a certificate, in a form satisfactory to the District, which contains at a minimum, the following certifications (No certificate will be required for secondary market transactions involving sophisticated municipal market participants, other than an acknowledgment that the purchaser is municipal market participant):

(i) the purchaser of the Bond is either an accredited investor or a qualified institutional buyer or a sophisticated municipal market participant;

(ii) the purchaser of the Bond represents that it is knowledgeable in such investments, and has independently evaluated the factors associated with its investment decision and has not relied on the District or the Municipality for any due diligence or disclosure;

(iii) the purchaser is purchasing the Bond for its own account and not with a view towards distribution; and



(iv) the purchaser of the Bond acknowledges that further transfers of such investment shall require a similar certification;

The limitation of sales to accredited investors, qualified institutional buyers, or sophisticated municipal market participants and the requirement of the transfer restrictions will not apply or will automatically terminate upon: (1) (a) with respect to G.O. Bonds, the rating of the G.O. Bonds at "A" or higher, and, (b) with respect to Assessment Bonds, the rating of the Assessment Bonds at "A" or higher or the appraised value as required by Section 6.2(b) of the real property subject to assessment results in a value to lien ratio greater than 6 to 1 (including in the amount of the lien overlapping special assessment liens), or in either case unless the District Board approves a lower bond rating threshold or lower value to lien ratio, or (2) the full economic defeasance of the Bonds by an irrevocable escrow of cash or U.S. government securities. The transfer restrictions shall be set out in the proceedings authorizing the issuance of the Bonds.

(a) **Disclosure of Limited Liability.** Any disclosure document prepared in connection with the offer or sale of Bonds must clearly indicate that neither the Municipality nor the State of Arizona or any political subdivision of either (other than the District) shall be liable for the payment or repayment of any obligation, liability, bond or indebtedness of the District, and neither the credit nor the taxing power of the Municipality, the State of Arizona, or any political subdivision of either (other than the District) shall be pledged therefor.

(c) **Disclosure to Purchasers.** A disclosure document must be provided by Owners or Owners' successor to each potential purchaser of a residential lot within the District disclosing the existence of an Assessment or tax (assuming such Assessment or tax remains at the time of sale to the potential purchaser). Each potential purchaser must acknowledge in writing that the purchaser received and understood the disclosure document. The District shall maintain records of the written acknowledgments. To provide evidence satisfactory to the District Board that any prospective purchaser of land within the boundaries of the District has been notified that such land is within the boundaries of the District and that the Bonds may be then or in the future outstanding, a disclosure pamphlet substantially in the form of *Exhibit "E"* hereto (the "*Pamphlet*") shall be produced; provided, however, that the Pamphlet may be modified as necessary in the future to adequately describe the District and the Bonds and source of payment for debt service therefor as agreed by the District Board and Owner.

(d) **Continuing Disclosure Undertaking.** Each Obligated Person (as defined in Section 240.15c2-12, General Rules and Regulations, Securities Exchange Act of 1934 (the "*Rule*")) shall execute and deliver, and thereafter comply with and carry out all the provisions of, a "*Continuing Disclosure Undertaking*" with respect to the Bonds which shall be in a form satisfactory to the District and the purchaser of the Bonds for such purchaser to comply with the requirements of the Rule.

## ARTICLE VII

### ACCEPTANCE BY THE MUNICIPALITY; MAINTENANCE; APPLICABILITY OF THE INTERGOVERNMENTAL AGREEMENT ACT

**Section 7.1 Acceptance of Improvements.** Upon satisfaction of the terms for acceptance set forth in this Agreement, and simultaneously with the payment of the related

Project Price, Segment Price or Construction Costs of a Construction Project, the Acquisition Project or Segment of Acquisition Infrastructure or the Construction Project, as the case may be, shall be accepted by the Municipality, subject to the conditions pursuant to which facilities such as the Acquisition Project, Segment or Construction Project, as the case may be, are typically accepted by the Municipality and shall be made available for use by the general public.

**Section 7.2 District Expenses.**

(b) **District Administrative Expenses.** "*District Administrative Expenses*" shall include all the operating and administrative costs and expenses of the District, including but not limited to, District Consulting Costs, Municipality Services (as hereafter defined) and that portion of Municipality Overhead related to operating and administrative functions of the District. District Administrative Expenses will not include any costs or expenses paid by the District from revenues or taxes collected to pay the Debt Service (as such term is defined in the Act) on any Bonds of the District. District Administrative Expenses shall include Municipality Services and Municipality Overhead (as hereafter defined).

(b) **District Maintenance Expenses.** "*District Maintenance Expenses*" shall include all maintenance and operational costs and expenses, including a Replacement Reserve Amount, of any Segment, Construction Project or other public improvement financed by the District. District Maintenance Expenses shall include Municipality Services and that portion of Municipality Overhead related to the maintenance functions of the District.

"*Replacement Reserve Amount*" shall mean an amount calculated using reasonable accounting practices based on the useful life of the various assets established by the Internal Revenue Code. The Replacement Reserve Amount shall include and be limited to a replacement or depreciation reserve for the following improvements financed by the District: (i) water system improvements, other than transmission lines, (ii) sewer treatment plants and facilities, including improvements, other than collection lines, relating to the disposal of solids, and (iii) any other depreciable capital public improvements, provided the Municipality has established and funded similar replacement or depreciation reserves for substantially all like kind capital public improvements not financed by the District.

With respect to District Maintenance Expenses relating to the water system and sewer system utility enterprises, such applicable District Maintenance Expenses shall be reduced by the amount of water or sewer system revenues received from the consumers located in the District. To the extent that the Municipality or the District establish rates for water or sewer services within the District that are less than rates charged elsewhere in the Municipality, the amount of revenues deemed received from consumers located in the District shall be computed as though the rates charged to such consumers were the same as the rates charged elsewhere in the Municipality.

(c) **Enhanced Maintenance Expenses.** "*Enhanced Maintenance Expenses*" shall mean all District Maintenance Expenses attributable to any Acquisition Project, Segment, Construction Project or other public improvement financed by the District or part thereof, other than water improvements or sewer treatment facilities, that are in excess of the maintenance and operational expenses normally incurred by the Municipality in connection with maintaining or operating a similar public service or improvement (the "*Standard Municipality Expense*"). The

Standard Municipality Expense will be established by the Municipality using actual historical costs and expenses and the Municipality's management/accounting practices. By example and not as a limitation, the Municipality will establish its Standard Municipality Expense related to right-of-way landscaping and if the Owners install enhanced landscaping, other than at the request of the Municipality, the costs and expenses in excess of the Standard Municipality Expense incurred to maintain the landscaping shall constitute Enhanced Maintenance Expenses.

In establishing the Standard Municipality Expenses, the Municipality shall annually review its actual costs, excluding the actual costs in the District or any other community facilities district providing enhanced services or public improvements. Enhanced Maintenance Expenses shall not include maintenance and operation expenses attributable to enhanced public service levels or public improvements if such enhanced public service levels or public improvements were imposed on the Owners by the Municipality and the Owners would have not otherwise provided such enhancements.

(d) **Charges of Municipality.** District Administrative Expenses and District Maintenance Expenses shall include a charge by the Municipality to the District for: (i) the reasonable cost of Municipality services provided directly to the District ("*Municipality Services*"), and (ii) Municipality overhead expenses allocated to the District ("*Municipality Overhead*"). Any charge of Municipality Services shall be the cost of those services provided to the District by the Municipality calculated using sound management/accounting principals. Any charge of Municipality Overhead to the District shall be made by the Municipality pursuant to sound management/accounting practices consistently applied by the Municipality in allocating costs, expenses and funded depreciation reserves to its service areas, departments or special projects. Owners shall have the right to review and comment to the Municipality upon the allocation practices and methodologies used in allocating Municipality Services or Municipality Overhead and have the right, at Owners' expense and during normal business hours, to review the Municipality's records to verify the costs and expenses of the Municipality.

(e) District Administrative Expenses, District Maintenance Expenses, Municipality Services and Municipality Overhead shall be applied uniformly to all similarly situated public improvements located in similarly situated community facilities districts located within the Municipality.

### **Section 7.3 O&M Tax.**

(a) **Amount of O&M Tax.** The District Board shall levy and collect a maintenance and operation ad valorem tax not to exceed thirty cents (\$.30) per one hundred dollars (\$100.00) of assessed valuation on all taxable property within the District ("*O&M Tax*"). To the extent the proceeds from the O&M Tax exceed the expenses and costs described in this Article VII, such O&M Tax shall be reduced to provide a proper matching of proceeds to expenses.

(b) **Use of Proceeds of O&M Tax.** The proceeds of the O&M Tax may be used by the District for any lawful maintenance, operational or administrative purpose as provided in the Act. While the Owners are obligated to pay any amounts pursuant to Section 7.4 of this Agreement, the O&M Tax shall be applied only to the following expenses and in the following

priority: (i) payment of District Administrative Expenses; (ii) payment of Enhanced Maintenance Expenses; (iii) payment of District Maintenance Expenses, other than District Maintenance Expenses described in Section 7.4(a) below and (iv) District Maintenance Expenses described in Section 7.4(a) below.

**Section 7.4 Owner(s) of HOA Maintenance Obligation.**

(a) **Landscaping.** Notwithstanding the levy and collection of the O&M Tax or the dedication and acceptance by the District or Municipality of any Acquisition Project, Segment, Construction Project or other public improvement financed by the District, the District and Municipality will not have any obligation for maintaining landscaping in a right of way, public easement or park (except as may otherwise be expressly agreed in writing for parks in accordance with Municipality's policies for similarly situated community facilities districts) and such will be maintained by the applicable Owner(s) who caused such improvement to be constructed and transferred, or successors in title to adjacent land, or an appropriately established owners association.

(b) **District Administrative and Maintenance Expenses.** Notwithstanding the levy and collection of the O&M Tax, as a condition to the dedication and acceptance by the District or Municipality of any Acquisition Project, Segment, Construction Project or other public improvement financed by the District, Owners (or an HOA if, to the satisfaction of the District or Municipality, the HOA is legally obligated and is financially capable of bearing the costs) shall agree to pay the following expenses to the extent all or part of such expenses are not paid by the O&M Tax: (i) the District Administrative Expenses; (ii) the Enhanced Maintenance Expenses; and (iii) the District Maintenance Expenses, other than Enhanced Maintenance Expenses.

Further, notwithstanding the foregoing, the Owners shall not be obligated to pay the amounts owing pursuant to Section 7.4(b) for any public improvements financed by the District in response to a Report submitted by the District or a third party other than the Owners, provided however, Owners as a member of a group of either taxpayers or assessed parcel owners who, as a result of a uniformly applied tax or assessment methodology are liable for payments relating to improvements financed in response to a Report submitted by the District, shall have all rights and obligations established by the proceedings, including the right to protest and the obligation to pay amounts owed.

(c) **Maintenance Threshold.** The District or Municipality, with the participation of the Owners' engineer, shall establish at the time of the submission of the Report boundaries of the served or benefited area (the "*Benefit Area*") for each Acquisition Project, Segment or Construction Project. The Owners or HOA, as applicable, shall not be obligated to pay the expenses described in Section 7.4(b) (other than Enhanced Maintenance Expenses) after the date ninety-five percent (95%) of the area benefited by the particular Acquisition Project, Segment, Construction Project or other public improvement financed by the District has been developed, based on the development entitlements in effect from time to time within such benefited area (the "*Maintenance Threshold*"). While the Owners' obligations under Section 7.4(b) are in effect, District Maintenance Expenses shall not include expenses related to maintenance of streets within a Benefit Area that has satisfied the Maintenance Threshold.

**Section 7.5 Intergovernmental Agreement Act.** Notwithstanding any other provision of this Agreement to the contrary, the provisions of Article V, Article VII, Sections 8.1, 9.3 through 9.19, inclusive, are the only provisions that are effective for, from and against the Municipality for purposes of the Intergovernmental Agreement Act and as the Intergovernmental Agreement Act is intended to be applied for purposes of this Agreement.

## ARTICLE VIII

### INDEMNIFICATION AND INSURANCE

#### **Section 8.1 Indemnification.**

##### (a) **Generally.**

(i) The Owners or other financially acceptable entity approved by the District Manager (subject to the agreement of such entity) shall indemnify and hold harmless the Municipality and the District and each council member, director, trustee, partner, member, officer, official, independent contractor or employee thereof and each person, if any, who controls the Municipality and/or the District within the meaning of the Securities Act of 1933, as amended (hereinafter the Securities Act of 1933 and the Securities Exchange Act of 1934 are referred to as the "Securities Acts"), (any such person being herein sometimes called an "*Indemnified Party*") for, from and against any and all losses, claims, damages or liabilities, joint or several, relating to: (i) the formation, activities or administration of the District; (ii) the levy and collection of any tax or assessment relating to any O&M Tax or Owner Bonds; (iii) the offer or sale of any Owner Bonds; (iv) the claims of any contractor, vendor, subcontractor or supplier under any Acquisition Project Construction Contract or any Construction Project Construction Contract entered into or initiated by an Owner pursuant to this Agreement, or (v) or the carrying out of the provisions of this Agreement, including particularly but not by way of limitation (A) any Acquisition Project, Acquisition Project Construction Contract and Construction Project, (B) any claim, loss, lawsuit, administrative action or other challenge to which any such Indemnified Party may become subject, under the Securities Acts or any other statute or regulation at law or in equity or otherwise, including but not limited to, losses, claims, damages or liabilities (or actions in respect thereof) arising out of or based upon any untrue statement or alleged untrue statement of a material fact set forth in any offering document relating to Owner Bonds, or any amendment or supplement thereto, or arising out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or which is necessary to make the statements therein, in light of the circumstances in which they were made, not misleading in any material respect, or (C) to the extent of the aggregate amount paid in any settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or alleged untrue statement or omission or alleged omission if such settlement is effected with the written consent of the Owners (which consent shall not be unreasonably withheld); and (2) shall, subject to the Owners' rights to defend in (c) below, reimburse any legal or other expenses reasonably incurred by any such Indemnified Party in connection with investigating or defending any such loss, claim, damage, liability or action.

(ii) As to each Acquisition Project or Construction Project or Segment thereof, the District may in its sole discretion elect to accept indemnification from just those Owners involved with such Acquisition Project, Construction Project or Segment as designated by Lead Owner.

(b) **Limitation.** This Section shall not be applicable to matters involving any gross negligence or willful misconduct of, or breach of this Agreement by, any Indemnified Party. Notwithstanding anything herein to the contrary, Section 8.1(a) shall not be applicable to any loss, claim, damage or liability relating to: (i) the activities or administration of the District with respect to public infrastructure improvements in Maintenance Areas as to which the Maintenance Threshold has been achieved, or with respect to Third Party Bonds or with regard to District Financed Infrastructure not constructed by or at the request of any Owner pursuant to this Agreement, (ii) the levy and collection of any tax or assessment in order to pay District Administrative Expenses or district Maintenance Expenses which the Owners are not obligated to pay or in order to provide for the payment of Third Party Bonds; (iii) the offer or sale of any Third Party Bonds; (iv) the claims of any contractor, vendor, subcontractor or supplier under any Contract which is not initiated by an Owner pursuant to this Agreement; or (v) defects in any District Financed Infrastructure after any applicable warranty period.

(c) **Procedure.** Promptly after the receipt of notice of a written threat of the commencement of any action against such Indemnified Party in respect of which indemnification may be sought against the Owners, an Indemnified Party shall notify the Owners in writing of the commencement thereof and provide a copy of the written threat received by such Indemnified Party. Failure of the Indemnified Party to give such notice shall reduce the liability of the Owners by the amount of damages attributable to the failure of the Indemnified Party to give such notice to the Owners, but the omission to notify the Owners of any such action shall not relieve the Owners from any liability that it may have to such Indemnified Party otherwise than under this Section. In case any such action shall be brought against an Indemnified Party and such Indemnified Party shall notify the Owners of the commencement thereof, the Owners may, or if so requested by such Indemnified Party shall, participate therein or defend the Indemnified Party therein, with counsel satisfactory to such Indemnified Party and Owners (it being understood that, except as hereinafter provided, the Owners shall not be liable for the expenses of more than one counsel representing the Indemnified Parties in such action), and after notice from the Owners to such Indemnified Party of an election so to assume the defense thereof, the Owners shall not be liable to such Indemnified Party under this section for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof; provided, however, that unless and until the Owners defend any such action at the request of such Indemnified Party, the Owners shall have the right to participate at their own expense in the defense of any such action. If the Owners shall not have employed counsel to defend any such action or if an Indemnified Party shall have reasonably concluded that there may be defenses available to it and/or other Indemnified Parties that are different from or additional to those available to the Owners or to other Indemnified Parties and such Indemnified Party will use such defenses in a prompt, diligent manner then the Owners shall not have the right to direct the defense of such action on behalf of such Indemnified Party and the legal and other expenses, including the expense of separate counsel, incurred by such Indemnified Party shall be borne by the Owners.

## ARTICLE IX

### MISCELLANEOUS

**Section 9.1 Tax Covenant.** None of the Municipality, the District nor the Owners shall knowingly take, or cause to be taken, any action which would cause interest on any Bond to be includable in gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended.

**Section 9.2 Pamphlet.**

(a) **Preparation of Pamphlet.** To provide evidence satisfactory to the District Manager that any prospective purchaser of land within the boundaries of the District has been notified that such land is within the boundaries of the District and that the Bonds may be then or in the future outstanding, the Pamphlet shall be produced; provided, however, that the Pamphlet may be modified as necessary in the future to adequately describe the District and the Bonds and source of payment for debt service therefor as agreed by the District Manager and the Owners.

(b) **Distribution of Pamphlet; Disclosure Statement.** The Owners shall require that each homebuilder to whom the Owners have sold land shall:

(i) provide the Pamphlet to any prospective purchaser of land;

(ii) cause any purchaser of land to sign a disclosure statement upon entering into a contract for purchasing such land, such disclosure statement to acknowledge receipt of a copy of the Pamphlet and to disclose the effect of the special assessments on the District of the Bonds in a form reasonably acceptable to the District Manager;

(iii) provide a copy of each fully executed disclosure statement to be filed with the District Manager; and

(iv) provide such information and documents, including audited financial statements to the District, but only to the extent necessary for the District's compliance with Rule 15c2-12 of the Securities Exchange Act of 1934.

**Section 9.3 Successors and Assigns.** This Agreement shall be binding upon and shall inure to the benefit of the parties to this Agreement and their respective legal representatives, successors and assigns; provided, however, that none of the parties hereto shall be entitled to assign its rights hereunder or under any document contemplated hereby without the prior written consent of the other parties to this Agreement, which consent shall not be unreasonably withheld or delayed, and except that an assignment by one Owner shall not require consent of the other Owners except as might be required in any other agreement between the Owners. A designation by Lead Owner of another Owner or Owners pursuant to this Agreement shall not require consent. Upon an Owner ceasing to own any Property in the District, as a result of transfers to persons not assigned any rights under this Agreement, such Owner shall have no further obligations under this Agreement related to contracts, construction, improvements or bonds entered into, occurring, constructed or issued thereafter except to the extent such Owner is directly

involved therewith, or has a right to receive bond proceeds in the future related thereto and except to the extent related to events occurring while the Owner owned land in the District during the Owner Exclusive Period. An Owner may also be released from further obligations under this Agreement to the extent assumed by a successor or assignee in an assumption agreement approved by the District and Municipality by an assignee approved by the District and Municipality, approval not to be unreasonably withheld if the successor/assignee is financially sound and has comparable financial strength as compared to such Owner.

**Section 9.4**      **Further Assurances.** Each party hereto shall, promptly upon the request of any other, have acknowledged and delivered to the other any and all further instruments and assurances reasonably requested or appropriate to evidence or give effect to the provisions of this Agreement.

**Section 9.5**      **Entire Understanding; Amendment.** This Agreement, by and among the Municipality, the District and the Owners sets forth the entire understanding of the parties as to the matters set forth herein as of the date this Agreement is executed and cannot be altered or otherwise amended except pursuant to an instrument in writing signed by each of the parties hereto. This Agreement is intended to reflect the mutual intent of the parties with respect to the subject matter hereof, and no rule of strict construction shall be applied against any party.

**Section 9.6**      **Release of Public Lots.** Notwithstanding anything to the contrary contained herein, this Agreement shall terminate without the execution or recordation of any further document or instrument as to any lot which has been finally subdivided and individually (and not in "bulk") leased (for a period of longer than one year) or sold to the end purchaser or user thereof (a "*Public Lot*") and thereupon such Public Lot shall be released from and no longer be subject to or burdened by the provisions of this Agreement, but shall continue to be subject to taxes and assessments made or levied before or after such sale and shall continue to be a part of the District. Upon the written request of Lead Owner or Person designated by Lead Owner, the District shall execute and record such documents as reasonably requested in order to confirm the release any Public Lot from the provisions of this Agreement. Costs of the release shall be paid by the Person requesting the release.

**Section 9.7**      **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona.

**Section 9.8**      **Waiver.** The waiver by any party hereto of any right granted to it under this Agreement shall not be deemed to be a waiver of any other right granted in this Agreement nor shall the same be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived under or by this Agreement.

**Section 9.9**      **Counterparts.** This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed to be an original, but all of which taken together shall constitute one of the same instrument.

**Section 9.10**      **Release and Discharge.** This Agreement supercedes all previous written or oral agreements or understandings regarding the subject matter of this Agreement. The Owners knowingly and voluntarily forever release and discharge the Municipality and all of its past and present elected officials, officers, directors, agents, employees,



successors, assigns, attorneys, and representatives from all legal and equitable claims, causes of action, debts, accounts, and damages, known or unknown, asserted or unasserted, and of every nature and extent whatsoever, that the Owners have or any Owner may have against the Municipality, and arising from actions, omissions, delays or other events that occurred prior to the date of this Agreement.

**Section 9.11      Cancellation; Covenant.** Pursuant to and for purposes of Section 38-511, Arizona Revised Statutes, as amended, the Municipality and the District may, within three years after its execution, cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Municipality or the District, respectively, is, at any time while this Agreement is in effect, an employee or agent of the Owners in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement and may recoup any fee or commission paid or due any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Municipality or the District, respectively, from the Owners arising as the result of this Agreement. The Owners have not taken and shall not take any action which would cause any person described in the preceding sentence to be or become an employee or agent of the Owners in any capacity or a consultant to any party to this Agreement with respect to the subject matter of this Agreement.

**Section 9.12      Term of Agreement.** The term of this Agreement shall be as of the date of the execution and delivery hereof by each of the parties hereto and shall expire upon the earlier of: (i) the agreement of the District, the Municipality and the Owners to the termination hereof; (ii) the dissolution of the District (which the parties hereto shall, to the extent permitted by applicable law, cause to occur as soon as practicable after the later of the issuance of the Bonds and the payment in full or provision for payment in full of the Bonds) or: (iii) June 1, 2050.

**Section 9.13      Notices.** All notices, certificates or other communications hereunder (including in the Exhibits hereto) shall be sufficiently given and shall be deemed to have been received 48 hours after deposit in the United States mail in registered or certified form with postage fully prepaid addressed as follows:

If to the Municipality:

Town of Buckeye, Arizona  
100 North Apache, Suite A  
Buckeye, Arizona 85326  
Attention: Town Manager

If to the District:

Elianto Community Facilities District  
c/o Town of Buckeye, Arizona  
100 North Apache, Suite A  
Buckeye, Arizona 85326  
Attention: District Manager

With Copy to:

Gust Rosenfeld, P.L.C.  
201 E. Washington Street, Suite 800  
Phoenix, Arizona 85004-2327  
Attention: Scott W. Ruby, District Attorney

If to the Owners:

ELIANTO, LLC  
c/o Lennar Communities Development, Inc.  
1150 West Grove Parkway, Suite 109  
Tempe, Arizona 85283  
Attention: Alan Jones and Mark Bitteker

With copies to:

Thomas J. McDonald, Esq.  
Gammage & Burnham, PLC  
Two North Central Avenue, 18<sup>th</sup> Floor  
Phoenix, Arizona 85004

And to:

Charlie Webber  
Lennar Corporation  
10707 Clay Road  
Houston, Texas 77041

And to:

CPH Elianto West, LLC  
1855 West Baseline Road, Suite 101  
Mesa, Arizona 85202  
Attention: Clyde Dinnell

With copies to:

Dag Wilkinson  
Capital Pacific Holdings, LLC  
4100 MacArthur Boulevard  
Suite 150  
Newport Beach, CA 92660

E.W. Gardner Family Limited Partnership No. 2  
4301 East McKellips Drive  
Mesa, Arizona 85215  
Attention: Al Gardner



With copies to:

Charles E. Davis, Esq.  
Davis Miles, PLLC  
1550 East McKellips Road, Suite 101  
Mesa, Arizona 85203-2017

Any of the foregoing, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

**Section 9.14 Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision thereof.

**Section 9.15 Headings and Titles.** The headings or titles of the several Articles and Sections hereof and in the Exhibits hereto, and any table of contents appended to copies hereof and thereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Agreement. All references herein to "Exhibits," "Articles," "Sections," and other subdivisions are to the corresponding Exhibits, Articles, Sections or subdivisions of this Agreement; the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Exhibit, Article, Section or subdivision hereof.

**Section 9.16 Obligations Imposed by Law.** This Agreement does not relieve any party hereto of any obligation or responsibility imposed upon it by law.

**Section 9.17 Record with County Recorder.** No later than ten (10) days after this Agreement is executed and delivered by each of the parties hereto, the Owners shall on behalf of the Municipality and the District record a copy of this Agreement with the County Recorder of Maricopa County, Arizona.

**Section 9.18 Survival of Agreements.** Unless otherwise expressly provided, the representations, covenants, indemnities and other agreements contained herein shall be deemed to be material and continuing, shall not be merged and shall survive any conveyance or transfer provided herein.

**Section 9.19 Force Majeure.** If any party hereto shall be unable to observe or perform any covenant or condition herein by reason of "*force majeure*," then the failure to observe or perform such covenant or condition shall not constitute a default hereunder so long as such party shall use its best efforts to remedy with all reasonable dispatch the event or condition causing such inability and such event or condition can be cured within a reasonable amount of time. "*Force majeure*," as used here, means any condition or event not reasonably within the control of such party, including, without limitation, acts of God; strikes, lockouts, or other disturbances of employer/employee relations; acts of public enemies; orders or restraints of any kind of the government of the United States or any State thereof or any of their departments, agencies, or officials, or of any civil or military authority; insurrection; civil disturbances; riots; epidemics; landslides; lightning; earthquakes; subsidence; fires; hurricanes; storms; droughts;

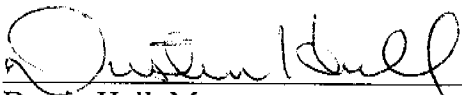
floods; arrests; restraints of government and of people; explosions; and partial or entire failure of utilities. Failure to settle strikes, lockouts and other disturbances of employer/employee relations or to settle legal or administrative proceedings by acceding to the demands of the opposing party or parties, in either case when such course is in the judgment of the party hereto unfavorable to such party, shall not constitute failure to use its best effort to remedy such a condition or event.

**Section 9.20**      **Consent.** Whenever the consent or approval of any party hereto, or of any agency therefor, shall be required under the provisions hereof, such consent or approval shall not be unreasonably withheld, conditioned or delayed.


**Section 9.21**      **Other Parties.** The Other Parties join in the execution of this Agreement for the sole purpose of binding their respective interests in lands within the District and consenting to all matters agreed to herein by the Owners, and the Other Parties do not, by joining in the execution of this Agreement, obligate themselves to any of the affirmative obligations set forth herein on the part of the Owners.

IN WITNESS WHEREOF, the officers of the Municipality and of the District have duly affixed their signatures and attestations, and the officers of the Owners their signatures, all as of the day and year first written above.

**TOWN OF BUCKEYE, ARIZONA**

By   
Dustin Hull, Mayor

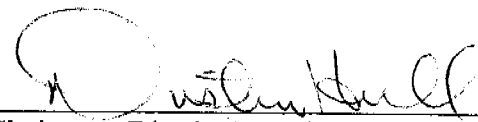
ATTEST:

  
Town Clerk

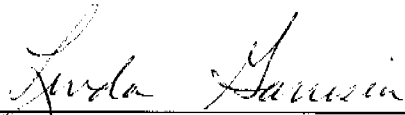
Pursuant to A.R.S. Section 11-952(D), this Agreement has been reviewed by the undersigned attorney for the Municipality who has determined that this Agreement is in proper form and is within the powers and authority granted pursuant to the laws of this State to the Municipality.

  
Scott W. Ruby, Town Attorney

**ELIANTO COMMUNITY FACILITIES DISTRICT**

By   
Chairman, District Board

ATTEST:

  
District Clerk

Pursuant to A.R.S. Section 11-952(D), this Agreement has been reviewed by the undersigned attorney for the District, who has determined that this Agreement is in proper form and is within the powers and authority granted pursuant to the laws of this State to the District.

*Anna W. Ry*  
District Counsel

State of Arizona     )  
                                  ) ss.  
County of Maricopa    )

The foregoing instrument was acknowledged before me this 3rd day of February, 2005, by Dustin Hull, as Mayor of the Town of Buckeye, Arizona, a municipal corporation under the laws of the State of Arizona.

*Linda Garrison*  
Notary Public

My commission expires:

March 31, 2005



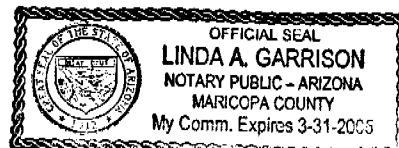
State of Arizona     )  
                                  ) ss.  
County of Maricopa    )

The foregoing instrument was acknowledged before me this 3rd day of February, 2005, by Dustin Hull, as Chairman of the District Board of Elianto Community Facilities District, an Arizona community facilities district.

*Linda Garrison*  
Notary Public

My commission expires:

March 31, 2005



**ELIANTO, LLC, an Arizona  
limited liability company**

By: Lennar Communities  
Development, Inc., a  
Delaware corporation

Its: Manager

By: [Signature]  
Its: manager

State of Arizona     )  
County of Maricopa    )

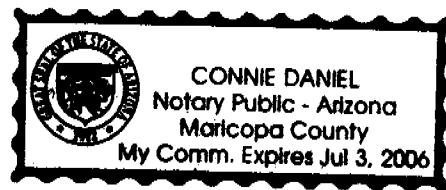
On this day, personally appeared before me  
Alan M Jones, as Vice President of Lennar Communities  
Development, Inc., the Manager of Elianto, LLC, an Arizona limited liability company,  
who is known to me to be the person whose name is above subscribed, and after being  
first duly sworn, acknowledged upon her/his oath that she/he executed the foregoing for  
the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal on  
11/19/05.

[Signature]

Notary Public

My commission expires:  
7/3/2006



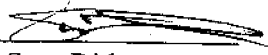


**CPH ELIANTO WEST, LLC, a  
Delaware limited liability company**

By: CAPITAL PACIFIC HOLDINGS,  
INC., a Delaware corporation, Sole  
Member

By: CAPITAL PACIFIC  
HOMES OF ARIZONA,  
INC., a Delaware  
corporation, Authorized  
Agent

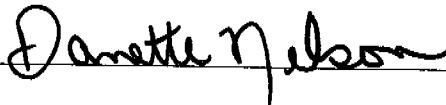
By:   
Clyde Dinnell, President

By:   
Sara Ridgeway, Chief  
Financial Officer

State of Arizona     )  
County of Maricopa    )

On this day, personally appeared before me Clyde Dinnell and Sara Ridgeway, as President and Chief Financial Officer of Capital Pacific Homes of Arizona, Inc., a Delaware corporation, the authorized agent of Capital Pacific Holdings, Inc., a Delaware corporation, the sole member of CPH Elianto West, LLC, a Delaware limited liability company, who is known to me to be the person whose name is above subscribed, and after being first duly sworn, acknowledged upon her/his oath that she/he executed the foregoing for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal on  
1-19-05.

  
\_\_\_\_\_



Notary Public State of Arizona  
Maricopa County  
Danette Nelson  
Expires February 16, 2008

Notary Public

My commission expires:  
2-16-2008

**E.W. GARDNER FAMILY LIMITED  
PARTNERSHIP NO. 2**, an Arizona  
limited partnership

By: 

Name: ELBERT W. GARDNER

Its: General Partner

State of Arizona )

County of Maricopa )

The foregoing instrument was executed before me, the undersigned Notary Public, this 19<sup>th</sup> day of Jan, 2005 by ELBERT W. GARDNER, the General Partner of **E.W. GARDNER FAMILY LIMITED PARTNERSHIP NO. 2**, an Arizona limited partnership, on behalf of the limited partnership.

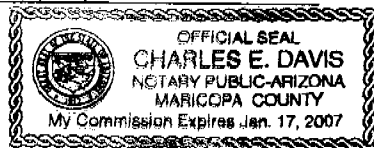
In witness whereof, I hereunto set my hand and official seal on  
Jan. 19, 2005



Notary Public

My commission expires:

1/17/07



CONSENT AND AGREEMENT

Reference is made to that certain Development, Financing Participation and Intergovernmental Agreement No. 1 (Elianto Community Facilities District), dated as of \_\_\_\_\_ 1, 20\_\_\_\_, by and among the Town of Buckeye, Arizona, the Elianto Community Facilities District, and \_\_\_\_\_, to which this Consent and Agreement is attached (the "Development Agreement"). All capitalized terms used and not otherwise defined in this Consent and Agreement shall have the meanings set forth in the Development Agreement. The undersigned \_\_\_\_\_, as one of the "Other Parties" having an interest in real property within the District, hereby consents to the Development Agreement, acknowledges that the Development Agreement shall bind all real property in which the undersigned has an interest within the District, and authorizes the recordation of the Development Agreement with respect to all such real property. In no event, however, shall anything in this Consent and Agreement constitute a personal assumption by the undersigned of the obligations of the Owners under the Development Agreement.

DATED: \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

State of Arizona     )  
                                          ) ss.  
County of Maricopa   )

On this day, personally appeared before me \_\_\_\_\_, as \_\_\_\_\_ of \_\_\_\_\_, who is known to me to be the person whose name is above subscribed, and after being first duly sworn, acknowledged upon her/his oath that she/he executed the foregoing for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal on \_\_\_\_\_.

\_\_\_\_\_  
Notary Public


My commission expires:  
\_\_\_\_\_

LIENHOLDER  
CONSENT AND AGREEMENT

Reference is made to that certain Development, Financing Participation and Intergovernmental Agreement No. 1 Elianto Community Facilities District, dated as of February 3, 2005, by and among the Town of Buckeye, Arizona, the Elianto Community Facilities District, Elianto, LLC, an Arizona limited liability company, CPH Elianto West, LLC, a Delaware limited liability company and E.W. Gardner Family Limited Partnership No. 2, an Arizona limited partnership, to which this Consent and Agreement is attached (the "*Development Agreement*"). All capitalized terms used and not otherwise defined in this Consent and Agreement shall have the meanings set forth in the Development Agreement. Bank Midwest N.A., a national banking association, is the beneficiary under a Deed of Trust dated November 30, 2004 and recorded November 30, 2004 in Documents No. 2004-1398938 (the "*Bank Deed of Trust*") covering property proposed to be included in this proposed Elianto Community Facilities District (the "*District*"). Ola Hui, LP, an Arizona limited partnership, is the beneficiary under a deed of trust dated March 4, 2004 and recorded March 8, 2004 in Documents No. 2004-236869 (the "*Ola Hui Deed of Trust*") covering property proposed to be included in the District. Lennar Communities Development, Inc., a Delaware corporation and MKGP Elianto 954, L.L.C., an Arizona limited liability company, are the beneficiaries under a Deed of Trust dated November 30, 2004 and recorded November 30, 2004 in Documents No. 2004-1400439 (the "*Elianto West Deed of Trust*") covering property proposed to be included in the District. North American Title Company, an Arizona corporation, is the trustee under each of the Bank Deed of Trust, the Ola Hui Deed of Trust and the Elianto West Deed of Trust. The undersigned, each as one of the "*Other Parties*" having an interest in the real property within the District, acknowledges that the Development Agreement shall bind all real property in which the undersigned has an interest within the District and authorizes the recordation of the Development Agreement with respect to all such real property. In no event, however, shall anything in this Consent and Agreement constitute personal assumption by the undersigned of the obligations of the Owners under the Development Agreement.

[SIGNATURE PAGES TO FOLLOW]

BANK MIDWEST N.A., a national  
banking association

By:   
Its: Senior Vice President

OLA HUI, LP, an Arizona limited  
partnership

By: Ohana Hui, LLC, an Arizona  
limited liability company, its  
General Partner

By: \_\_\_\_\_  
E.W. Gardner, Manager

LENNAR COMMUNITIES  
DEVELOPMENT, INC., a Delaware  
corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

MKGP ELIANTO 954, L.L.C., an  
Arizona limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

NORTH AMERICAN TITLE  
COMPANY, an Arizona  
corporation, as trustee under the deed  
of trust recorded at 2004-1398938,  
Official Records Maricopa County  
Recorder

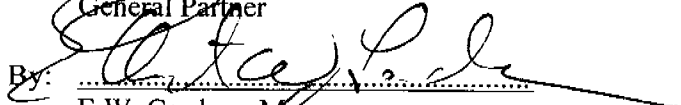
By: \_\_\_\_\_  
Its: \_\_\_\_\_

BANK MIDWEST N.A., a national  
banking association

By: \_\_\_\_\_  
Its: \_\_\_\_\_

OLA HUI, LP, an Arizona limited  
partnership

By: Ohana Hui, LLC, an Arizona  
limited liability company, its  
General Partner

By:   
E.W. Gardner, Manager

LENNAR COMMUNITIES  
DEVELOPMENT, INC., a Delaware  
corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

MKGP ELIANTO 954, L.L.C., an  
Arizona limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

NORTH AMERICAN TITLE  
COMPANY, an Arizona  
corporation, as trustee under the deed  
of trust recorded at 2004-1398938,  
Official Records Maricopa County  
Recorder

By: \_\_\_\_\_  
Its: \_\_\_\_\_

BANK MIDWEST N.A., a national  
banking association

By: \_\_\_\_\_  
Its: \_\_\_\_\_

OLA HUI, LP, an Arizona limited  
partnership

By: Ohana Hui, LLC, an Arizona  
limited liability company, its  
General Partner

By: \_\_\_\_\_  
E.W. Gardner, Manager

LENNAR COMMUNITIES  
DEVELOPMENT, INC., a Delaware  
corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

MKGP ELIANTO 954, L.L.C., an  
Arizona limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

NORTH AMERICAN TITLE  
COMPANY, an Arizona  
corporation, as trustee under the deed  
of trust recorded at 2004-1398938,  
Official Records Maricopa County  
Recorder

By: \_\_\_\_\_  
Its: \_\_\_\_\_

BANK MIDWEST N.A., a national banking association

By: \_\_\_\_\_  
Its: \_\_\_\_\_

OLA HUI, LP, an Arizona limited partnership

By: Ohana Hui, LLC, an Arizona limited liability company, its General Partner

By: \_\_\_\_\_  
E.W. Gardner, Manager

LENNAR COMMUNITIES DEVELOPMENT, INC., a Delaware corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

MKGP ELIANTO 954 L.L.C., an Arizona limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
*[Handwritten signature]*

NORTH AMERICAN TITLE COMPANY, an Arizona corporation, as trustee under the deed of trust recorded at 2004-1398938, Official Records Maricopa County Recorder

By: \_\_\_\_\_  
Its: \_\_\_\_\_



BANK MIDWEST N.A., a national  
banking association

By: \_\_\_\_\_  
Its: \_\_\_\_\_

OLA HUI, LP, an Arizona limited  
partnership

By: Ohana Hui, LLC, an Arizona  
limited liability company, its  
General Partner

By: \_\_\_\_\_  
E.W. Gardner, Manager

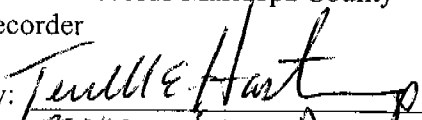
LENNAR COMMUNITIES  
DEVELOPMENT, INC., a Delaware  
corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

MKGP ELIANTO 954, L.L.C., an  
Arizona limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

NORTH AMERICAN TITLE  
COMPANY, an Arizona  
corporation, as trustee under the deed  
of trust recorded at 2004-1398938,  
Official Records Maricopa County  
Recorder

By:   
Its: SENIOR VICE PRESIDENT

NORTH AMERICAN TITLE  
COMPANY, an Arizona  
corporation, as trustee under the deed  
of trust recorded at 2004-236869,  
Official Records Maricopa County  
Recorder

By Jenille Hart  
Its: SENIOR VICE PRESIDENT

NORTH AMERICAN TITLE  
COMPANY, an Arizona  
corporation, as trustee under the deed  
of trust recorded at 2004-1400439,  
Official Records Maricopa County  
Recorder

By Jenille Hart  
Its: SENIOR VICE PRESIDENT

Missouri  
State of ~~Arizona~~ )  
                                  ) ss.  
County of ~~Maricopa~~ )

On this day, personally appeared before me  
John E. Bauer, as SV. Vice Pres. of Bank Midwest N.A, a  
national banking association, known to me to be the person whose name is above  
subscribed, and after being first duly sworn, acknowledged upon her/his oath that she/he  
executed the foregoing for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal on  
Jan 11, 2005.

Kathryn L. Wilson

My commission expires: 6/17/06



State of Arizona )  
                                  ) ss.  
County of Maricopa )

On this day, personally appeared before me E.W. Gardner, as Manager of  
Ohana Hui, LLC, an Arizona limited liability company, the General Partner of Ola Hui,  
LP, an Arizona limited partnership, who is known to me to be the person whose name is  
above subscribed, and after being first duly sworn, acknowledged upon her/his oath that  
she/he executed the foregoing for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal on  
\_\_\_\_\_

\_\_\_\_\_

My commission expires:  
\_\_\_\_\_

Notary Public

State of Arizona )  
 ) ss.  
County of Maricopa )

On this day, personally appeared before me \_\_\_\_\_, as \_\_\_\_\_ of Bank Midwest N.A, a national banking association, known to me to be the person whose name is above subscribed, and after being first duly sworn, acknowledged upon her/his oath that she/he executed the foregoing for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal on \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires:

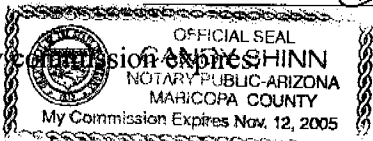
State of Arizona )  
 ) ss.  
County of Maricopa )

On this day, personally appeared before me E.W. Gardner, as Manager of Ohana Hui, LLC, an Arizona limited liability company, the General Partner of Ola Hui, LP, an Arizona limited partnership, who is known to me to be the person whose name is above subscribed, and after being first duly sworn, acknowledged upon her/his oath that she/he executed the foregoing for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal on 11/24/05.

*Candy Shinn*  
Notary Public

My commission expires 11/12/05



State of Arizona )  
 ) ss.  
County of Maricopa )

On this day, personally appeared before me Alan Torres, as Vice President of Lennar Communities Development, Inc., a Delaware corporation, known to me to be the person whose name is above subscribed, and after being first duly sworn, acknowledged upon her/his oath that she/he executed the foregoing for the purposes therein contained.

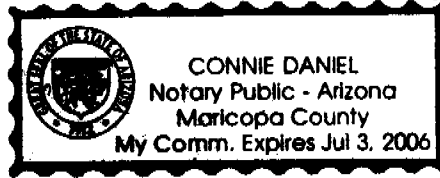
1/21/05 In witness whereof, I hereunto set my hand and official seal on

Connie Daniel

Notary Public

My commission expires:

7/3/2006



State of Arizona )  
 ) ss.  
County of Maricopa )

On this day, personally appeared before me \_\_\_\_\_, as Manager of MKGP Elianto, L.L.C., an Arizona limited liability company, known to me to be the person whose name is above subscribed, and after being first duly sworn, acknowledged upon her/his oath that she/he executed the foregoing for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal on \_\_\_\_\_

\_\_\_\_\_

Notary Public

My commission expires:

\_\_\_\_\_

State of Arizona )  
 ) ss.  
County of Maricopa )

On this day, personally appeared before me \_\_\_\_\_, as \_\_\_\_\_ of Lennar Communities Development, Inc., a Delaware corporation, known to me to be the person whose name is above subscribed, and after being first duly sworn, acknowledged upon her/his oath that she/he executed the foregoing for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal on \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires:  
\_\_\_\_\_

State of Arizona )  
 ) ss.  
County of Maricopa )

On this day, personally appeared before me Michael S. Kostow, as Manager of MKGP Elianto, L.L.C., an Arizona limited liability company, known to me to be the person whose name is above subscribed, and after being first duly sworn, acknowledged upon her/his oath that she/he executed the foregoing for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal on

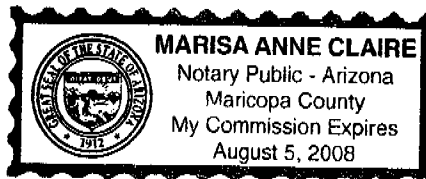
Jan 20, 2005

Marisa Anne Claire

Notary Public

My commission expires:

Aug 5 2008



State of Arizona        )  
                                  ) ss.  
County of Maricopa    )

On this day, personally appeared before me  
TERRELL E. HASTINGS, as SENIOR VICE PRESIDENT of North American Title  
Company, an Arizona corporation, known to me to be the person whose name is above  
subscribed, and after being first duly sworn, acknowledged upon her/his oath that she/he  
executed the foregoing for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal on  
1-21-05.

Vicky Flores

Notary Public

My commission expires:

5/25/07



## ATTACHMENTS

- EXHIBIT A -- Legal Description Of Property To Be Included In The District
- EXHIBIT B -- Form of Notice Inviting Bids
- EXHIBIT C -- Form Of Certificate Of Engineers For Conveyance Of Segment Of Project
- EXHIBIT D -- Form Of Conveyance Of Segment Of Project
- EXHIBIT E -- Form Of Disclosure Pamphlet



**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY**

December 16, 2004

LEGAL DESCRIPTION FOR  
ELIANTO  
OVERALL CFD

PARCEL 1

That part of Sections 15, 16, 21, 22, 27, 28 and 29, Township 2 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the South Quarter Corner of said Section 28;

Thence North  $89^{\circ}29'14''$  West, along the South line of the Southwest Quarter of said Section 28, a distance of 2,615.02 feet to the Maricopa County Highway Department Brass Cap in a handhole marking the Southeast Corner of said Section 29;

Thence North  $89^{\circ}17'21''$  West, along the South line of the Southeast Quarter of said Section 29, a distance of 2,652.50 feet to the South Quarter Corner thereof;

Thence North  $01^{\circ}40'24''$  East, along the North South mid-section line of said Section 29, a distance of 2,639.30 feet to the Center of said Section 29;

Thence South  $89^{\circ}19'21''$  East, along the East West mid-section line of said Section 29, a distance of 2,536.40 feet to the West Quarter Corner of said Section 28;

Thence North  $02^{\circ}55'38''$  East, along the West line of the Northwest Quarter of said Section 28, a distance of 2,650.09 feet to the Southwest Corner of said Section 21;

Thence North  $00^{\circ}24'07''$  West, along the West line of the Southwest Quarter of said Section 21, a distance of 2,648.08 feet to the West Quarter Corner thereof;

Thence continuing North  $00^{\circ}24'07''$  West, along the West line of the Northwest Quarter of said Section 21, a distance of 2,648.35 feet to the Southwest Corner of said Section 16;

Thence North  $00^{\circ}01'13''$  East, along the West line of the Southwest Quarter of said Section 16, a distance of 2,648.88 feet to the West Quarter Corner thereof;

Thence South  $89^{\circ}10'22''$  East, along the East West mid-section line of said Section 16, a distance of 2,614.18 feet to the Center of said Section 16;

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence continuing South  $89^{\circ}10'22''$  East, along said East West mid-section line, a distance of 2,607.50 feet to the West Quarter Corner of said Section 15;

Thence South  $89^{\circ}23'26''$  East, along the East West mid-section line of said Section 15, a distance of 1,347.51 feet to the Southwest Corner of the South Half of G.L.O. Lot 6;

Thence North  $01^{\circ}51'59''$  East, along the West line of G.L.O. Lot 6, a distance of 691.81 feet to the Northwest Corner of the South Half of G.L.O. Lot 6;

Thence South  $89^{\circ}27'48''$  East, along the North line of the South Half of G.L.O. Lot 6, a distance of 1,342.30 feet to the Northwest Corner of the South Half of G.L.O. Lot 7;

Thence continuing South  $89^{\circ}27'48''$  East, along the North line of G.L.O. Lot 7, a distance of 1,303.31 feet to the Northeast Corner thereof;

Thence South  $02^{\circ}04'21''$  West, along the East line of said G.L.O. Lot 7, a distance of 695.22 feet to the Southeast Corner thereof;

Thence South  $89^{\circ}23'26''$  East, along the East West mid-section line of said Section 15, a distance of 1,295.52 feet to the East Quarter Corner thereof;

Thence South  $00^{\circ}15'01''$  West, along the East line of the Southeast Quarter of said Section 15, a distance of 2,641.39 feet to the Northeast Corner of said Section 22;

Thence North  $89^{\circ}25'01''$  West, along the North line of the Northeast Quarter of said Section 22, a distance of 1,322.78 feet to the Northeast Corner of the West Half of the Northeast Quarter of said Section 22;

Thence South  $00^{\circ}06'06''$  East, along the East line of said West Half, a distance of 1,968.79 feet to the Southeast Corner of the North Half of the Southwest Quarter of the Northeast Quarter of said Section 22;

Thence North  $89^{\circ}01'22''$  West, along the South line of the North Half of the Southwest Quarter of the Northeast Quarter of said Section 22, a distance of 1,321.26 feet to a point on the North South mid-section line of said Section 22;

Thence South  $00^{\circ}09'00''$  East, along the North South mid-section line, a distance of 653.24 feet to the Center of said Section 22;

Thence continuing South  $00^{\circ}09'00''$  East, along said North South mid-section line, a distance of 1,994.48 feet to the Northwest Corner of the South Half of the South Half of the Southeast Quarter of said Section 22;

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence South 89°15'59" East, along the North line of the South Half of the South Half of the Southeast Quarter of said Section 22, a distance of 2,638.89 feet to the Northeast Corner of the South Half of the South Half of the Southeast Quarter of said Section 22;

Thence South 00°04'58" East, along the East line of the Southeast Quarter of said Section 22, a distance of 658.96 feet to the Northeast Corner of said Section 27;

Thence South 00°16'27" East, along the East line of the Northeast Quarter of said Section 27, a distance of 1,318.69 feet to the Southeast Corner of the North Half of the Northeast Quarter of said Section 27;

Thence North 89°27'00" West, along the South line thereof, a distance of 2,643.32 feet to the Southwest Corner of the North Half of the Northeast Quarter of said Section 27;

Thence South 00°02'36" East, along the North South mid-section line, a distance of 1,321.23 feet to the Center of said Section 27;

Thence South 00°02'36" East, along the North South mid-section line of said Section 27, a distance of 2,639.04 feet to the South Quarter Corner thereof;

Thence North 89°34'35" West, along the South line of the Southwest Quarter of said Section 27, a distance of 2,661.01 feet to the Southeast Corner of said Section 28;

Thence North 89°29'08" West, along the South line of the Southeast Quarter of said Section 28, a distance of 2,652.13 feet to the Point of Beginning.

Containing 2,928.292 Acres, more or less.

PARCEL 2

That part of the West Half of Section 17 and that part of Section 18, Township 2 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the South Quarter Corner of said Section 17;

Thence North 89°33'33" West, along the South line of the Southwest Quarter of said Section 17, a distance of 2,564.00 feet to the G.L.O. Brass Cap marking the Southeast Corner of said Section 18;

Thence North 88°50'03" West, along the South line of the Southeast Quarter of said Section 18, a distance of 2,640.27 feet to the South Quarter Corner thereof;

Legal Description for  
Elianto  
Overall CFD  
December 16, 2004

Thence South  $89^{\circ}57'40''$  West, along the South line of the Southwest Quarter of said Section 18, a distance of 941.53 feet to the beginning of a tangent curve of 2,600.00 foot radius, concave Northeasterly;

Thence Northwesterly, departing said South line, along said curve, through a central angle of  $31^{\circ}13'45''$ , a distance of 1,417.13 feet;

Thence North  $58^{\circ}48'35''$  West, a distance of 595.03 feet to a point on the West line of the Southwest Quarter of said Section 18;

Thence North  $00^{\circ}20'38''$  East, along the West line of the Southwest Quarter of said Section 18, a distance of 1,959.24 feet to the West Quarter Corner thereof;

Thence North  $00^{\circ}22'00''$  East, along the West line of the Northwest Quarter of said Section 18, a distance of 2,644.07 feet to the Northwest Corner thereof;

Thence North  $89^{\circ}48'05''$  East, along the North line of the Northwest Quarter of said Section 18, a distance of 2,543.69 feet to the North Quarter Corner thereof;

Thence South  $88^{\circ}46'54''$  East, along the North line of the Northeast Quarter of said Section 18, a distance of 2,654.20 feet to the Northwest Corner of said Section 17;

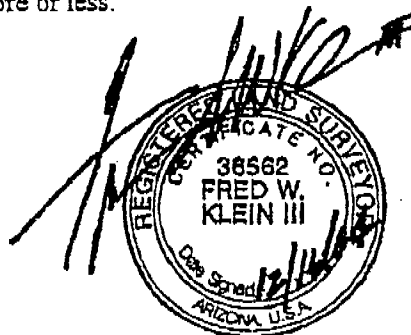
Thence South  $89^{\circ}19'19''$  East, along the North line of the Northwest Quarter of said Section 17, a distance of 2,682.29 feet to the North Quarter Corner thereof;

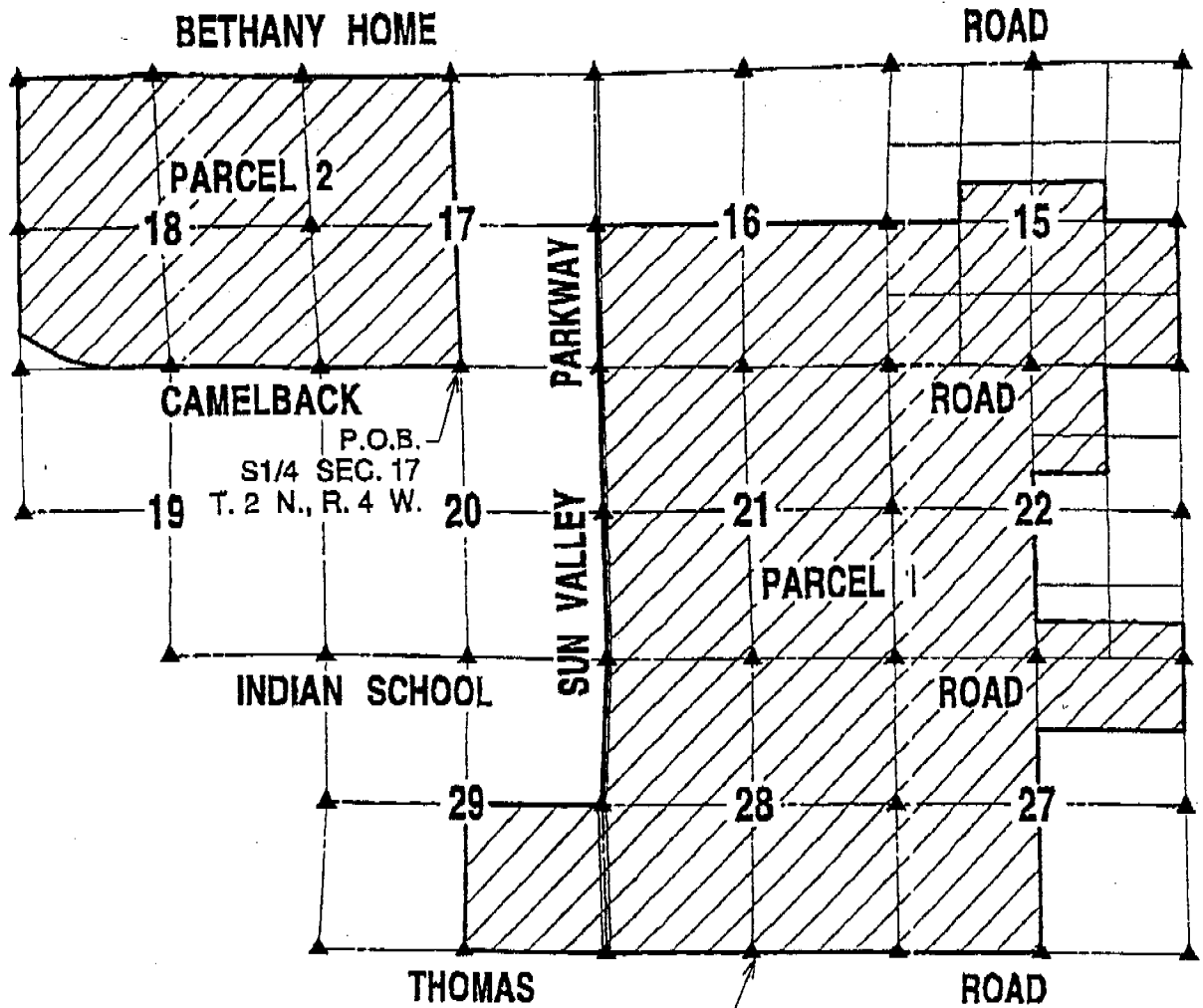
Thence South  $01^{\circ}01'27''$  East, along the North South mid-section line of said Section 17, a distance of 2,633.10 feet to the Center of said Section 17;

Thence continuing South  $01^{\circ}01'27''$  East, along said North South mid-section line, a distance of 2,648.40 feet to the Point of Beginning.

Containing 954.441 Acres, more or less.


Containing 3882.733 Total Acres, more or less.





P.O.B.  
S1/4 SEC. 28  
T. 2 N., R. 4 W.



EXHIBIT	ELIANTO OVERALL CFD	JOB NO 720001
 4650 North 12th Street Phoenix, Arizona 85014 Telephone 602-264-6831 <a href="http://www.cycl.com">http://www.cycl.com</a>	Coe & Van Loo Consultants, Inc.	SHEET 1 OF 1

**EXHIBIT B**

**FORM OF NOTICE INVITING BIDS  
TO BE USED SHALL BE SUBSTANTIALLY THE FORM OF  
NOTICE USED BY THE TOWN OF BUCKEYE FOR  
WORK BID PURSUANT TO THE  
ARIZONA REVISED STATUTES  
AS MAY BE MODIFIED BY THE DISTRICT**

Sealed bids will be received by \_\_\_\_\_ until 10:00 a.m. MST, on \_\_\_\_\_ at \_\_\_\_\_. At this time, the bids will be publicly opened and read aloud and award will be made to the lowest responsible bidder. Each bid shall be accompanied by a cashier's check or a bid bond acceptable to \_\_\_\_\_ for a sum of not less than ten percent (10%) of the amount of the bid, made payable to \_\_\_\_\_.

No bid will be considered unless it is submitted on the provided bid form. \_\_\_\_\_ reserves the right to reject all or any part of any bid.

Contact \_\_\_\_\_, Construction Coordinator, at \_\_\_\_\_ or \_\_\_\_\_, the District Engineer, for additional information.

Plans, specifications and bid forms may be obtained for the sum of \$\_\_\_\_\_ from the Construction Coordinator, \_\_\_\_\_, or by calling \_\_\_\_\_. This fee is non-refundable. Construction documents will not be available before \_\_\_\_\_.

For those interested in purchasing plans and specifications by mail, there will be an additional advance charge of \$\_\_\_\_\_ to cover postage and handling. Therefore, a check made payable to \_\_\_\_\_ in the amount of \$\_\_\_\_\_ should accompany the request. Please allow four to five days for delivery.

The infrastructure which is the subject of the bids is being bid and constructed pursuant to the terms of Development, Financing Participation and Intergovernmental Agreement No. 1 between \_\_\_\_\_ and Elianto Community Facilities District. The successful contractor will not have recourse, directly or indirectly, to the Town of Buckeye or Elianto Community Facilities District for any costs under any construction contract or any liability, claim or expense arising therefrom.

A pre-bid conference will be held at \_\_\_\_\_, \_\_\_\_\_, at 10:00 a.m. MST. The work consists of construction of:

All bids received in response to this Notice Inviting Bids shall be in conformance with the applicable Arizona State Law.

**EXHIBIT C**

**FORM OF CERTIFICATE OF ENGINEERS FOR  
CONVEYANCE OF ACQUISITION PROJECT OR SEGMENT OF PROJECT**

**CERTIFICATE OF ENGINEERS FOR CONVEYANCE OF SEGMENT OF PROJECT**

(insert description of Project/Segment)

STATE OF ARIZONA )  
COUNTY OF MARICOPA )  
\_\_\_\_\_)  
\_\_\_\_\_)  
COMMUNITY FACILITIES DISTRICT

We the undersigned, being Professional Engineers in the State of Arizona and, respectively, the duly appointed District Engineer for Elianto Community Facilities District (the "*District*"), and the engineer employed by \_\_\_\_\_ (the "*Owners*"), each hereby certify for purposes of the District Development, Financing Participation and Intergovernmental Agreement No. 1 Elianto Community Facilities District, dated as of \_\_\_\_\_, 20\_\_\_\_ (the "*Agreement*"), by and among the District, the Town of Buckeye, Arizona (the "*Municipality*") and the Owners that:

1. The Acquisition Project or Segment indicated above has been performed in every detail pursuant to the Plans and Specifications (as such term and all of the other initially capitalized terms in this Certificate are defined in the Agreement) and the Contract (as modified by any change orders permitted by the Agreement) for such Segment.
2. The Project Price or Segment Price as publicly bid and including the cost of approved change orders for such Acquisition Project or Segment is \$\_\_\_\_\_.
3. The Owners provided for compliance with the requirements for public bidding for such Acquisition Project or Segment as required by the Agreement (including, particularly but not by way of limitation, Title 34, Chapter 2, Article 1, Arizona Revised Statutes, as amended) or such other applicable law prescribing public bidding requirements in connection with award of the Contract for such Acquisition Project or Segment.
4. The Owners filed all construction plans, specifications, contract documents, and supporting engineering data for the construction or installation of such Acquisition Project or Segment with the Municipality.
5. The Owners obtained good and sufficient performance and payment bonds in connection with such Contract as were required by the Agreement.



DATED AND SEALED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_.

By \_\_\_\_\_  
District Engineer

[P.E. SEAL]

By \_\_\_\_\_  
Engineer for the Owners

[P.E. SEAL]

Confirmed for purposes of Sections 1.5,  
2.3, 3.2 of the Development Agreement by

\_\_\_\_\_  
District Manager, Elianto  
Community Facilities District

**EXHIBIT D**

**FORM OF CONVEYANCE OF ACQUISITION PROJECT OR SEGMENT OF PROJECT**

(Insert description of Project/Segment)

STATE OF ARIZONA )  
COUNTY OF MARICOPA )  
\_\_\_\_\_) )  
\_\_\_\_\_) )  
COMMUNITY FACILITIES DISTRICT )

**KNOW ALL MEN BY THESE PRESENTS THAT:**

\_\_\_\_\_, an Arizona \_\_\_\_\_ (the "Owners"), for good and valuable consideration received by the Owners from Elianto Community Facilities District, a community facilities district formed by the Town of Buckeye, Arizona (the "Municipality"), and duly organized and validly existing pursuant to the laws of the State of Arizona (the "District"), receipt of which is hereby acknowledged [, and the promise of the District to hereafter pay the amounts described in the hereinafter described Development Agreement\*], does by these presents grant, bargain, sell and convey to the Municipality District, its successors and assigns, all of Owners' right, title and interest in and to the following described property, being the subject of a District Development, Financing Participation and Intergovernmental Agreement No. 1 Elianto Community Facilities District dated as of \_\_\_\_\_, 20\_\_\_, by and among the Owners, the Municipality and the District (the "Development Agreement") and more completely described in such Development Agreement:

[Insert description of Project/Segment]

together with any and all benefits, including warranties and performance and payment bonds, under the applicable Contract (as such term is described in such Development Agreement) or relating thereto, all of which are or shall be located within public rights-of-way, public utility or other public easements dedicated or to be dedicated by plat or otherwise free and clear of any and all liens, easements, restrictions, conditions, or encumbrances affecting the same [, such subsequent dedications not affecting the promise of the District to hereafter pay the amount described in such Development Agreement\*], but subject to all reservations in patents, and all easements, rights-of-way, encumbrances, liens, covenants, conditions, restrictions, obligations and liabilities or other matters of record, any matters that would be disclosed by a proper inspection or ALTA survey of the above-described property, and such other matters as set forth on Schedule I hereto.

\_\_\_\_\_  
\*Insert with respect to any acquisition financed pursuant to Section 5.1(a) hereof including for any amounts remaining and eligible for reimbursement.

**TO HAVE AND TO HOLD** the above-described property, together with all and singular the rights and appurtenances hereunto in anywise belonging, including all necessary rights of ingress, egress, and regress, subject, however, to the above-described exception(s) and reservation(s), unto the [District or Municipality], its successors and assigns, forever; and the Owners does hereby bind itself, its successors and assigns to warrant and forever defend, all and singular, the above-described property, subject to such exception(s) and reservation(s), unto the [District or Municipality], its successors and assigns, against the acts of all others.

**[Insert with respect to any acquisition financed pursuant to Section 5.1(a) hereof including for any amounts remaining and eligible for reimbursement.]**

The Owners bind and obligates itself, its successors and assigns, to execute and deliver at the request of the District any other or additional instruments of transfer, bills of sale, conveyances, or other instruments or documents which may be necessary or desirable to evidence more completely or to perfect the transfer to the [District or Municipality] of the above-described property, subject to the exception(s) and reservation(s) hereinabove provided.

This conveyance is made pursuant to such Development Agreement, and the Owners hereby agrees that the amounts specified above and paid [or promised to be paid] to the Owners hereunder satisfy in full the obligations of the District under such Development Agreement for such Project or Segment and hereby releases the District from any further responsibility to make payment to the Owners under such Development Agreement.

The Owners, in addition to the other representations and warranties herein, specifically makes the following representations and warranties:

1. The Owners have the full legal right and authority to make the sale, transfer, and assignment herein provided.
2. The Owners are not a party to any written or oral contract which adversely affects this Conveyance.
3. The Owners are not subject to any bylaw, agreement, mortgage, lien, lease, instrument, order, judgment, decree, or other restriction of any kind or character which would prevent the execution of this Conveyance.
4. The Owners are not engaged in or threatened with any legal action or proceeding, nor is it under any investigation, which prevents the execution of this Conveyance.
5. The person executing this Conveyance on behalf of the Owners have full authority to do so, and no further official action need be taken by the Owners to validate this Conveyance.
6. The facilities conveyed hereunder are all located within property owned by the Owners, public rights-of-way, or public utility or other public easements dedicated or to be dedicated by plat or otherwise.

IN WITNESS WHEREOF, the Owners have caused this Conveyance to be executed and delivered this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_

By \_\_\_\_\_  
Title: \_\_\_\_\_

By \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF ARIZONA        )  
COUNTY OF MARICOPA    )

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, of \_\_\_\_\_, an Arizona \_\_\_\_\_, on behalf of said company.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

[NOTARY SEAL]

**SCHEDULE I  
TO  
CONVEYANCE OF SEGMENT OF PROJECT**

(Insert all exceptions and reservations to the Conveyance)

**EXHIBIT E**

**FORM OF DISCLOSURE PAMPHLET**

**ELIANTO COMMUNITY FACILITIES DISTRICT  
DISCLOSURE STATEMENT  
IMPORTANT READ CAREFULLY**

Buyer(s) \_\_\_\_\_  
Parcel \_\_\_\_\_  
Lot \_\_\_\_\_  
Homebuilder \_\_\_\_\_

**General CFD Provisions**

The home you are purchasing is within the Elianto Community Facilities District (the "CFD"), which was formed on \_\_\_\_\_. The CFD was created to finance the acquisition, construction and maintenance of public infrastructure benefiting \_\_\_\_\_. The cost of acquisition and construction of these improvements is paid for by general obligation and/or special assessment bonds issued by the CFD. The operation and maintenance expenses are paid from an ad valorem property tax levied against all property located within the CFD.

**Ad Valorem Taxes of the CFD**

General obligation bonds and the CFD operation and maintenance expenses are paid from ad valorem property taxes levied against all taxable property in the CFD. It is currently estimated that payment of the general obligation bonds and the CFD expenses will add approximately \$\_\_\_\_\_ to the property tax rate; however, such tax rate increase could vary depending upon factors including the financing amount and terms, and the amount of the assessed valuation of taxable property within the CFD. Payment of general obligation bonds and expenses are included as part of your regular Maricopa County property tax statement and are in addition to taxes levied by the Town of Buckeye and other political subdivisions.

**Special Assessments of the CFD**

Special assessment bonds are paid from special assessment payments secured by a special assessment lien on each benefited lot. Special assessment liens pertaining to construction of the initial public infrastructure for \_\_\_\_\_ are estimated to range from \$\_\_\_\_\_ to \$\_\_\_\_\_ per benefited residential lot (current dollars). Special assessment liens vary depending upon the size of the lot, benefits estimated to be received by each lot, the public improvements to be financed, and the financing terms of each special assessment bond. Bills for the repayment of the special assessment bonds as well as the applicable administrative charges are sent out twice a year and are billed separately from your regular Maricopa County property tax bill. Failure to timely pay any assessment installment will result in the acceleration of the entire assessment amount and the foreclosure sale of the benefited lot.

Example of Financings' Costs to Homeowner

Based on the developer's proposed financing plan for the CFD during the first \_\_\_\_\_ years, the following is an illustration of the estimated annual CFD taxes as they related to the repayment of CFD general obligation bonds and CFD Maintenance and Operation expenses as well as a special assessment lien of \$\_\_\_\_\_ that is collected to pay the anticipated CFD special assessment bonds.

Home Sales Price	(A) Estimated General Obligation and Expense Payment (1)	(B) Estimated Special Assessment Payment (2)	(A) & (B) Estimated Total CFD Tax Payments	Estimated Special Assessment Lien Amount
\$130,000	\$	\$	\$	\$
\$150,000	\$	\$	\$	\$
\$175,000	\$	\$	\$	\$
\$220,000	\$	\$	\$	\$

Footnotes

- (1) Represents the repayment of CFD general obligation bond indebtedness and CFD expenses based upon an estimated \$\_\_\_\_\_ increase in the ad valorem property tax rate.
- (2) Represents the repayment of special assessment bonds assuming a \$\_\_\_\_\_ per lot special assessment lien. Special assessment bond terms assume a \_\_\_\_\_% interest rate, \_\_\_-year amortization period, capitalized interest, 10% reserve fund and issuance expenses. To the extent that the bond terms vary from these assumptions, the payment amount will fluctuate. This figure does not include any administrative charges which may be charged by the District and/or third party administrators if any.

All of the taxes, assessments and charges described above are in addition to any taxes, fees and charges imposed by the Town of Buckeye, other political subdivisions and in addition to any assessments or fees imposed by any homeowners association.

Your signature below acknowledges that you have received and read this disclosure at the time you have signed our purchase contract.

[SIGNATURE PAGE TO FOLLOW]

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[name]

---

[address]

---

[name]

---

[address]