

**TRILLIUM 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
TRILLIUM 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 "***TRILLIUM 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 3,029 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 3,029 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 15th day of December 20 05

TRILLIUM WEST, LLC, an Arizona limited liability company

By [Signature]
Its Manager

TRILLIUM WEST HOLDINGS, LLC, an Arizona limited liability company

By [Signature]
Its Manager

STATE OF ARIZONA)
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 15th day of December, 2005 by Joel H. Farkas, Manager of Trillium West, LLC, on behalf of the limited liability company.

My commission expires:

3.15.2008

STATE OF ARIZONA)
COUNTY OF MARICOPA)

[Signature]
Notary Public
MARSHA KENNEDY
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires March 15, 2008

The foregoing instrument was acknowledged before me this 15th day of December, 2005 by Joel H. Farkas, Manager of Trillium West Holdings, LLC, on behalf of the limited liability company.

My commission expires:

3.15.2008

Attachments:

- Exhibit A: Legal description of property to be included in the District
- Exhibit B: Map of property to be included in the District
- Exhibit C: County Assessor's certificate of owners of property in the District
- Exhibit D: County Recorder's certificate of qualified electors in the District Lienholder Consent:

[Signature]
Notary Public
OFFICIAL SEAL
MARSHA KENNEDY
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires March 15, 2008

TRILLIUM
PROPERTY DESCRIPTION
FEBRUARY 11,2005

A parcel of land situate in the south half of Section 7, Section 18, a portion of the southwest quarter of Section 8 and a portion of the west half of Section 17, Township 3 North, Range 4 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, and Section 13 and Section 24 and the east half of Section 12, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

BEGINNING at a 2 ½" G.L.O. brass cap, found at the east quarter corner of said Section 12;

Thence South 89°32'32" East, along the east-west mid-section line of said Section 7, a distance of 5278.67 feet, to a 3" Maricopa County brass cap found at the east quarter corner of said Section 7;

Thence South 89°33'16" East, along the east-west mid-section line of said Section 8, a distance of 2571.18 feet, to a point on the west Right of Way of Sun Valley Parkway, as shown on the maps recorded in Book 33, Page 4, records of Maricopa County, Arizona;

Thence South 00°20'22" West, along said west Right of Way, a distance of 2641.28 feet, to a point on the south line of the southwest quarter of said Section 8;

Thence South 00°31'24" West, along said west Right of Way, a distance of 5282.00 feet, to a point on the south line of the southwest quarter of said Section 17;

Thence North 89°33'53" West, along the south line of the southwest quarter of said Section 17, a distance of 2565.45 feet, to a 2 ½" G.L.O. brass cap found at the southwest corner of said Section 17;

Thence North 89°24'46" West, along the south line of the southeast quarter of said Section 18, a distance of 2630.44 feet, to a 2 ½" G.L.O. brass cap found at the south quarter corner of said Section 18;

Thence North 89°27'52" West, along the south line of the southwest quarter of said Section 18, a distance of 2645.61 feet, to a 2 ½" G.L.O. brass cap found at the southwest corner of said Section 18;

Thence South 00°48'21" West, along the east line of the northeast quarter of said Section 24, a distance of 2637.19 feet, to a 2 ½" G.L.O. brass cap found at the east quarter corner of said Section 24;

Thence South 00°19'45" West, along the east line of the southeast quarter of said Section 24, a distance of 2638.89 feet, to a 2" Maricopa County aluminum cap found at the southeast corner of said Section 24;

Thence North 89°33'27" West, along the south line of the southeast quarter of said Section 24, a distance of 2646.08 feet, to a 2 ½" G.L.O. brass cap found at the south quarter corner of said Section 24;

Thence North 89°34'10" West, along the south line of the southwest quarter of said Section 24, a distance of 2639.11 feet, to a 2 ½" G.L.O. brass cap found at the southwest corner of said Section 24;

Thence North 00°21'34" East, along the west line of the southwest quarter of said Section 24, a distance of 2633.94 feet, to a 2 ½" G.L.O. brass cap found at the west quarter corner of said Section 24;

Thence North 00°30'56" East, along the west line of the northwest quarter of said Section 24, a distance of 2634.73 feet, to a 2 ½" G.L.O. brass cap found at the northwest corner of said Section 24;

Thence North 00°29'48" East, along the west line of the southwest quarter of said Section 13, a distance of 2641.72 feet, to a 2" brass cap found at the west quarter corner of said Section 13;

Thence North 00°29'48" East, along the west line of the northwest quarter of said Section 13, a distance of 2641.72 feet, to a 2" brass cap found at the northwest corner of said Section 13;

Thence South 89°26'42" East, along the north line of the northwest quarter of said Section 13, a distance of 2643.17 feet, to a 2 ½" G.L.O. brass cap found at the north quarter corner of said Section 13;

Thence North 00°29'00" East, along the north-south mid-section line of said Section 12, a distance of 5302.81 feet, to a 2 ½" G.L.O. brass cap found at the north quarter corner of said Section 12;

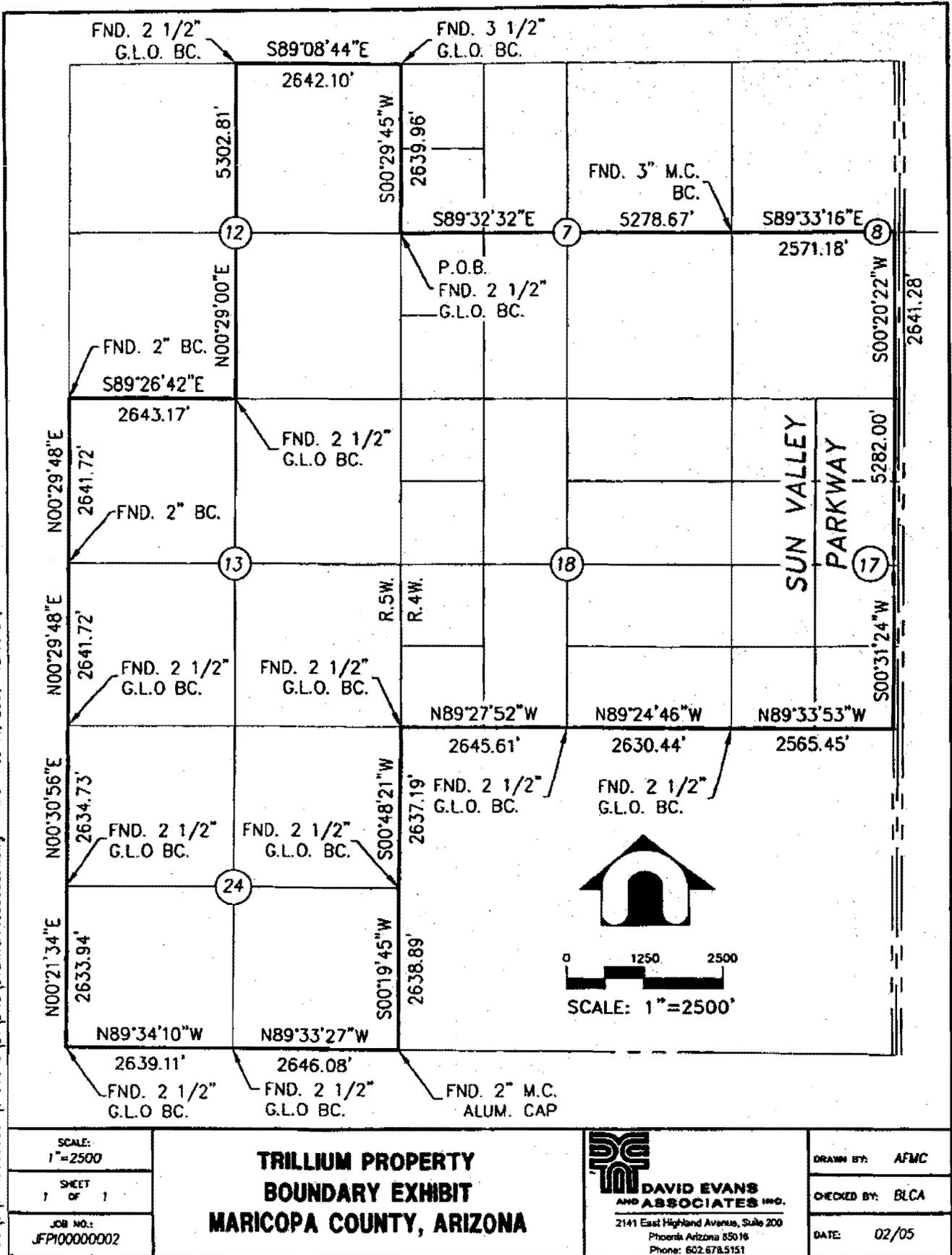
Thence South 89°08'44" East, along the north line of the northeast quarter of said Section 12, a distance of 2642.10 feet, to a 3 ½" G.L.O. brass cap found at the northeast corner of said Section 12;

Thence South 00°29'45" West, along the east line of the northeast quarter of said Section 12, a distance of 2639.96 feet, to a 2 ½" G.L.O. brass cap found at the east quarter corner of said Section 12 and the **TRUE POINT OF BEGINNING**.

Said parcel containing 3,029.095 acres, more or less.



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SCALE: 1"=2500
SHEET 1 OF 1
JOB NO.: JFPI00000002

**TRILLIUM PROPERTY
BOUNDARY EXHIBIT
MARICOPA COUNTY, ARIZONA**


**DAVID EVANS
AND ASSOCIATES INC.**
 2141 East Highland Avenue, Suite 200
 Phoenix, Arizona 85016
 Phone: 602.678.5151

DRAWN BY: AFMC
CHECKED BY: BLCA
DATE: 02/05

**TRILLIUM 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.

Trillium West, LLC
Attn: Joel Farkas, Manager
6720 North Scottsdale Road
Suite 250
Scottsdale, Arizona 85253
Phone: 480.422.6900

Trillium West Holdings, LLC
Attn: Joel Farkas, Manager
6720 North Scottsdale Road
Suite 250
Scottsdale, Arizona 85253
Phone: 480.422.6900

Dated: 9-9-05

MARICOPA COUNTY ASSESSOR

David Kelly

EXHIBIT C ◀

TRILLIUM
PROPERTY DESCRIPTION
FEBRUARY 11,2005

A parcel of land situate in the south half of Section 7, Section 18, a portion of the southwest quarter of Section 8 and a portion of the west half of Section 17, Township 3 North, Range 4 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, and Section 13 and Section 24 and the east half of Section 12, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

BEGINNING at a 2 ½" G.L.O. brass cap, found at the east quarter corner of said Section 12;

Thence South 89°32'32" East, along the east-west mid-section line of said Section 7, a distance of 5278.67 feet, to a 3" Maricopa County brass cap found at the east quarter corner of said Section 7;

Thence South 89°33'16" East, along the east-west mid-section line of said Section 8, a distance of 2571.18 feet, to a point on the west Right of Way of Sun Valley Parkway, as shown on the maps recorded in Book 33, Page 4, records of Maricopa County, Arizona;

Thence South 00°20'22" West, along said west Right of Way, a distance of 2641.28 feet, to a point on the south line of the southwest quarter of said Section 8;

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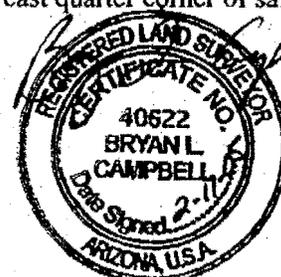
Thence South 89°26'42" East, along the north line of the northwest quarter of said Section 13, a distance of 2643.17 feet, to a 2 ½" G.L.O. brass cap found at the north quarter corner of said Section 13;

Thence North 00°29'00" East, along the north-south mid-section line of said Section 12, a distance of 5302.81 feet, to a 2 ½" G.L.O. brass cap found at the north quarter corner of said Section 12;

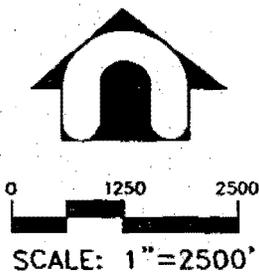
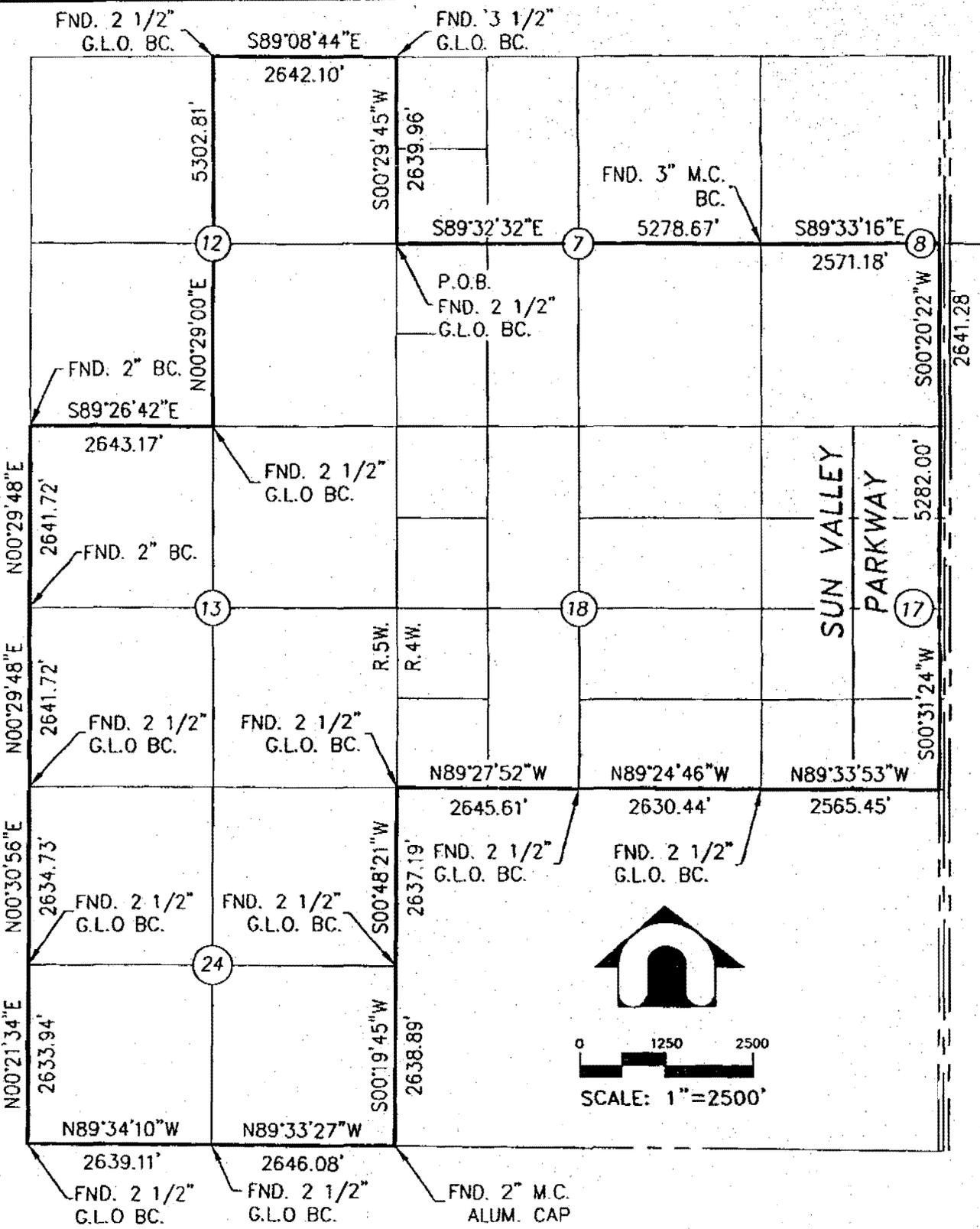
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Said parcel containing 3,029.095 acres, more or less.



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SCALE: 1"=2500
SHEET 1 OF 1
JOB NO.: JFP100000002

**TRILLIUM PROPERTY
BOUNDARY EXHIBIT
MARICOPA COUNTY, ARIZONA**


**DAVID EVANS
AND ASSOCIATES INC.**
 2141 East Highland Avenue, Suite 200
 Phoenix Arizona 85016
 Phone: 602.678.5151

DRAWN BY: AFMC
CHECKED BY: BLCA
DATE: 02/05



Maricopa County
Elections Department

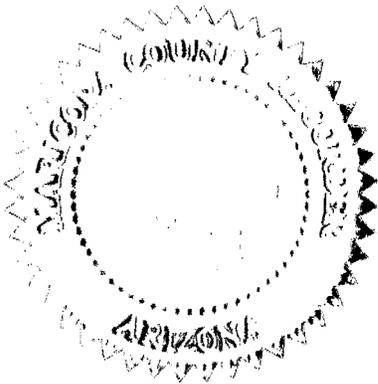
Karen Osborne, Director

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 August 30, 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 Trillium Community Facilities District.

Witness my hand and seal this 31st day of August, 2005.



HELEN PURCELL
MARICOPA COUNTY RECORDER

Jeannine Purcell, D.C.R.
County Recorder

EXHIBIT D

When recorded return to:

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

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
20060055384 01/12/2006 16:08
00671800066-10-4-4--
ELECTRONIC RECORDING

**GENERAL PLAN
FOR THE PROPOSED
TRILLIUM 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 Trillium 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) School sites and facilities;

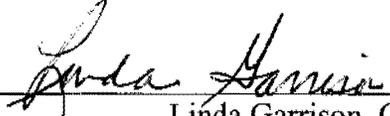
(l) Equipment, vehicles, furnishings and other personalty related to the items listed in clauses (a) through and including (k) above; and

(m) Operation and maintenance of the items listed in clauses (a) through and including (l) above.

RECEIPT

Received and filed in the office of the Clerk of the Town of Buckeye, Arizona, for the Trillium Community Facilities District (Town of Buckeye, Arizona).

DATED: 1-3-06



Linda Garrison, Clerk

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

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY
TO BE INCLUDED IN THE DISTRICT

TRILLIUM
PROPERTY DESCRIPTION
FEBRUARY 23, 2005

A parcel of land situate in the south half of Section 7, Section 18, a portion of the southwest quarter of Section 8 and a portion of the west half of Section 17, Township 3 North, Range 4 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, and Section 13 and Section 24 and the east half of Section 12, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

BEGINNING at a 2 ½" G.L.O. brass cap, found at the east quarter corner of said Section 12;

Thence South 89°32'32" East, along the east-west mid-section line of said Section 7, a distance of 5278.67 feet, to a 3" Maricopa County brass cap found at the east quarter corner of said Section 7;

Thence South 89°33'16" East, along the east-west mid-section line of said Section 8, a distance of 2571.18 feet, to a point on the west Right of Way of Sun Valley Parkway, as shown on the maps recorded in Book 33, Page 4, records of Maricopa County, Arizona;

Thence South 00°20'22" West, along said west Right of Way, a distance of 2641.25 feet, to a point on the south line of the southwest quarter of said Section 8;

Thence South 00°31'24" West, along said west Right of Way, a distance of 5282.03 feet, to a point on the south line of the southwest quarter of said Section 17;

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Thence North 00°29'48" East, along the west line of the southwest quarter of said Section 13, a distance of 2641.72 feet, to a 2" brass cap found at the west quarter corner of said Section 13;

Thence North 00°29'48" East, along the west line of the northwest quarter of said Section 13, a distance of 2641.72 feet, to a 2" brass cap found at the northwest corner of said Section 13;

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Thence South 00°29'45" West, along the east line of the northeast quarter of said Section 12, a distance of 2639.96 feet, to a 2 ½" G.L.O. brass cap found at the east quarter corner of said Section 12 and the **TRUE POINT OF BEGINNING.**

Said parcel containing 3,029.095 acres, more or less.

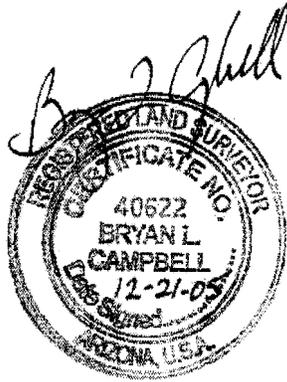


EXHIBIT B

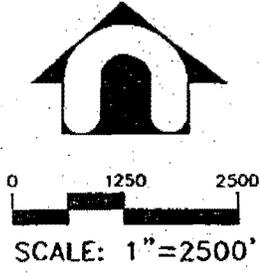
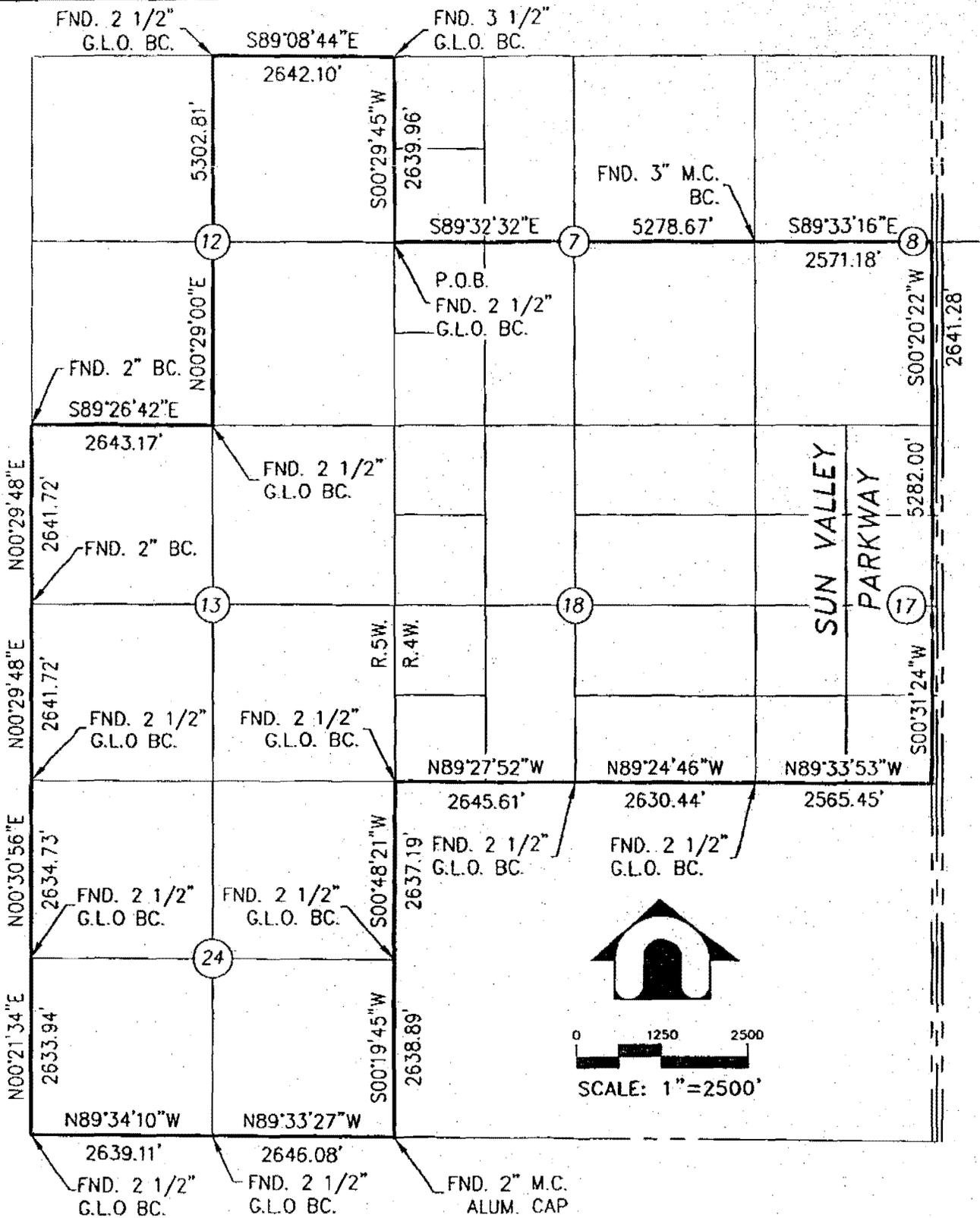
DESCRIPTION OF PUBLIC INFRASTRUCTURE

Trillium Parkway
Waddell Road
Johnson Road
Sun Valley Parkway
Collector – 296th Ave.
Collector – Bruner Road
Collector – North South
Collector – Larkspur Road
Collector – Soledad Street
North Arterial
Collector – Peoria
Single Family Residential Intracts
Commercial / High Density Residential Intracts
Wastewater Treatment Plant (WWTP)
Water Facilities and Distribution
Fire Station
Landscaped Streams
Park and Monument Landscaping
Cross Drainage including Bridges
Traffic Signals

EXHIBIT C

**MAP SHOWING GENERAL AREAS OF THE
PUBLIC INFRASTRUCTURE**

P:\J\FPI00000001\0400CAD\SV\DWG\SVEM\JFP\00000001.dwg AFMC Feb 11, 2005 12:59:24pm



SCALE: 1"=2500
SHEET 1 of 1
JOB NO.: JFP100000002

**TRILLIUM PROPERTY
BOUNDARY EXHIBIT
MARICOPA COUNTY, ARIZONA**

**DAVID EVANS
AND ASSOCIATES INC.**
2141 East Highland Avenue, Suite 200
Phoenix Arizona 85018
Phone: 602.678.5151

DRAWN BY: AFMC
CHECKED BY: BLCA
DATE: 02/05

TOWN OF BUCKEYE
REGULAR COUNCIL MEETING

JANUARY 3, 2006

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 (623 386-4691) 72 hours in advance if you need a sign language interpreter or alternate materials for a visual or hearing impairment. (TTD 623 386-4421)

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.

CONSENT AGENDA ITEMS

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.

***3. Council to consider and if advisable, approve the minutes of the December 20, 2005 Regular Council Meeting as presented.**

***4. Council to consider and if advisable, approve the invoices due by the Town for payment. Copies of invoices are available at Town Hall.**

5. New Business

***5A. Council to consider and if advisable, adopt Ordinance 01-06 amending the zoning map of the Town on approximately 79 acres generally located ¼ mile south of Lower Buckeye Road extending ¼ mile south and extending ½ mile west of Perryville Road from the Rural Residential (RR) Zoning District to the Planned Residential (PR) Zoning District and read by title only. Requested by George Musser on behalf of P. K. Development. PK DEVELOPMENT RZ05-17**

***5B. Council to consider and if advisable, adopt Ordinance 02-06 amending the zoning map of the Town on approximately 2.2 acres generally located at the southeast corner of 4th Street and Arizona Eastern Avenue from the Special Use (SU) Zoning District to the General Commerce (GC) Zoning District and read by title only. Request by Grant Taylor of Empire Southwest on behalf of Bob Strander. STRANDER RZ05-18**

***5C. Council to consider and if advisable, adopt Ordinance 03-06 amending the Zoning Map of the Town on approximately 151 acres generally located at the northeast corner of Broadway Road and the 239th Avenue alignment from the Rural Residential (RR) Zoning District to the Planned Residential (PR) Zoning District and read by title only. Request by Jacob Shepard of Evergreen Development on behalf of Fred B. Dickman, Trustee of the Varney Family Trust. DICKMAN RZ05-37**

***5D. Council to consider and if advisable, adopt Ordinance 04-06 amending the Zoning Map of the Town on approximately 10 acres generally located at the northwest corner of Watson Road and Broadway Road from the Rural Residential (RR) Zoning District to the Commercial Center (CC) Zoning District and read by title only. Request by Jacob Shepard of Evergreen Development on behalf of Fred B. Dickman, Trustee of the Varney Family Trust. DICKMAN RZ05-38**

***5E. Council to consider and if advisable, adopt Resolution 01-06 approving an Area Plan known as San Madera Commons on approximately 161 acres generally located at the northwest corner of Watson Road and Broadway Road. Request by Jacob Shepard of Evergreen Development on behalf of Fred B. Dickman, Trustee of the Varney Family Trust. DICKMAN AP05-09**

***5F. Council to consider and if advisable, adopt Resolution 02-06 authorizing a General Plan Amendment to the Town's General Development Plan Planning Area Land Use Plan and amending the designation of approximately 2.2 acres generally located on the southeast corner of 4th Street and Arizona Eastern Avenue from Open Space to Light Industrial. Request by Grant Taylor of Empire Southwest on behalf of Bob Strander. STRANDER minGP A05-07**

***5G. Council to consider and if advisable, approve the request from the Public Works Department for the purchase of nine light and medium duty vehicles in support of Administration, Vehicle Maintenance, Irrigation and Water/Wastewater to be funded from line item 10-78-642, 1074-642, 60-50-642, and 61-50-644 in an approximate amount of \$174,090.91 on State Contract #38/AD040004.**

***5H. Council to consider and if advisable, approve the purchase and installation of modular office furniture from Corporate Express through Mohave Educational Services Agreement (#03D-CRPX-0127) in an approximate amount of \$118,859.68 from line item 120-50-600 and rescind the Council action of November 15, 2005 regarding the use of a State Contract for this purchase.**

***5I. Council to consider and if advisable, adopt a Memorandum of Understanding (Wastewater Treatment Plant Expansion) pertaining to reimbursement and development fee credits for persons paying for oversized influent lines.**

*Council Action: Possible motion to approve consent agenda items *3, *4, *5A, *5B, *5C, *5D, *5E, *5F, *5G, *5H, and *5I*

NON CONSENT ITEMS

6. PUBLIC HEARINGS

6A. A Public Hearing will be conducted to hear citizen input on the request by Robert L. and Barbara Jane Hunt for the proposed annexation of a 35' x 330' section from Maricopa County into the Town located at 23910 Roeser Road, generally east of Apache Road. HUNT A05-17

Council Action: None.

6B. A Public Hearing will be conducted to hear citizen input on the request by Brenda and Anthony Carson for the proposed annexation of approximately one acre from Maricopa County into the Town at 3412 South 201st Lane, generally located north of Dunlap Road and east of Tuthill Road. CARSON A05-36

Council Action: None.

6C. A Public Hearing will be conducted to hear citizen input on the request by George & Patricia Rovey for the proposed annexation of approximately 153 acres from Maricopa County into the Town

located at the southeast corner of Yuma Road and Tuthill Road. ROVEY A05-24

Council Action: None.

7. NEW BUSINESS

7A. Council to consider and if advisable, adopting Resolution 03-06 approving Capital Asset Accounting Policies and Procedures and authorizing the Town Finance Director to implement and modify, from time to time, such Policies and Procedures to ensure compliance by the Town with generally accepted accounting principles.

Council Action: Discussion and possible motion.

7B. Council to consider and if advisable, authorize the modification to the existing contract with Williams-Scotsman in the approximate amount of \$65,000 from line item 120-50-600 for the expansion of parking from 6,000 s. f. to 20,000 s. f. for the new Town Hall modular building.

Council Action: Discussion and possible motion.

7C. Council to consider and if advisable, adopt Resolution 04-06 approving the application for Modification of Assessments of Assessment 021-02-001 of the Miller Road Improvement District.

Council Action: Discussion and possible motion.

7D. Council to consider and if advisable, consider a petition received relative to formation of the Trillium Community Facilities District and, if deemed advisable, adopt Resolution 05-06 forming such District and entering into a Development, Financing Participation and Intergovernmental Agreement No.1 with such District.

Council Action: Discussion and possible motion.

7E. Council to consider and if advisable, consider re-appointments and appointments to the following Boards and Commissions:

- a. Airport Commission
- b. Library Board
- c. Parks & Recreation Board
- d. Personnel Board
- e. Planning and Development Board
- f. Social Services Advisory Board

Council Action: Discussion and possible motion.

7F. Council to consider and if advisable, consider approval of the IGA between Maricopa County and the Town for operation and administering of a Special Transportation Services Program in the amount of \$19,392 from July 1, 2005 through June 30, 2006 to be funded from line item 010-77-610 in the amount of \$17,224 and 010-51-609 in the amount of \$2,167.

Council Action: Discussion and possible motion.

8. Town Manager's Report - The Town 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.

9. 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 on information presented. Council may direct inquiries to staff.*

10. Adjournment.

Council Action: Motion to adjourn.

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
2006-0055383 01/12/2006 16:08
00671800066-9-4-3--
ELECTRONIC RECORDING

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. 05-06

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 TRILLIUM 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. 05-06

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 TRILLIUM 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 Trillium Community Facilities District (Town of Buckeye, Arizona), submitted and effective January 3, 2006 (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 "*Trillium 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 3,029 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 Trillium 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 February 3, 2006 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. Gust Rosenfeld P.L.C. may serve as Town Attorney and the attorney and bond counsel for the District, and the Town hereby waives any conflict of interest that may exist now or in the future as a result of such dual representation.

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 January 3, 2006.



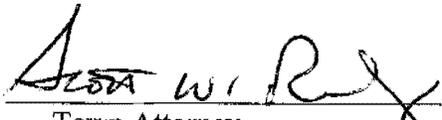
Mayor

ATTEST:



Clerk

APPROVED AS TO FORM:



Town Attorney

Exhibits:

- A Legal description of district
- B Boundary map of district

TRILLIUM
PROPERTY DESCRIPTION
FEBRUARY 23, 2005

A parcel of land situate in the south half of Section 7, Section 18, a portion of the southwest quarter of Section 8 and a portion of the west half of Section 17, Township 3 North, Range 4 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, and Section 13 and Section 24 and the east half of Section 12, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

BEGINNING at a 2 ½" G.L.O. brass cap, found at the east quarter corner of said Section 12;

Thence South 89°32'32" East, along the east-west mid-section line of said Section 7, a distance of 5278.67 feet, to a 3" Maricopa County brass cap found at the east quarter corner of said Section 7;

Thence South 89°33'16" East, along the east-west mid-section line of said Section 8, a distance of 2571.18 feet, to a point on the west Right of Way of Sun Valley Parkway, as shown on the maps recorded in Book 33, Page 4, records of Maricopa County, Arizona;

Thence South 00°20'22" West, along said west Right of Way, a distance of 2641.25 feet, to a point on the south line of the southwest quarter of said Section 8;

Thence South 00°31'24" West, along said west Right of Way, a distance of 5282.03 feet, to a point on the south line of the southwest quarter of said Section 17;

Thence North 89°33'53" West, along the south line of the southwest quarter of said Section 17, a distance of 2565.45 feet, to a 2 ½" G.L.O. brass cap found at the southwest corner of said Section 17;

Thence North 89°24'46" West, along the south line of the southeast quarter of said Section 18, a distance of 2630.44 feet, to a 2 ½" G.L.O. brass cap found at the south quarter corner of said Section 18;

Thence North 89°27'52" West, along the south line of the southwest quarter of said Section 18, a distance of 2645.61 feet, to a 2 ½" G.L.O. brass cap found at the southwest corner of said Section 18;

EXHIBIT A

Thence South 00°48'21" West, along the east line of the northeast quarter of said Section 24, a distance of 2637.19 feet, to a 2 ½" G.L.O. brass cap found at the east quarter corner of said Section 24;

Thence South 00°19'45" West, along the east line of the southeast quarter of said Section 24, a distance of 2638.89 feet, to a 2" Maricopa County aluminum cap found at the southeast corner of said Section 24;

Thence North 89°33'27" West, along the south line of the southeast quarter of said Section 24, a distance of 2646.08 feet, to a 2 ½" G.L.O. brass cap found at the south quarter corner of said Section 24;

Thence North 89°34'10" West, along the south line of the southwest quarter of said Section 24, a distance of 2639.11 feet, to a 2 ½" G.L.O. brass cap found at the southwest corner of said Section 24;

Thence North 00°21'34" East, along the west line of the southwest quarter of said Section 24, a distance of 2633.94 feet, to a 2 ½" G.L.O. brass cap found at the west quarter corner of said Section 24;

Thence North 00°30'56" East, along the west line of the northwest quarter of said Section 24, a distance of 2634.73 feet, to a 2 ½" G.L.O. brass cap found at the northwest corner of said Section 24;

Thence North 00°29'48" East, along the west line of the southwest quarter of said Section 13, a distance of 2641.72 feet, to a 2" brass cap found at the west quarter corner of said Section 13;

Thence North 00°29'48" East, along the west line of the northwest quarter of said Section 13, a distance of 2641.72 feet, to a 2" brass cap found at the northwest corner of said Section 13;

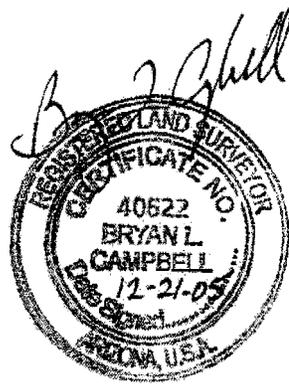
Thence South 89°26'42" East, along the north line of the northwest quarter of said Section 13, a distance of 2643.17 feet, to a 2 ½" G.L.O. brass cap found at the north quarter corner of said Section 13;

Thence North 00°29'00" East, along the north-south mid-section line of said Section 12, a distance of 5302.81 feet, to a 2 ½" G.L.O. brass cap found at the north quarter corner of said Section 12;

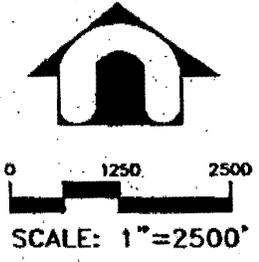
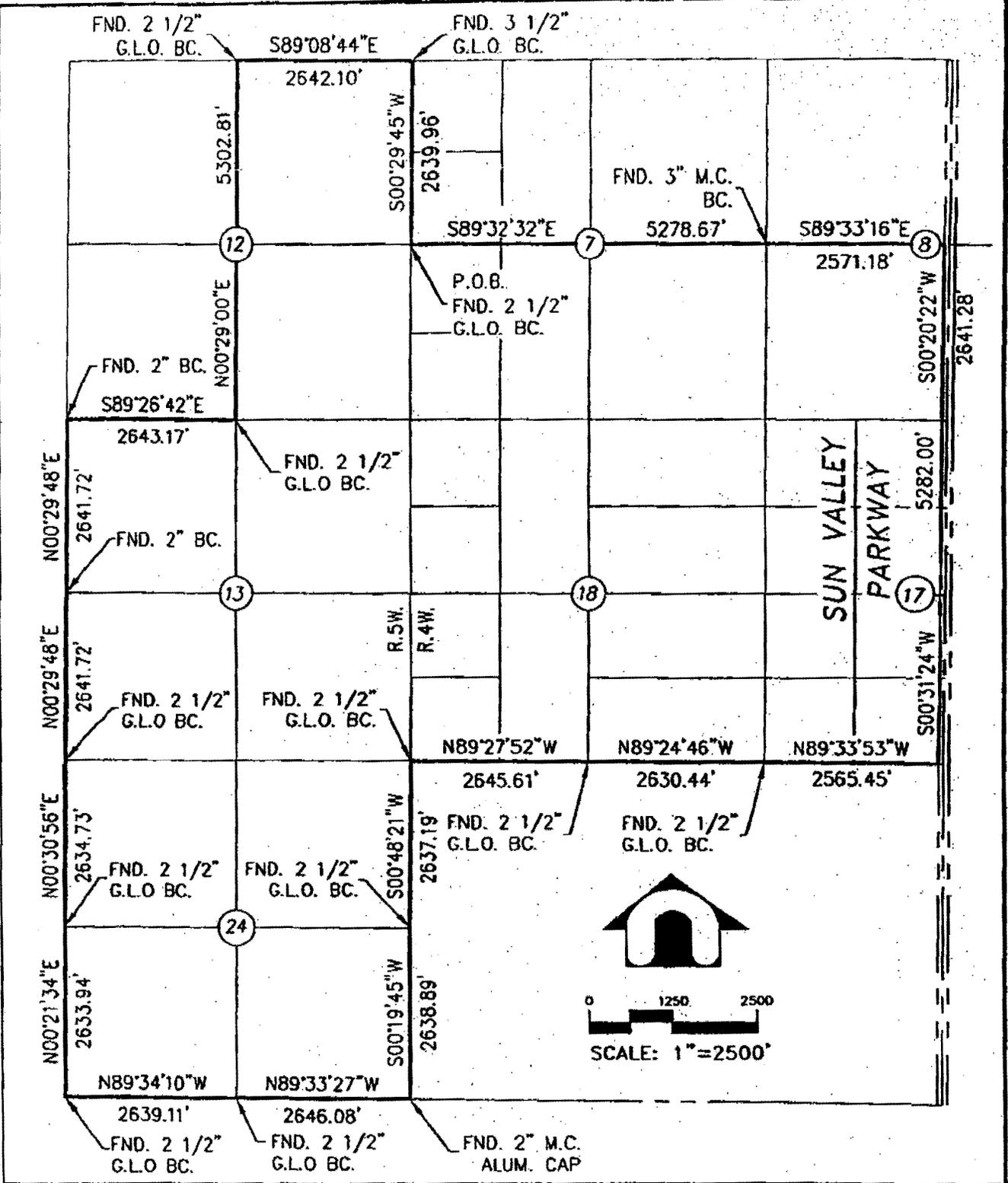
Thence South 89°08'44" East, along the north line of the northeast quarter of said Section 12, a distance of 2642.10 feet, to a 3 ½" G.L.O. brass cap found at the northeast corner of said Section 12;

Thence South 00°29'45" West, along the east line of the northeast quarter of said Section 12, a distance of 2639.96 feet, to a 2 ½" G.L.O. brass cap found at the east quarter corner of said Section 12 and the **TRUE POINT OF BEGINNING**.

Said parcel containing 3,029.095 acres, more or less.



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SCALE: 1"=2500
SHEET 1 OF 1
JOB NO.: JFP100000002

**TRILLIUM PROPERTY
BOUNDARY EXHIBIT
MARICOPA COUNTY, ARIZONA**

DE
**DAVID EVANS
AND ASSOCIATES INC.**
2141 East Highland Avenue, Suite 200
Phoenix Arizona 85018
Phone: 602.678.5151

DRAWN BY: AFMC
CHECKED BY: BLCA
DATE: 02/05

EXHIBIT B

**JOINT MEETING OF
SUNDANCE COMMUNITY FACILITIES DISTRICT AND THE
TRILLIUM COMMUNITY FACILITIES DISTRICT
TOWN OF BUCKEYE, ARIZONA**

JANUARY 3, 2006

AGENDA

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

Immediately following the Regular Council Meeting.

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. (TDD 623 386-4421)

Members of the Community Facilities District Board will attend either in person or by telephone conference call or video presentations.

1. Call to Order/Roll Call.

2. Approval of Minutes – Board to approve the minutes of the November 15, 2005 Sundance Community Facilities District meeting.

Board Action: Discussion and possible motion.

3. Approval/Ratify Expenditures – Sundance CFD

Board Action: Discussion and possible motion.

4. Trillium Community Facilities District

(a) Board to consider and if advisable, adopt Resolution 01-06 a Resolution of the District Board of Trillium Community (Town of Buckeye, Arizona) appointing District Officers; approving the General Plan; taking certain other actions with regard to organization of the District and entering into a Development, Financing Participation and Intergovernmental Agreement No. 1 with the Town.

Board Action: Discussion and possible motion.

5. Sundance Community Facilities District

(a) Board to consider and if advisable, adopt Resolution 01-06 approving the Modification of Assessments of Parcel 16 for Assessment No. 26 of the Special Assessment District No. 2 (Parcels 026-02-001 to 026-02-132 \$4,812.58 each lot).

Board Action: Discussion and possible motion.

(b) Board to consider and if advisable, adopt Resolution 02-06 approving the Modification of Assessments of Parcel 17 for Assessment No. 27 of the Special Assessment District No. 2 (Parcels 027-02-001 to 027-02-114 \$4,717.11 each lot).

Board Action: Discussion and possible motion.

(c) Board to consider and if advisable, adopt Resolution 03-06 approving the Modification of Assessments of Parcel 23B for Assessment No. 34 of the Special Assessment District No. 2 (034-02-001 to 034-02-054 \$4,325.04 each lot).

Board Action: Discussion and possible motion.

(d) Board to consider and if advisable, adopt Resolution 04-06 approving the Modification of Assessments of Parcel 28B for Assessment No. 12 of the Special Assessment District No. 1 (012-02-001 to 012-02-174 \$4,467.04 each lot).

Board Action: Discussion and possible motion.

(e) Board to consider and if advisable, adopt Resolution 05-06 approving the Modification of Assessments of Parcel 38 for Assessment No. 19 of the Special Assessment District No. 1 (019-02-001 to 019-02-049 \$4,492.08 each lot).

Board Action: Discussion and possible motion.

(f) Board to consider and if advisable, adopt Resolution 06-06 approving the Modification of Assessments of Parcel 45A for Assessment No. 22 of the Special Assessment District No. 1 (022-02-001 to 022-02-069 \$3,521.96 each lot).

Board Action: Discussion and possible motion.

(g) Board to consider and if advisable, adopt Resolution 07-06 approving the Modification of Assessments of Parcel 45B for Assessment No. 23 of the Special Assessment District No. 1 (023-02-001 to 023-02-040 \$3,501.50 each lot).

Board Action: Discussion and possible motion.

6. Citizens Comments/Appearances from the Floor.

7. Adjournment.

Board Action: Motion to adjourn.

RESOLUTION NO. 01-06

A RESOLUTION OF THE DISTRICT BOARD OF TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) APPROVING THE GENERAL PLAN; AND TAKING CERTAIN OTHER ACTIONS WITH REGARD TO ORGANIZATION OF THE DISTRICT

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

Section 1. Findings.

A. On January 3, 2006, the Mayor and Council of the Town of Buckeye, Arizona (hereinafter called the "*Town*"), adopted a resolution ordering and declaring formation of Trillium Community Facilities District (Town of Buckeye, Arizona) (hereinafter called the "*District*") (subject to certain conditions precedent) and authorizing and approving a Development Agreement.

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

C. As provided by law, 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), Arizona Revised Statutes, as amended, is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the Town.

D. 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*").

E. The owners of all real property in the District (hereinafter collectively called the "*Owner*") filed with the Clerk of the Town 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*").

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

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 Town Clerk is hereby appointed "District Clerk"; the Town Finance Director is hereby appointed "District Treasurer"; the Town Manager is hereby appointed "District Manager". Gust Rosenfeld P.L.C. is hereby appointed District attorney and District bond

counsel and the District hereby waives any conflict of interest that may exist now or in the future as a result of such dual representation. 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 may be executed on behalf of the District by any member of the Board and the District Manager or the designee of the District Manager.

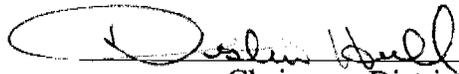
Section 3. Posting of Notices. Statements of the District directing where all public notices of the meetings of the District shall be posted in substantially the form attached hereto as *Exhibit A* has been filed with the Clerks of Maricopa County and the Town and is hereby approved and ratified for all purposes thereof.

Section 4. Preparation of Budget. The District Board hereby instructs the District Manager 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.

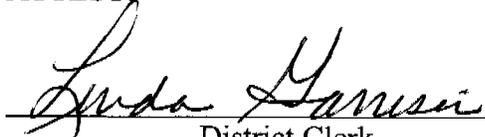
Section 5. Approval of General Plan. The General Plan as submitted to the Town is hereby approved in all respects.

Section 6. Effective Date. This resolution shall be effective immediately.

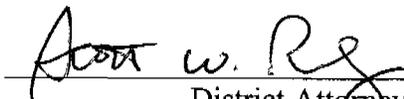
PASSED by the District Board of Trillium Community Facilities District (Town of Buckeye, Arizona) on January 3, 2006.


Chairman, District Board

ATTEST:


District Clerk

APPROVED AS TO FORM:


District Attorney

ATTACHMENT:

EXHIBIT "A" - Statements Regarding Posting of Public Meetings

EXHIBIT A

OPEN MEETING LAW NOTICE

Notice of Meetings

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

TO THE GENERAL PUBLIC:

PLEASE TAKE NOTICE that the District Board of Trillium Community Facilities District (Town of Buckeye, Arizona), will hold its meetings at the Buckeye Town Hall, 100 N. Apache, Suite A, Buckeye, AZ 85236, 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: January 3, 2006.

Clerk

RESOLUTION NO. 02-06

A RESOLUTION OF THE DISTRICT BOARD OF TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) CALLING A SPECIAL BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION FOR THE DISTRICT.

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

Section 1. Findings.

A. On January 3, 2006, the Mayor and Council of the Town of Buckeye, Arizona (hereinafter called the "*Town*"), adopted Resolution No. 05-06 (the "*Resolution*") ordering and declaring formation of Trillium Community Facilities District (Town of Buckeye, Arizona) (hereinafter called the "*District*") and the governing board of the District (the "*District Board*") adopted its Resolution No. 01-06 which appointed officers of the District and performed other duties concerning the formation of the District.

B. (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. Call of Election. A special election, in and for the District, be and the same is hereby ordered and called to be held on February 28, 2006 (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 A 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 3. 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 B. Notice shall also be published in the West Valley View and The Arizona Republic, a newspaper of general circulation in the Town, once a week for two consecutive weeks preceding the Election in substantially the form of Exhibit B.

Section 4. Polling Place. The polling place and the time the poll shall be opened and closed shall be as provided in Exhibit B.

Section 5. 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 C.

Section 6. 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 A and C.

Section 7. 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 8. 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 9. Canvass. On March 7, 2006, 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 10. Effective Date. This resolution shall be effective immediately.

PASSED by the District Board of Trillium Community Facilities District (Town of Buckeye, Arizona) on January 17, 2006.


Chairman, District Board

ATTEST:


District Clerk

APPROVED AS TO FORM:


District Attorney

EXHIBITS:

- A – Form of Ballot
- B – Form of Notice of Election
- C – Form of Affidavit of Elector

EXHIBIT A

Number of acres owned _____

OFFICIAL BALLOT

**GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX SPECIAL ELECTION
FOR TRILLIUM COMMUNITY FACILITIES DISTRICT
(TOWN OF BUCKEYE, ARIZONA)
February 28, 2006**

Question No. 1

Shall the district board (the "Board") of Trillium 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 Fifty Million Dollars (\$150,000,000) 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 Trillium 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 B

NOTICE OF ELECTION

TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):

A general obligation bond and an operation and maintenance ad valorem tax special election will be held on February 28, 2006, 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 N. Apache, Suite A, Buckeye, AZ 85236

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

Question No. 2

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 N. Apache, Suite A, Buckeye, AZ 85236, 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.

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

EXHIBIT C

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)
TRILLIUM 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 Trillium West, LLC (the "*Company*"), a limited liability company duly formed and validly existing pursuant to the laws of the State of _____.

2. The Company I so represent owns _____ acres in the Trillium 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 _____ 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.

Affiant

SUBSCRIBED AND SWORN to before me on February 28, 2006.

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)
TRILLIUM 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 Trillium West Holdings, LLC (the "*Corporation*"), a corporation duly formed and validly existing pursuant to the laws of the State of _____.

2. The Corporation I so represent owns _____ acres of land in the Trillium Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

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

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

Affiant

SUBSCRIBED AND SWORN to before me on February 28, 2006.

Election Board Member

NOTICE OF ELECTION

TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):

A general obligation bond and an operation and maintenance ad valorem tax special election will be held on February 28, 2006, 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 N. Apache, Suite A, Buckeye, AZ 85236

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 Trillium 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 Fifty Million Dollars (\$150,000,000) 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 Trillium 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 N. Apache, Suite A, Buckeye, AZ 85236, 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.

TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA)

AVISO DE UNA ELECCION

A LOS ELECTORES HABILITADOS DE Y DUEÑOS DE TERRENO EN EL TRILLIUM COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO"):

Se celebrará una elección especial de bonos financieros de obligación general y de impuesto ad valorem de manejo y mantenimiento el 28 de febrero de 2006, por el Distrito en el centro de votación presentado más abajo. El Distrito consta de bienes raíces ubicados dentro del recinto de votación White Tank.

RECINTO ELECTORAL White Tank

CENTRO DE VOTACION: Ayuntamiento de Buckeye, 100 N. Apache, Suite A, Buckeye, AZ 85236

Los registros electorales pueden contener los nombres de todos los votantes inscritos a votar en el recinto electoral y la junta de la elección en el centro de votación requerirá que el elector presunto ejecute un affidavit que declara que el elector es un elector habilitado del Distrito. El centro de votación se abrirá 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 habilitados del Distrito votar por las cuestiones siguientes:

Cuestión Número 1

¿Se le deberá autorizar a la junta del distrito (la "Junta") del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas del interés, sean fijas o variables, no excediendo el doce por ciento (12%) por año, establecidas por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tales como la Junta crea apropiados, en la suma principal máxima que no exceda Ciento Cincuenta Millones de Dólares (\$150,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos de los mejoramientos siguientes, incluyendo trabajo necesario o incidental, sea de construcción nueva, renovado o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas sanitarios de aguas cloacales, incluyendo colección, transporte, almacenamiento, tratamiento, dispersión, uso y descargo de efluente; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, el transporte, la desviación, almacenamiento, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, de municipalidad o de protección contra incendios incluyendo la producción, la colección, almacenamiento, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para los propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazo de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; alamedas para peatones, parques y áreas al aire libre para el uso de miembros del público para entretenimiento, asamblea y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas para la entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquieran el sitio o instalaciones; y (l) equipo, vehículos, mobiliario y otros bienes relacionados; (2) 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 deuda de los bonos financieros; (5) financiamiento y pago de los ingresos del interés de los bonos financieros por un período que no exceda tres (3) años a partir de la fecha de su emisión; (6) refinanciar cualesquier bonos vencidos o no vencidos con los nuevos bonos financieros; y (7) gastos del Distrito propios de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"); y (b) para pagar todos o parte de las sumas anticipadas por los terratenientes para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año en toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros 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 esto?

Cuestión Número 2

¿Se le deberá autorizar a la Junta del Distrito del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30¢) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán destinados a los gastos de 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 (temprana) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar por boleta ausente (temprana) por comunicarse con la oficina del District Clerk, 200 N. Apache, Suite A, Buckeye, AZ 85236, número de teléfono (623) 386-4691. El "plan general" del Distrito está archivado con el Escribano del Distrito en la misma ubicación como requiere la Sección 48-702(B), Estatutos Revisados de Arizona, como enmendados.

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

AFFIDAVIT OF POSTING

State of Arizona
County of Maricopa

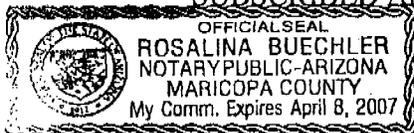
Linda Garrison, being first duly sworn, upon oath, deposes and says:

That at the direction of the Board of Directors of Trillium 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 February 28, 2006, in each of three places in the District.

The notices were posted on or before Feb 7, 2006, which is at least twenty (20) days prior to the election date.

Linda Garrison
Affiant

SUBSCRIBED AND SWORN to before me this 20th day of March, 2006.



Rosalina Buechler
Notary Public

My commission expires:

April 8, 2007

NOTICE OF ELECTION

TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):

A general obligation bond and an operation and maintenance ad valorem tax special election will be held on February 28, 2006, 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 N. Apache, Suite A, Buckeye, AZ 85236

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 Trillium 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 Fifty Million Dollars (\$150,000,000) 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 Trillium 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 N. Apache, Suite A, Buckeye, AZ 85236, 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.

TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA)

AVISO DE UNA ELECCION

A LOS ELECTORES HABILITADOS DE Y DUEÑOS DE TERRENO EN EL TRILLIUM COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO"):

Se celebrará una elección especial de bonos financieros de obligación general y de impuesto ad valorem de manejo y mantenimiento el 28 de febrero de 2006, por el Distrito en el centro de votación presentado más abajo. El Distrito consta de bienes raíces ubicados dentro del recinto de votación White Tank.

RECINTO ELECTORAL White Tank

CENTRO DE VOTACION: Ayuntamiento de Buckeye, 100 N. Apache, Suite A, Buckeye, AZ 85236

Los registros electorales pueden contener los nombres de todos los votantes inscritos a votar en el recinto electoral y la junta de la elección en el centro de votación requerirá que el elector presunto ejecute un affidavit que declara que el elector es un elector habilitado del Distrito. El centro de votación se abrirá 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 habilitados del Distrito votar por las cuestiones siguientes:

Cuestión Número 1

¿Se le deberá autorizar a la junta del distrito (la "Junta") del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas del interés, sean fijas o variables, no excediendo el doce por ciento (12%) por año, establecidas por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tales como la Junta crea apropiados, en la suma principal máxima que no exceda Ciento Cincuenta Millones de Dólares (\$150,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos de los mejoramientos siguientes, incluyendo trabajo necesario o incidental, sea de construcción nueva, renovado o existente, y todos los accesorios necesarios o descables ("infraestructura pública"): (a) sistemas sanitarios de aguas cloacales, incluyendo colección, transporte, almacenamiento, tratamiento, dispersión, uso y descargo de efluente; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, el transporte, la desviación, almacenamiento, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, de municipalidad o de protección contra incendios incluyendo la producción, la colección, almacenamiento, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para los propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazo de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; (f) áreas para peatones, parques y áreas al aire libre para el uso de miembros del público para entretenimiento, asamblea y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas para la entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquieran el sitio o instalaciones; y (l) equipo, vehículos, mobiliario y otros bienes relacionados; (2) 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 deuda de los bonos financieros; (5) financiamiento y pago de los ingresos del interés de los bonos financieros por un período que no exceda tres (3) años a partir de la fecha de su emisión; (6) refinanciar cualesquier bonos vencidos o no vencidos con los nuevos bonos financieros; y (7) gastos del Distrito propios de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"); y (b) para pagar todos o parte de las sumas anticipadas por los terratenientes para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año en toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros 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 esto?

Cuestión Número 2

¿Se le deberá autorizar a la Junta del Distrito del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30¢) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán destinados a los gastos de 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 (temprana) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar por boleta ausente (temprana) por comunicarse con la oficina del District Clerk, 200 N. Apache, Suite A, Buckeye, AZ 85236, número de teléfono (623) 386-4691. El "plan general" del Distrito está archivado con el Escribano del Distrito en la misma ubicación como requiere la Sección 48-702(B), Estatutos Revisados de Arizona, como enmendados.

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

NOTICE OF ELECTION TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT")

A general obligation bond and an operation and maintenance ad valorem tax special election will be held on February 28, 2006, 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 N. Apache, Suite A, Buckeye, AZ 85236 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 Trillium 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 Fifty Million Dollars (\$150,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including new, whether 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 facilities are to be acquired; and (l) equipment, vehicles, furnishings and other personal property 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 landowners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property within 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 Trillium 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 value 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 N. Apache, Suite A, Buckeye, AZ 85236, 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.

TRILLIUM COMMUNITY FACILITIES DISTRICT TOWN OF BUCKEYE, ARIZONA AVISO DE UNA ELECCION A LOS ELECTORES HABILITADOS DE Y DUEÑOS DE TERRENO EN EL TRILLIUM COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO"): Se celebrará una elección especial de bonos financieros de obligación general y de impuesto ad valorem de manejo y mantenimiento el 28 de febrero de 2006, por el Distrito en el centro de votación presentado más abajo. El Distrito

consta de bienes raíces ubicados dentro del recinto de votación White Tank. RECINTO ELECTORAL White Tank CENTRO DE VOTACION: Ayuntamiento de Buckeye, 100 N. Apache, Suite A, Buckeye, AZ 85236. Los registros electorales pueden contener los nombres de todos los votantes inscritos a votar en el recinto electoral y la junta de la elección en el centro de votación requiere que el elector presunte ejecute un affidavit que declara que el elector es un elector habilitado del Distrito. El centro de votación se abrirá y 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 habilitados del Distrito votar por las cuestiones siguientes: (1) emitir y vender bonos de denominaciones, series y formas prescritas por la Junta, y vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas del interés, sean fijas o variables, no excederán el doce por ciento (12%) por año, establecidas por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tales como la Junta crea apropiados, en la suma principal máxima que no exceda Ciento Cincuenta Millones de Dólares (\$150,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos de los mejoramientos siguientes, incluyendo trabajo necesario o incidental, sea de construcción nueva, renovado o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas sanitarios de aguas cloacales, incluyendo colección, transporte, almacenamiento, tratamiento, dispersión, uso y descargo de efluente; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, el transporte, la desviación, almacenamiento, detención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, de municipalidad o de protección contra incendios incluyendo la producción, la colección, almacenamiento, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para los propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazo de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; (f) áreas para peatones, parques y áreas al aire libre para el uso de miembros del público para entretenimiento, recreo y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas para la entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y protección contra incendios; (i) sistemas de

alumbrado, (j) sistemas de control del tráfico, y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquiere el sitio o instalaciones; y (l) equipo, vehículos, mobiliario y otros bienes relacionados; (2) 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 deuda de los bonos financieros; (5) financiamiento y pago de los ingresos del interés de los bonos financieros por un periodo que no exceda tres (3) años a partir de la fecha de su emisión; (6) refinanciar cualesquier bonos vencidos o no vencidos con los nuevos bonos financieros; y (7) gastos del Distrito incidentes a la emisión de los bonos financieros de denominaciones, series y formas prescritas por la Junta, y vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas del interés, sean fijas o variables, no excederán el doce por ciento (12%) por año, establecidas por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tales como la Junta crea apropiados, en la suma principal máxima que no exceda Ciento Cincuenta Millones de Dólares (\$150,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos de los mejoramientos siguientes, incluyendo trabajo necesario o incidental, sea de construcción nueva, renovado o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas sanitarios de aguas cloacales, incluyendo colección, transporte, almacenamiento, tratamiento, dispersión, uso y descargo de efluente; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, el transporte, la desviación, almacenamiento, detención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, de municipalidad o de protección contra incendios incluyendo la producción, la colección, almacenamiento, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para los propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazo de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; (f) áreas para peatones, parques y áreas al aire libre para el uso de miembros del público para entretenimiento, recreo y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas para la entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y protección contra incendios; (i) sistemas de

THE ARIZONA REPUBLIC

STATE OF ARIZONA COUNTY OF MARICOPA } SS.

Diana Chavez, being first duly sworn, upon oath deposes and says: That she is a legal advertising representative 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 1, 8, 2006

[Handwritten signature]

Sworn to before me this 8TH day of February A.D. 2006

[Handwritten signature] Notary Public



WEST VALLEY BUSINESS

West Valley View, Inc., 200 W. Wigwam Blvd., Litchfield Park, Az. 85340-4636 ♦ (623) 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

Public Notice - Notice of Election
to the qualified electors of and property
owners in Trillium Community facilities

will be has been published on January 31 and February 7, 2006.

E Freireich

Elliott Freireich, President, West Valley View, Inc.

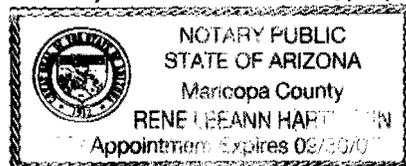
January 31, 2006.
Date

SUBSCRIBED AND SWORN TO BEFORE ME ON THE

31 DAY OF January (Month), 2006 (YEAR)

NOTARY SIGNATURE:

Rene Leann Hartman



Public Notice

NOTICE OF ELECTION TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):

A general obligation bond and an operation and maintenance ad valorem tax special elections will be held on February 28, 2006, 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 N. Apache, Suite A, Buckeye, AZ 85236.

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 Trillium 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 Fifty Million Dollars (\$150,000,000) 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 Trillium 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 in 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 N. Apache, Suite A, Buckeye, AZ 85236, 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.

TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA)

Published in the West Valley View, and the West Valley Business, on January 31, 2006, and February 7, 2006.

WEST VALLEY BUSINESS

West Valley View, Inc., 200 W. Wigwam Blvd., Litchfield Park, Az. 85340-4636 ♦ (623) 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

Public Notice - Aviso de una eleccion
a los electores habilitados de y dueños
de terreno en el Trillium Community Pac. Dist.

will be/has been published on January 31 and February 7, 2006.

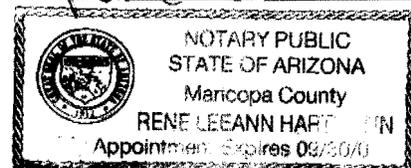
E. Freireich
Elliott Freireich, President, West Valley View, Inc.

January 31, 2006.
Date

SUBSCRIBED AND SWORN TO BEFORE ME ON THE

31 DAY OF January Month, 2006 (YEAR)

NOTARY SIGNATURE: Rene Leeann Hartman



Public Notice

AVISO DE UNA ELECCION A LOS ELECTORES HABILITADOS DE Y DUEÑOS DE TERRENO EN EL TRILLIUM COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO");

Se celebrará una elección especial de bonos financieros de obligación general y de impuesto ad valorem de manejo y mantenimiento el 28 de febrero de 2006, por el Distrito en el centro de votación presentado más abajo. El Distrito consta de bienes raíces ubicados dentro del recinto de votación White Tank.

RECINTO ELECTORAL White Tank

CENTRO DE VOTACION: A juntamiento de Buckeye, 100 N. Apache, Suite A, Buckeye, AZ 85326.

Los registros electorales pueden contener los nombres de todos los votantes inscritos a votar en el recinto electoral y la junta de la elección en el centro de votación en el centro de votación requerirá que el elector presunto ejecute un affidavit que declara que el elector es un elector habilitado del Distrito. El centro de votación se abrirá y 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 habilitados del Distrito votar por las cuestiones siguientes:

Cuestión Número 1

¿Se le deberá autorizar a la junta del distrito (la "Junta") del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas del interés, sean fijas o variables, no excediendo el doce por ciento (12%) por año, establecidas por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tales como la Junta crea apropiados, en la suma principal máxima que no exceda Ciento Cincuenta Millones de Dólares (\$150,000,000) para proveer dinero: (a)(1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos de los mejoramientos siguientes, incluyendo trabajo necesario o incidental, sea de construcción nueva, renovado o existente, y todos los accesorios necesarios o deseables ("Infraestructura pública"): (a) sistemas sanitarios de aguas cloacales, incluyendo colección, transporte, almacenamiento, tratamiento, dispersión, uso y descarga de efluente; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, el transporte, la desviación, almacenamiento, detención, retención, dispersión, uso y descarga; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, de municipalidad o de protección contra incendios incluyendo la producción, la colección,

almacenamiento, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para los propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazo de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; alamedas para peatones parques y áreas al aire libre para el uso de miembros del público para entretenimiento, asamblea y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas para la entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquieran el sitio o instalaciones; y (l) equipo, vehículos, mobiliario y otros bienes relacionados; (2) 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 deuda de los bonos financieros; (5) financiamiento y pago de los ingresos del interés de los bonos financieros por un periodo que no exceda tres (3) años a partir de la fecha de su emisión.; (6) refinanciar cualesquier bonos vencidos o no vencidos con los nuevos bonos financieros; y (7) gastos del Distrito propios de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"); y (b) para pagar todos o parte de las sumas anticipadas por los terratenientes para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año en toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros 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 esto?

Cuestión Número 2

¿Se le deberá autorizar a la Junta del Distrito del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem de valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30¢) por cien dólares (\$100) de valor determinado de

toda la propiedad real y personal en el Distrito, tales impuestos serán destinados a los gastos de 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 (temprana) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar por boleta ausente (temprana) por comunicarse con la oficina del District Clerk, 200 N. Apache, Suite A., Buckeye, AZ 85236, número de teléfono (623) 386-4691. El "plan general" del Distrito está archivado con el Escribano del Distrito en la misma ubicación como requiere la Sección 48-702(B), Estatutos Revisados de Arizona, como enmendados.

TRILLIUM COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA)

Published in the West Valley View, and the West Valley Business, on January 31, 2006, and February 7, 2006.

Number of acres owned _____

OFFICIAL BALLOT

**GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX SPECIAL ELECTION
FOR TRILLIUM COMMUNITY FACILITIES DISTRICT
(TOWN OF BUCKEYE, ARIZONA)
February 28, 2006**

Question No. 1

Shall the district board (the "Board") of Trillium 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 Fifty Million Dollars (\$150,000,000) 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 Trillium 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.

Número de acres que le pertenecen _____

BOLETA OFICIAL

ELECCION ESPECIAL DE BONOS FINANCIEROS DE OBLIGACION GENERAL Y UN IMPUESTO AD VALOREM DE MANEJO Y MANTENIMIENTO POR EL TRILLIUM COMMUNITY FACILITIES DISTRICT

28 de Febrero de 2006

Cuestión Número 1

¿Se le deberá autorizar a la junta del distrito (la "Junta") del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas del interés, sean fijas o variables, no excediendo el doce por ciento (12%) por año, establecidas por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tales como la Junta crea apropiados, en la suma principal máxima que no exceda Ciento Cincuenta Millones de Dólares (\$150,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos de los mejoramientos siguientes, incluyendo trabajo necesario o incidental, sea de construcción nueva, renovado o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas sanitarios de aguas cloacales, incluyendo colección, transporte, almacenamiento, tratamiento, dispersión, uso y descargo de efluente; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, el transporte, la desviación, almacenamiento, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, de municipalidad o de protección contra incendios incluyendo la producción, la colección, almacenamiento, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para los propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazo de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; alamedas para peatones, parques y áreas al aire libre para el uso de miembros del público para entretenimiento, asamblea y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas para la entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquieran el sitio o instalaciones; y (l) equipo, vehículos, mobiliario y otros bienes relacionados; (2) 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 deuda de los bonos financieros; (5) financiamiento y pago de los ingresos del interés de los bonos financieros por un período que no exceda tres (3) años a partir de la fecha de su emisión; (6) refinanciar cualesquier bonos vencidos o no vencidos con los nuevos bonos financieros; y (7) gastos del Distrito propios de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"); y (b) para pagar todos o parte de las sumas anticipadas por los terratenientes para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año en toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros 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 esto?

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

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

Cuestión Número 2

¿Se le deberá autorizar a la Junta del Distrito del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30¢) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán destinados a los gastos de 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, Si" o "Impuesto, No", cualesquier palabras que expresen la decisión del votante.

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 el voto entregado constituirá el voto por todas las 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)
TRILLIUM 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 Trillium West, LLC (the "*Company*"), a limited liability company duly formed and validly existing pursuant to the laws of the State of _____.

2. The Company I so represent owns _____ acres in the Trillium 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 _____ 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.

Affiant

SUBSCRIBED AND SWORN to before me on February 28, 2006.

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)
TRILLIUM 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 Trillium West Holdings, LLC (the "*Corporation*"), a corporation duly formed and validly existing pursuant to the laws of the State of _____.

2. The Corporation I so represent owns _____ acres of land in the Trillium Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

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

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

Affiant

SUBSCRIBED AND SWORN to before me on February 28, 2006.

Election Board Member

**TRILLIUM COMMUNITY FACILITIES DISTRICT MEETING
TOWN OF BUCKEYE, ARIZONA**

March 7, 2006

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. (TDD 623 386-4421)

Members of the Community Facilities District Board will attend either in person or by telephone conference call or video presentations.

1. Call to Order/Roll Call.

Board Action: None.

2. Approval of Minutes – January 17, 2006 Minutes of the Trillium CFD.

Board Action: Discussion and possible motion to approve.

3. Canvass results of election held February 28, 2006 and, if deemed advisable, adopt Resolution No. 03-06, concerning the results of election.

Board Action: Discussion and possible motion.

4. Adjourn.

Board Action: Motion to adjourn.

RESOLUTION NO. 03-06

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 TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) as follows:

1. Findings.

A. Trillium 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. 02-06 ordering and calling a general obligation bond and operation and maintenance ad valorem tax election adopted by the District Board on January 3, 2006, which provided that a special election, in and for the District, be held on February 28, 2006 (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 February 28, 2006, there was submitted to the Electors of the District the questions set forth in the official ballot described in Resolution No. 02-06.

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 3,029 acres;

(4) that a total of 1 ballot representing all of the acres in the District had been cast by Landowners in response to Question No. 1, that 1 ballot was marked "Bonds, Yes" and 0 ballots were marked "Bonds, No";

(5) that a total of 1 ballot representing all of the acres in the District had been cast by Landowners in response to Question No. 2, that 1 ballot was 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 \$150,000,000 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;

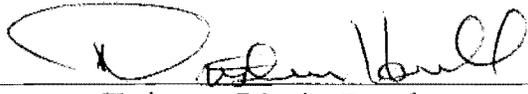
C. That the Chairman of the District Board shall execute, and the District Clerk attest, the "Certificate of Result of Election" attached as Exhibit B hereto; and

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.

PASSED by the District Board of Trillium Community Facilities District (Town of Buckeye, Arizona) on March 7, 2006.

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



Chairman, District Board

ATTEST:


District Clerk

APPROVED AS TO FORM

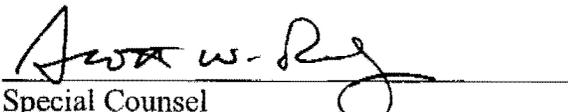

Special Counsel

Exhibit A Ballot
Exhibit B Certificate of Results of Election

Number of acres owned _____

OFFICIAL BALLOT

**GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX SPECIAL ELECTION
FOR TRILLIUM COMMUNITY FACILITIES DISTRICT
(TOWN OF BUCKEYE, ARIZONA)
February 28, 2006**

Question No. 1

Shall the district board (the "Board") of Trillium 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 Fifty Million Dollars (\$150,000,000) 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 Trillium 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

ELECCION ESPECIAL DE BONOS FINANCIEROS DE OBLIGACION GENERAL Y UN IMPUESTO AD VALOREM DE MANEJO Y MANTENIMIENTO POR EL TRILLIUM COMMUNITY FACILITIES DISTRICT

28 de Febrero de 2006

Cuestión Número 1

¿Se le deberá autorizar a la junta del distrito (la "Junta") del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas del interés, sean fijas o variables, no excediendo el doce por ciento (12%) por año, establecidas por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tales como la Junta crea apropiados, en la suma principal máxima que no exceda Ciento Cincuenta Millones de Dólares (\$150,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos de los mejoramientos siguientes, incluyendo trabajo necesario o incidental, sea de construcción nueva, renovado o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas sanitarios de aguas cloacales, incluyendo colección, transporte, almacenamiento, tratamiento, dispersión, uso y descargo de efluente; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, el transporte, la desviación, almacenamiento, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, de municipalidad o de protección contra incendios incluyendo la producción, la colección, almacenamiento, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para los propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazo de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; alamedas para peatones, parques y áreas al aire libre para el uso de miembros del público para entretenimiento, asamblea y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas para la entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquieran el sitio o instalaciones; y (l) equipo, vehículos, mobiliario y otros bienes relacionados; (2) 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 deuda de los bonos financieros; (5) financiamiento y pago de los ingresos del interés de los bonos financieros por un período que no exceda tres (3) años a partir de la fecha de su emisión; (6) refinanciar cualesquier bonos vencidos o no vencidos con los nuevos bonos financieros; y (7) gastos del Distrito propios de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"); y (b) para pagar todos o parte de las sumas anticipadas por los terratenientes para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año en toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros 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 esto?

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

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

Cuestión Número 2

¿Se le deberá autorizar a la Junta del Distrito del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30¢) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán destinados a los gastos de 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 la decisión del votante.

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 el voto entregado constituirá el voto por todas las acres que le pertenecen al votante.

When recorded, return to:

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

CERTIFICATE OF RESULT OF ELECTION BY THE DISTRICT BOARD OF TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA), RELATIVE TO THE SPECIAL ELECTION HELD ON FEBRUARY 28, 2006.

The District Board of Trillium Community Facilities District (Town of Buckeye, Arizona), hereby certifies as follows:

1. Pursuant to the resolution passed and adopted by the District Board on January 17, 2006, an election was duly and regularly held on February 28, 2006, for the purpose of approving the issuance and sale of bonds in the total principal amount of \$150,000,000 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 - \$150,000,000 General Obligation Bonds	3030	0
Question 2 - Operation and Maintenance Tax	3030	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.

EXHIBIT B

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 7, 2006.

Chairman, District Board

ATTEST:

District 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.

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
2006-0365857 03/17/2006 03:42
00671800066A-2-1-1--

When recorded, return to:

ELECTRONIC RECORDING

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

CERTIFICATE OF RESULT OF ELECTION BY THE DISTRICT BOARD OF TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA), RELATIVE TO THE SPECIAL ELECTION HELD ON FEBRUARY 28, 2006.

The District Board of Trillium Community Facilities District (Town of Buckeye, Arizona), hereby certifies as follows:

1. Pursuant to the resolution passed and adopted by the District Board on January 17, 2006, an election was duly and regularly held on February 28, 2006, for the purpose of approving the issuance and sale of bonds in the total principal amount of \$150,000,000 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 - \$150,000,000 General Obligation Bonds	3030	0
Question 2 - Operation and Maintenance Tax	3030	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.

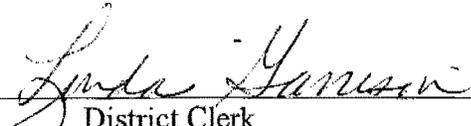
5. The majority of the votes cast at the election was in favor of the levy of the ad valorem tax to provide for payment of the operation and maintenance expenses of the District.

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 7, 2006.



Chairman, District Board

ATTEST:



District 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.

*GUST
ROSENFELD*
ATTORNEYS SINCE 1921 P.L.C.

■ 201 F. 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

January 12, 2006

Ms. Fran McCarroll
Clerk, Board of Supervisors
Maricopa County
301 West Jefferson
Phoenix, Arizona 85003

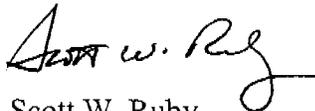
Re: Trillium Community Facilities District
(Town of Buckeye, Arizona)
Our File No. 006718-00066

Dear Fran:

Pursuant to Section 48-708(A), Arizona Revised Statutes, as amended, on behalf of the Trillium 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 January 3, 2006. 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
622098
Enclosure

*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

January 12, 2006

Honorable Keith Russell
Maricopa County Assessor
301 West Jefferson Street
Phoenix, Arizona 85003

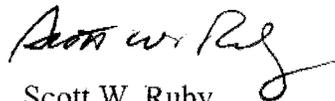
Re: Trillium Community Facilities District
(Town of Buckeye, Arizona)
Our File No. 006718-00066

Dear Mr. Russell:

Pursuant to Section 48-708(A), Arizona Revised Statutes, as amended, on behalf of the Trillium 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 January 3, 2006. Please file such resolution in the official records of the County Assessor. (The legal description and map of the District are exhibits to such resolution.)

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:gmh
622100
Enclosure

*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

January 12, 2006

Arizona Department of Revenue
Central Information Services
1600 West Monroe Street, Room 420
Phoenix, AZ 85007

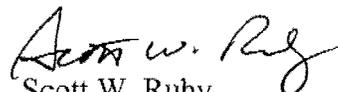
Re: Trillium Community Facilities District
(Town of Buckeye, Arizona)
Our File No. 006718-00066

Dear Sir:

Pursuant to Section 48-708(A), Arizona Revised Statutes, as amended, on behalf of the Trillium 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 January 3, 2006. 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,


Scott W. Ruby
For the Firm

SWR:gmh
Enclosure
622097

*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

January 13, 2006

Compliance Information
State Real Estate Department
2910 North 44th St., Suite 100
Phoenix, AZ 85018

Re: Trillium Community Facilities District
(Town of Buckeye, Arizona)
Our File No. 006718-00066

Dear Sir:

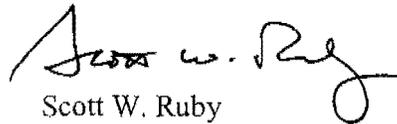
On behalf of the captioned District and pursuant to A.R.S. § 48-718, as amended, we have recorded the following documents with the County Recorder of Maricopa County, Arizona:

- (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:gmh
Enclosures
622101

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
20060055381 01/12/2006 16:08
00671800066-5-4-1--
ELECTRONIC RECORDING

When recorded, return to:

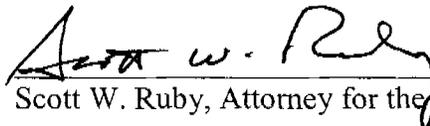
Mr. Scott W. Ruby
Gust Rosenfeld P.L.C.
201 East Washington Street, Suite 800
Phoenix, AZ 85004-2327

**NOTICE OF FORMATION OF
TRILLIUM COMMUNITY FACILITIES DISTRICT
(TOWN OF BUCKEYE, ARIZONA)**

STATE OF ARIZONA
COUNTY OF MARICOPA

Pursuant to Resolution No.05-06, Ordering and Declaring Formation of Trillium Community Facilities District (Town of Buckeye, Arizona), adopted by the Mayor and Council of the Town of Buckeye, Arizona, on January 3, 2006 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: January 12, 2006



Scott W. Ruby, Attorney for the District

ATTACHMENT:

Exhibit A - Legal Description of District

**TRILLIUM
PROPERTY DESCRIPTION
FEBRUARY 23, 2005**

A parcel of land situate in the south half of Section 7, Section 18, a portion of the southwest quarter of Section 8 and a portion of the west half of Section 17, Township 3 North, Range 4 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, and Section 13 and Section 24 and the east half of Section 12, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

BEGINNING at a 2 ½" G.L.O. brass cap, found at the east quarter corner of said Section 12;

Thence South 89°32'32" East, along the east-west mid-section line of said Section 7, a distance of 5278.67 feet, to a 3" Maricopa County brass cap found at the east quarter corner of said Section 7;

Thence South 89°33'16" East, along the east-west mid-section line of said Section 8, a distance of 2571.18 feet, to a point on the west Right of Way of Sun Valley Parkway, as shown on the maps recorded in Book 33, Page 4, records of Maricopa County, Arizona;

Thence South 00°20'22" West, along said west Right of Way, a distance of 2641.25 feet, to a point on the south line of the southwest quarter of said Section 8;

Thence South 00°31'24" West, along said west Right of Way, a distance of 5282.03 feet, to a point on the south line of the southwest quarter of said Section 17;

Thence North 89°33'53" West, along the south line of the southwest quarter of said Section 17, a distance of 2565.45 feet, to a 2 ½" G.L.O. brass cap found at the southwest corner of said Section 17;

Thence North 89°24'46" West, along the south line of the southeast quarter of said Section 18, a distance of 2630.44 feet, to a 2 ½" G.L.O. brass cap found at the south quarter corner of said Section 18;

Thence North 89°27'52" West, along the south line of the southwest quarter of said Section 18, a distance of 2645.61 feet, to a 2 ½" G.L.O. brass cap found at the southwest corner of said Section 18;

Thence South 00°48'21" West, along the east line of the northeast quarter of said Section 24, a distance of 2637.19 feet, to a 2 ½" G.L.O. brass cap found at the east quarter corner of said Section 24;

Thence South 00°19'45" West, along the east line of the southeast quarter of said Section 24, a distance of 2638.89 feet, to a 2" Maricopa County aluminum cap found at the southeast corner of said Section 24;

Thence North 89°33'27" West, along the south line of the southeast quarter of said Section 24, a distance of 2646.08 feet, to a 2 ½" G.L.O. brass cap found at the south quarter corner of said Section 24;

Thence North 89°34'10" West, along the south line of the southwest quarter of said Section 24, a distance of 2639.11 feet, to a 2 ½" G.L.O. brass cap found at the southwest corner of said Section 24;

Thence North 00°21'34" East, along the west line of the southwest quarter of said Section 24, a distance of 2633.94 feet, to a 2 ½" G.L.O. brass cap found at the west quarter corner of said Section 24;

Thence North 00°30'56" East, along the west line of the northwest quarter of said Section 24, a distance of 2634.73 feet, to a 2 ½" G.L.O. brass cap found at the northwest corner of said Section 24;

Thence North 00°29'48" East, along the west line of the southwest quarter of said Section 13, a distance of 2641.72 feet, to a 2" brass cap found at the west quarter corner of said Section 13;

Thence North 00°29'48" East, along the west line of the northwest quarter of said Section 13, a distance of 2641.72 feet, to a 2" brass cap found at the northwest corner of said Section 13;

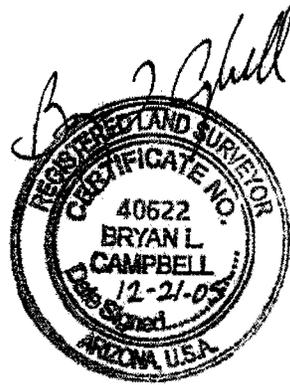
Thence South 89°26'42" East, along the north line of the northwest quarter of said Section 13, a distance of 2643.17 feet, to a 2 ½" G.L.O. brass cap found at the north quarter corner of said Section 13;

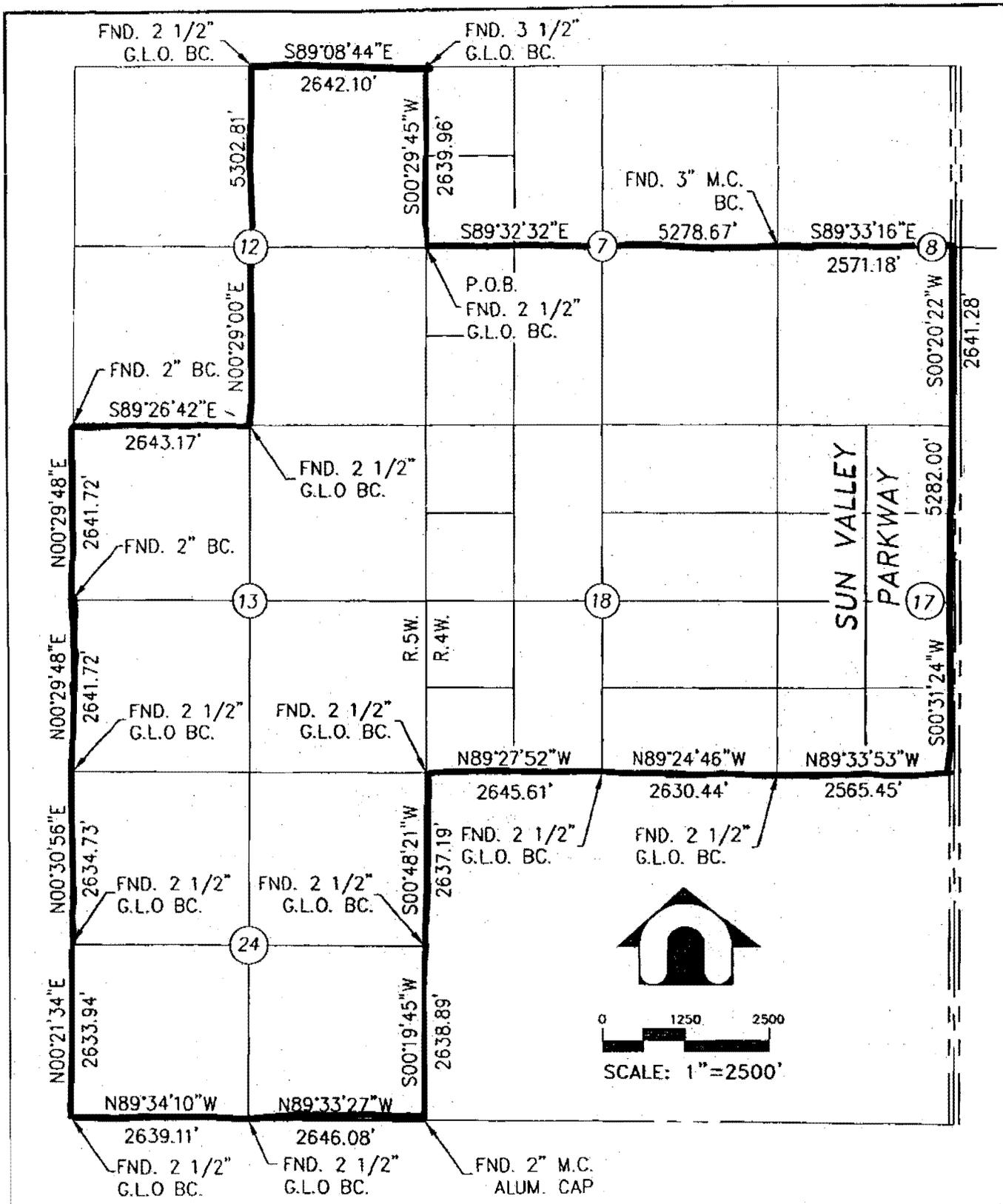
Thence North 00°29'00" East, along the north-south mid-section line of said Section 12, a distance of 5302.81 feet, to a 2 ½" G.L.O. brass cap found at the north quarter corner of said Section 12;

Thence South 89°08'44" East, along the north line of the northeast quarter of said Section 12, a distance of 2642.10 feet, to a 3 ½" G.L.O. brass cap found at the northeast corner of said Section 12;

Thence South 00°29'45" West, along the east line of the northeast quarter of said Section 12, a distance of 2639.96 feet, to a 2 ½" G.L.O. brass cap found at the east quarter corner of said Section 12 and the **TRUE POINT OF BEGINNING.**

Said parcel containing 3,029.095 acres, more or less.





SCALE:
1"=2500

SHEET
1 of 1

JOB NO.:
JFP100000002

**TRILLIUM PROPERTY
BOUNDARY EXHIBIT
MARICOPA COUNTY, ARIZONA**



**DAVID EVANS
AND ASSOCIATES INC.**
2141 East Highland Avenue, Suite 200
Phoenix Arizona 85016
Phone: 602.678.5151

DRAWN BY: AFMC

CHECKED BY: BLCA

DATE: 02/05



U.S. Department of Justice

Civil Rights Division

JKT:MSR:ANS:par
DJ 166-012-3
2006-2765

*Voting Section - NWB.
950 Pennsylvania Avenue, N.W.
Washington, DC 20530*

May 15, 2006

Scott W. Ruby, Esq.
Gust Rosenfeld
201 East Washington, Suite 800
Phoenix, Arizona 85004-2327

Dear Mr. Ruby:

This refers to the creation of the Trillium Community Facilities District, the procedures for conducting the February 28, 2006, special bond and tax election, including the establishment of a polling place, an early voting location and hours, a reduction in election day voting hours, the use of Spanish-language election procedures, posting of notice of the election and the use of paper ballots, 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 March 14, 2006.

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. In addition, as authorized by Section 5, we reserve the right to reexamine this submission if additional information that would otherwise require an objection comes to our attention during the remainder of the sixty-day review period. Procedures for the Administration of Section 5 of the Voting Rights Act (28 C.F.R. 51.41 and 51.43).

We note 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.) (copy

enclosed), 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,


John Tanner
Chief, Voting Section

Enclosure

*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 13, 2006

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:
Trillium Community Facilities District
(Town of Buckeye, Arizona)
Our File No. 006718-00066

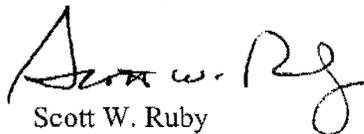
Dear Sir:

The Trillium 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
637538

ATTACHMENT

Election Involved

Pursuant to Arizona Revised Statutes (A.R.S.) § 48-707, the recently created Trillium Community Facilities District (the "*District*") of the Town of Buckeye, Arizona (the "*Town*") held a special election on February 28, 2006, 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 3,029 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, the District was 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 January 3, 2006 by Resolution No. 05-06 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 February 28, 2006, the election date, 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 two companies, Trillium West, LLC and Trillium West Holdings, LLC (collectively, the "*Owners*"). The Owners voted in the election (representing approximately 3,029 acres) and voted in favor of the general obligation bonds and maintenance tax.

Election and Incorporation of Voting Procedures

The February 28, 2006, 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 voting precincts 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 January 17, 2006 by Resolution No. 02-06, 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 West Valley View* and *The Arizona Republic*, newspaper 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 two 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 May 25, 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 two 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.

EXHIBIT A

JUSTICE DEPARTMENT

APPROVAL LETTERS



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.

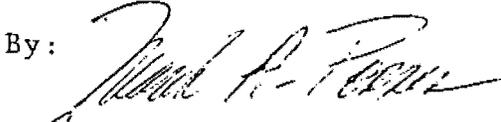
The Attorney General does not interpose any objections to the changes in question. However, we feel a responsibility to point out that Section 5 of the Voting Rights Act expressly provides that the failure of the Attorney General to object does not bar any subsequent judicial action to enjoin the enforcement 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:

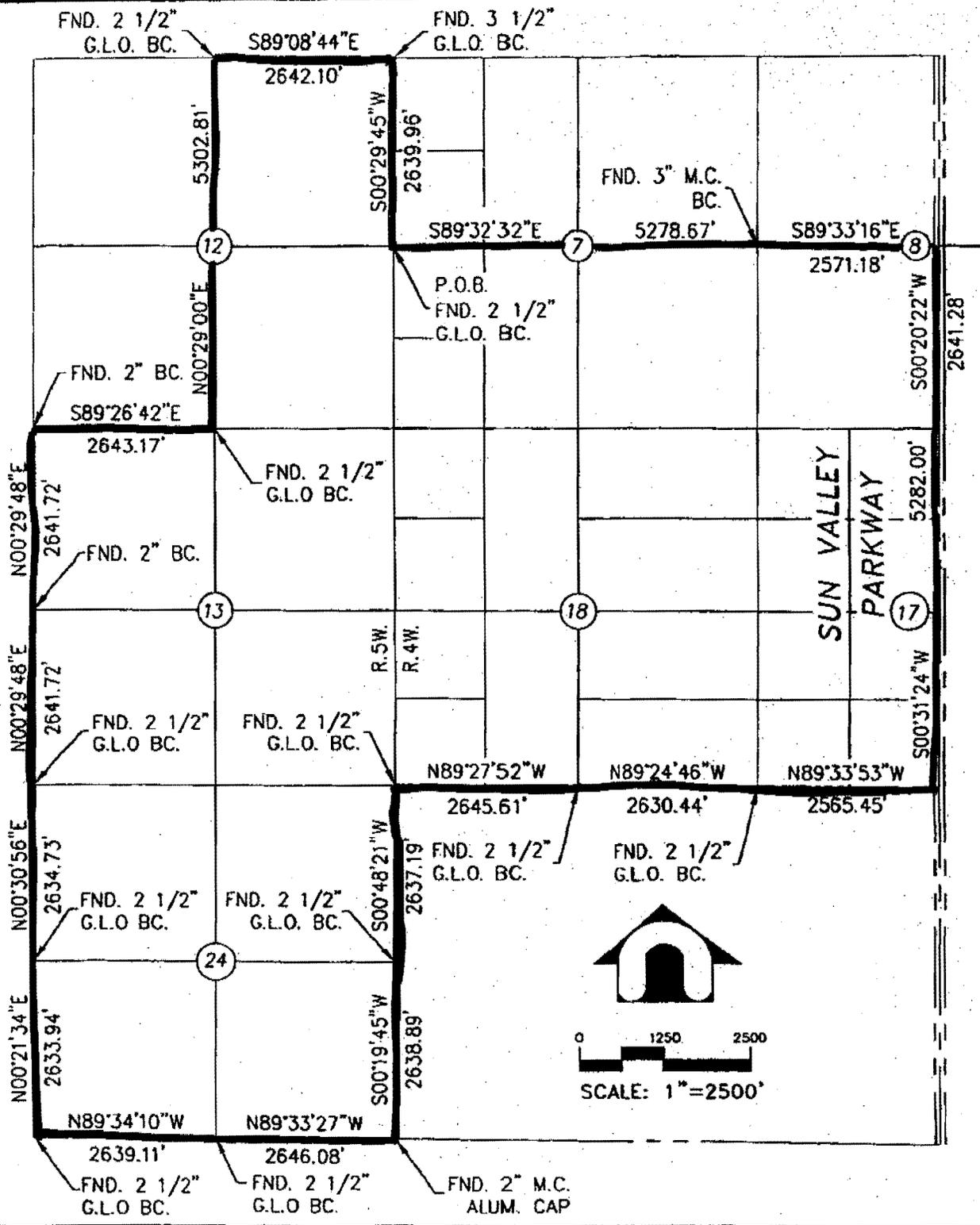
for: Howard Eredway

Barry H. Weinberg
Acting Chief, Voting Section

EXHIBIT B

DISTRICT BOUNDARY MAP

P:\JFP100000001\0400CAD\SV\DWG\SYSTEM1\JFP100000001.dwg AFMC Feb 11, 2005 12:59:24pm



SCALE: 1"=2500'
SHEET 1 OF 1
JOB NO.: JFP100000002

**TRILLIUM PROPERTY
BOUNDARY EXHIBIT
MARICOPA COUNTY, ARIZONA**

DE
**DAVID EVANS
AND ASSOCIATES INC.**
2141 East Highland Avenue, Suite 200
Phoenix Arizona 85016
Phone: 602.678.5151

DRAWN BY: AFMC
CHECKED BY: BLCA
DATE: 02/05

EXHIBIT C

GOVERNING BOARD RESOLUTION

ORDERING ELECTION TO BE HELD

RESOLUTION NO. 02-06

A RESOLUTION OF THE DISTRICT BOARD OF TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) CALLING A SPECIAL BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION FOR THE DISTRICT.

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

Section 1. Findings.

A. On January 3, 2006, the Mayor and Council of the Town of Buckeye, Arizona (hereinafter called the "*Town*"), adopted Resolution No. 05-06 (the "*Resolution*") ordering and declaring formation of Trillium Community Facilities District (Town of Buckeye, Arizona) (hereinafter called the "*District*") and the governing board of the District (the "*District Board*") adopted its Resolution No. 01-06 which appointed officers of the District and performed other duties concerning the formation of the District.

B. (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. **Call of Election.** A special election, in and for the District, be and the same is hereby ordered and called to be held on February 28, 2006 (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 A* 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 3. **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 B*. Notice shall also be published in the *West Valley View* and *The Arizona Republic*, a newspaper of general circulation in the Town, once a week for two consecutive weeks preceding the Election in substantially the form of *Exhibit B*.

Section 4. **Polling Place.** The polling place and the time the poll shall be opened and closed shall be as provided in *Exhibit B*.

Section 5. **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 C*.

Section 6. **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 A* and *C*.

Section 7. **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 8. **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 9. Canvass. On March 7, 2006, 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.

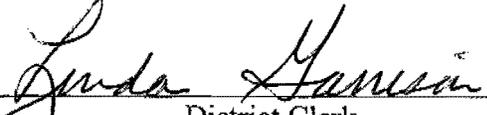
Section 10. Effective Date. This resolution shall be effective immediately.

PASSED by the District Board of Trillium Community Facilities District (Town of Buckeye, Arizona) on January 17, 2006.



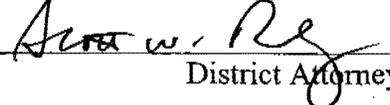
Chairman, District Board

ATTEST:



District Clerk

APPROVED AS TO FORM:



District Attorney

EXHIBITS:

- A – Form of Ballot
- B – Form of Notice of Election
- C – Form of Affidavit of Elector

EXHIBIT A

Number of acres owned _____

OFFICIAL BALLOT

**GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX SPECIAL ELECTION
FOR TRILLIUM COMMUNITY FACILITIES DISTRICT
(TOWN OF BUCKEYE, ARIZONA)
February 28, 2006**

Question No. 1

Shall the district board (the "Board") of Trillium 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 Fifty Million Dollars (\$150,000,000) 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 Trillium 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 voter 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 B

NOTICE OF ELECTION

TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):

A general obligation bond and an operation and maintenance ad valorem tax special election will be held on February 28, 2006, 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 N. Apache, Suite A, Buckeye, AZ 85236

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

Question No. 2

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 N. Apache, Suite A, Buckeye, AZ 85236, 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.

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

EXHIBIT C

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)
TRILLIUM 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 Trillium West, LLC (the "Company"), a limited liability company duly formed and validly existing pursuant to the laws of the State of _____.

2. The Company I so represent owns _____ acres in the Trillium 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 _____ 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.

Affiant

SUBSCRIBED AND SWORN to before me on February 28, 2006.

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)
TRILLIUM 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 Trillium West Holdings, LLC (the "*Corporation*"), a corporation duly formed and validly existing pursuant to the laws of the State of _____.

2. The Corporation I so represent owns _____ acres of land in the Trillium Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

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

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

Affiant

SUBSCRIBED AND SWORN to before me on February 28, 2006.

Election Board Member

EXHIBIT D

NOTICE OF ELECTION

(English and Spanish)

NOTICE OF ELECTION

TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):

A general obligation bond and an operation and maintenance ad valorem tax special election will be held on February 28, 2006, 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 N. Apache, Suite A, Buckeye, AZ 85236

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 Trillium 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 Fifty Million Dollars (\$150,000,000) 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 Trillium 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 N. Apache, Suite A, Buckeye, AZ 85236, 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.

TRILLIUM COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA)

AVISO DE UNA ELECCION

A LOS ELECTORES HABILITADOS DE Y DUEÑOS DE TERRENO EN EL TRILLIUM COMMUNITY FACILITIES DISTRICT (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO"):

Se celebrará una elección especial de bonos financieros de obligación general y de impuesto ad valorem de manejo y mantenimiento el 28 de febrero de 2006, por el Distrito en el centro de votación presentado más abajo. El Distrito consta de bienes raíces ubicados dentro del recinto de votación White Tank.

RECINTO ELECTORAL White Tank

CENTRO DE VOTACION: Ayuntamiento de Buckeye, 100 N. Apache, Suite A, Buckeye, AZ 85236

Los registros electorales pueden contener los nombres de todos los votantes inscritos a votar en el recinto electoral y la junta de la elección en el centro de votación requerirá que el elector presunto ejecute un affidavit que declara que el elector es un elector habilitado del Distrito. El centro de votación se abrirá 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 habilitados del Distrito votar por las cuestiones siguientes:

Cuestión Número 1

¿Se le deberá autorizar a la junta del distrito (la "Junta") del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas del interés, sean fijas o variables, no excediendo el doce por ciento (12%) por año, establecidas por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tales como la Junta crea apropiados, en la suma principal máxima que no exceda Ciento Cincuenta Millones de Dólares (\$150,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos de los mejoramientos siguientes, incluyendo trabajo necesario o incidental, sea de construcción nueva, renovado o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas sanitarios de aguas cloacales, incluyendo colección, transporte, almacenamiento, tratamiento, dispersión, uso y descargo de efluente; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, el transporte, la desviación, almacenamiento, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, de municipalidad o de protección contra incendios incluyendo la producción, la colección, almacenamiento, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para los propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazo de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; alamedas para peatones, parques y áreas al aire libre para el uso de miembros del público para entretenimiento, asamblea y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas para la entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquieran el sitio o instalaciones; y (l) equipo, vehículos, mobiliario y otros bienes relacionados; (2) 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 deuda de los bonos financieros; (5) financiamiento y pago de los ingresos del interés de los bonos financieros por un período que no exceda tres (3) años a partir de la fecha de su emisión; (6) refinanciar cualesquier bonos vencidos o no vencidos con los nuevos bonos financieros; y (7) gastos del Distrito propios de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"); y (b) para pagar todos o parte de las sumas anticipadas por los terratenientes para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año en toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros 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 esto?

Cuestión Número 2

¿Se le deberá autorizar a la Junta del Distrito del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30¢) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán destinados a los gastos de 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 (temprana) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar por boleta ausente (temprana) por comunicarse con la oficina del District Clerk, 200 N. Apache, Suite A, Buckeye, AZ 85236, número de teléfono (623) 386-4691. El "plan general" del Distrito está archivado con el Escribano del Distrito en la misma ubicación como requiere la Sección 48-702(B), Estatutos Revisados de Arizona, como enmendados.

TRILLIUM COMMUNITY FACILITIES DISTRICT
(PUEBLO DE BUCKEYE, ARIZONA)

EXHIBIT E

BALLOTS

(English and Spanish)

OFFICIAL BALLOT

**GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX SPECIAL ELECTION
FOR TRILLIUM COMMUNITY FACILITIES DISTRICT
(TOWN OF BUCKEYE, ARIZONA)
February 28, 2006**

Question No. 1

Shall the district board (the "Board") of Trillium 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 Fifty Million Dollars (\$150,000,000) 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 Trillium 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

ELECCION ESPECIAL DE BONOS FINANCIEROS DE OBLIGACION GENERAL Y UN IMPUESTO AD VALOREM DE MANEJO Y MANTENIMIENTO POR EL TRILLIUM COMMUNITY FACILITIES DISTRICT

28 de Febrero de 2006

Cuestión Número 1

¿Se le deberá autorizar a la junta del distrito (la "Junta") del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas del interés, sean fijas o variables, no excediendo el doce por ciento (12%) por año, establecidas por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tales como la Junta crea apropiados, en la suma principal máxima que no exceda Ciento Cincuenta Millones de Dólares (\$150,000,000) para proveer dinero: (a) (1) para la planificación, el diseño, la ingeniería, la construcción, la adquisición o la instalación de cualquiera o de todos de los mejoramientos siguientes, incluyendo trabajo necesario o incidental, sea de construcción nueva, renovado o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas sanitarios de aguas cloacales, incluyendo colección, transporte, almacenamiento, tratamiento, dispersión, uso y descargo de efluente; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, el transporte, la desviación, almacenamiento, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, de municipalidad o de protección contra incendios incluyendo la producción, la colección, almacenamiento, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para los propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazo de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamiento incluyendo todas áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, entrar, salir y estacionarse; alamedas para peatones, parques y áreas al aire libre para el uso de miembros del público para entretenimiento, asamblea y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otros aspectos acuáticos, plantas, árboles y sistemas para la entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y protección contra incendios; (i) sistemas de alumbrado, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquieran el sitio o instalaciones; y (l) equipo, vehículos, mobiliario y otros bienes relacionados; (2) 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 deuda de los bonos financieros; (5) financiamiento y pago de los ingresos del interés de los bonos financieros por un período que no exceda tres (3) años a partir de la fecha de su emisión; (6) refinar cualquier bonos vencidos o no vencidos con los nuevos bonos financieros; y (7) gastos del Distrito propios de y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"); y (b) para pagar todos o parte de las sumas anticipadas por los terratenientes para propósitos de la infraestructura pública nombrados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado cada año en toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros 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 esto?

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

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

Cuestión Número 2

¿Se le deberá autorizar a la Junta del Distrito del Trillium Community Facilities District (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem del valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30¢) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán destinados a los gastos de 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, Si" o "Impuesto, No", cualesquier palabras que expresen la decisión del votante.

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 el voto entregado constituirá el voto por todas las acres que le pertenecen al votante.

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
2006-0055382 01/12/2006 16:08
00671800066-52-4-2--
ELECTRONIC RECORDING

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**

FOR

**TRILLIUM
COMMUNITY FACILITIES DISTRICT
(BUCKEYE, ARIZONA)**

by and among

TOWN OF BUCKEYE, ARIZONA

and

TRILLIUM COMMUNITY FACILITIES DISTRICT

and

TRILLIUM WEST, L.L.C.

and

TRILLIUM WEST HOLDINGS, L.L.C.

Dated as of January 11, 2006

**DEVELOPMENT, FINANCING PARTICIPATION
AND INTERGOVERNMENTAL AGREEMENT NO. 1
TRILLIUM
COMMUNITY FACILITIES DISTRICT**

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THIS DEVELOPMENT, FINANCING PARTICIPATION AND INTERGOVERNMENTAL AGREEMENT NO. 1 TRILLIUM COMMUNITY FACILITIES DISTRICT, dated as of January 11, 2006 (the "*Agreement*"), by and among the Town of Buckeye, Arizona, a municipal corporation under the laws of the State of Arizona (the "*Municipality*"), Trillium 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*"), Trillium West, L.L.C., 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 and Trillium West Holdings, L.L.C., an Arizona limited liability company, and its assigns and/or successors (the "*Owner*"). Other persons 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 Lienholder 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 Owner 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 Owner 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 Owner 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 issue, in its sole discretion, G.O. Bonds in an amount not to exceed one-hundred fifty million dollars (\$150,000,000) to provide moneys for public infrastructure purposes consistent with the ballot, the General Plan and the Act; 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 Owner during the Owner Exclusive Period (as hereinafter defined)), 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 owner desires that the District utilize proceeds of the Bonds to acquire public infrastructure from the Owner pursuant to the terms of this Agreement, including but not limited to the provisions of Articles II and III and the 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 the 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 the Owner or its assigns; and

WHEREAS, pursuant to the Act, the District may enter into this Agreement with the Owner with respect to the advance of moneys for public infrastructure or public infrastructure purposes by the Owner 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 and Application Procedures for the Establishment of Community Facilities Districts, as amended from time to time (the "*CFD Guidelines*") 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, the District shall be subject to and governed by the terms and provisions of the CFD Guidelines, as may be amended from time to time.

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 7.3(d) of this Agreement. The Municipality will provide the District and the District will provide the Owner with an invoice for the Municipality's costs and expenses. The Owner agrees 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 Owner and the District (collectively, the "*Engineers*") with respect thereto in the form of *Exhibit "C"* hereto (the "*Certificate of the Engineers*"). Prior to the approval of the Report by the District Board and in addition to the procedures outlined in Section 3, the Owner shall be permitted to submit for review by the Engineers completed Projects and/or Segments for determination and certification of the Project Price/Segment Price for the Segment on March 31 and September 30 of each fiscal year. All costs of Engineers shall be paid by the Owner pursuant to the terms of this Agreement.

(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 Owner 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 Owner shall have sole liability for payment under such contract of all such amounts.

Section 1.6 Submission of Reports; Approval or Rejection. Owner or, if after the end of the Owner Exclusive Period (as hereinafter defined), the District or any third party owning real property within the District, shall have the right to submit to the District Board one or more Reports pertaining to the issuance of 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 District Bonds. The Owner Exclusive Period shall be until 15% or less of the developable acreage within the District is owned by the Owners and their assigns or affiliates.

Section 1.7 Withdrawal of Reports. Notwithstanding Section 1.6 above, Owner shall be permitted to withdraw any Report submitted by Owner 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. Owner shall be permitted to resubmit any such withdrawn Report or any Report which has been rejected by the District Board and then amended by Owner, at such time as Owner may, in its sole discretion, deem advisable. The Owner is responsible for the costs incurred prior to the withdrawal, including consultant fees.

ARTICLE II

CONSTRUCTION OF PROJECTS BY OWNER

Section 2.1 Construction by Owner.

(a) At Owner's Expense. Subject to the other terms and provisions of this Agreement, Owner at its 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 for 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 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 subject to approval by the District Board. Any increase in cost caused by any change order shall be the sole responsibility of Owner provided that such increase in cost caused by an approved change order may be included by Owner in any applicable Segment Price pursuant to Section 3.2 hereof.

Section 2.4 **At Owner's Risk.** As between Owner, the Municipality and the District, Owner shall bear all risks, liabilities, obligations and responsibilities under each 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).

Section 2.5 **Prior Conveyance Not a Bar.** The prior conveyance or dedication of easements, rights-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 OWNER

Section 3.1 **Acquisition by District.**

(a) **Purchase.** Subject to the other terms and provisions of this Agreement and after the District Board, exercising its sole discretion, approves a Report pertaining to the applicable Acquisition Project, Owner shall sell to the District, and the District shall acquire from Owner, 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 Owner 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.

(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.** Owner has 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 Owner 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 Owner or accepted by the District or the

Municipality or offered for dedication by Owner 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 Owner 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 Owner, and Owner 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" in the form of Exhibit "D" hereto (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 materialmen's warranties and guarantees as well as payment and performance bonds;
- (v) an acceptance letter 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.** Notwithstanding anything herein, the Owner may request, and the District, in its sole discretion may finance, real property interests including public parks, school sites, civic sites, and fire station sites. The Owner 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, 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.** Unless otherwise agreed to by the District, in its sole and absolute discretion, prior to bidding any contract for the construction of a Construction Project, the Owner 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 Owner for such Necessary Public Property executed by an authorized officer of the Owner,

(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.** Owner has 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 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 the Owner prior to the sale and delivery of the Bonds shall, subject to the requirements of Section 3.3 hereof, be paid to Owner 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 Owner (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 Owner to payment for any amount of the Project Price or Segment Price paid by Owner 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 Owner 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 Owner for any payment made by Owner 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 Owner (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 Owner 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 Owner if the District thereafter finances such amount from other or future Bonds and the District and the Municipality shall reasonably cooperate with Owner 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 Owner 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 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 Owner 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

Owner prior to the sale and delivery of the Bonds shall be paid to Owner 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 Owner (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 Owner. The foregoing is not intended to limit the right of Owner to payment for any amount of the Construction Costs paid by Owner 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 Owner 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 Owner for any payment of a Construction Cost paid by Owner 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 Owner 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 shall, 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 may 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) **Sale 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; Amount.**

(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 Owner 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 Owner 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.

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 five percent (5%), 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, 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 Owner 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 Owner 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 **Requirements for General Obligation Bonds.**

(a) **CFD Guidelines Apply.** Proceeds of G.O. Bonds may be used for any purpose permitted by the Act. 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) **Limit 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. This limit shall apply instead of the lower limit that may be

provided for in the CFD Guidelines. 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) **Alternative Secondary Assessed Valuation.** At the sole discretion of the Owner, the Owner shall have the ability to utilize, for the purpose of the estimation of the secondary assessed valuation of the property contained within the boundaries of the District, the existing preliminary pre-certified secondary assessed value of the property as reported by the Maricopa County Assessor in February plus all Certificates of Occupancy issued by the Town one month prior to the anticipated date of the G.O. Bond issue for any structures located within the boundaries of the District that have not yet been placed on the Maricopa County tax rolls, Certificates of Occupancy will be valued at the weighted average secondary assessed value for similar structures contained within the District boundaries as reported by the Maricopa County Assessor's office in their most current available Real Property Annexation Report by Owner. Should the Owner determine to utilize the preliminary secondary assessed valuation of District property in addition to the Certificates of Occupancy issued in the estimation of secondary assessed valuation for all property contained within the boundaries of the District, the District may require the Owner to fund sufficient capitalized interest reserves and/or provide additional security as may be required to ensure that sufficient funds will be available to the District to pay when due the principal of interest on and premium, if any on the G.O. Debt without increasing the G.O. Debt service tax rate of \$3.00.

(e) **Limit on Indebtedness.** 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:

(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 (2) the full economic defeasance of the Bonds by an irrevocable escrow of cash or U.S. government securities. The transfer restriction shall be set out in the proceeding authorizing the issuance of the Bonds.

(b) **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 Owner or Owner's 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.**

(a) **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.

(c) **Replacement Reserve Amount.** "*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 Owner installs 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 Owner by the Municipality and the Owner 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. Owner 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 Owner's expense and during normal business hours, to review the Municipality's records to verify the costs and expenses of 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 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 Owner is 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)(i) below; and (iv) District Maintenance Expenses described in Section 7.4(a)(i) below.

Section 7.4 **Owner or 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, Owner, or a homeowner's association, if such homeowner's association is, to the satisfaction of the District, legally obligated to pay and is comprised of more than one thousand (1000) homes ("*HOA*") shall maintain, at its expense, all landscaping located within any park (except as otherwise expressly agreed with respect to a public park), right-of-way or public easement.

(b) **District Administrative and Maintenance Expenses.** 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, Owner (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) agrees 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 Owner 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 Owner, provided however, Owner 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 is 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 Owner's 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. Notwithstanding paragraph 7.4(b)(iii) above, the Expenses (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 Owner's obligations under Section 7.4(b) are in effect, District Maintenance Expenses shall not include expenses related to street 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 and 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**. The Owner or such other financially acceptable entity determined by the District Manager (1) 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; (iii) the offer or sale of any Bonds; (iv) the claims of any contractor, vendor, subcontractor or supplier under any Acquisition Project Construction Contract or Construction Project Construction Contractor, 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 the 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 Owner (which consent shall not be unreasonably withheld); and (2) shall, subject to the Owner's 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.

(b) **Limitation.** This Section shall not be applicable to matters involving any gross negligence or willful misconduct of 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 levy or collection of any tax or assessment made in order to provide for payment of bonds which were not issue and sold as a result of a Report submitted by the Owners, or (ii) the claims of any contractor, vendor, or subcontractor or supplier under any Acquisition Project Construction Contracts or Construction Project Construction Contracts which were not initiated or the subject of an approved Report submitted by the Owner.

(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 Owner, an Indemnified Party shall notify the Owner 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 Owner by the amount of damages attributable to the failure of the Indemnified Party to give such notice to the Owner, but the omission to notify the Owner of any such action shall not relieve the Owner 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 Owner of the commencement thereof, the Owner 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 Owner (it being understood that, except as hereinafter provided, the Owner shall not be liable for the expenses of more than one counsel representing the Indemnified Parties in such action), and after notice from the Owner to such Indemnified Party of an election so to assume the defense thereof, the Owner 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 Owner defends any such action at the request of such Indemnified Party, the Owner shall have the right to participate at its own expense in the defense of any such action. If the Owner 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 Owner (in which case the Owner shall not have the right to direct the defense of such action on behalf of such Indemnified Party) or to other Indemnified Parties, the legal and other expenses, including the expense of separate counsel, incurred by such Indemnified Party shall be borne by the Owner.

ARTICLE IX

MISCELLANEOUS

Section 9.1 **Tax Covenant.** None of the Municipality, the District nor the Owner 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 Owner.

(b) **Distribution of Pamphlet; Disclosure Statement.** The Owner shall require that each homebuilder to whom the Owner has 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 right 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.

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 Owner 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 **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona.

Section 9.7 **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 9.8 **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 instruments.

Section 9.9 **Release and Discharge.** This Agreement supercedes all previous written or oral agreements or understandings regarding the subject matter of this Agreement. The Owner knowingly and voluntarily forever releases and discharges 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 Owner has against the Municipality, and arising from actions, omissions, delays or other events that occurred prior to the date of this Agreement.

Section 9.10 **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 owner 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 Owner arising as the result of this Agreement. The Owner has 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 Owner in any capacity or a consultant to any party to this Agreement with respect to the subject matter of this Agreement.

Section 9.11 **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 Owner 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 9.12 **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: The Town of Buckeye
 100 N. Apache, Suite A
 Buckeye, Arizona 85326
 Attention: Town Manager

If to the District: The Town of Buckeye
 100 N. Apache, Suite A
 Buckeye, Arizona 85326
 Attention: District Manager

With a copy to: Gust Rosenfeld, P.L.C.
 201 E. Washington Street, Suite 800
 Phoenix, Arizona 85004-2327
 Scott W. Ruby, Town Attorney/District Attorney

If to the Owner: Trillium West, L.L.C.
 6720 North Scottsdale Road, Suite 250
 Scottsdale, Arizona 85253
 Joel Farkas, Manager

 Trillium West Holdings, L.L.C.
 6720 North Scottsdale Road, Suite 250
 Scottsdale, Arizona 85253
 Joel Farkas, Manager

Any of the foregoing, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 9.13 **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 9.14 **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 9.15 **Obligations Imposed by Law.** This Agreement does not relieve any party hereto of any obligation or responsibility imposed upon it by law.

Section 9.16 **Record with County Recorder.** No later than ten (10) days after this Agreement is executed and delivered by each of the parties hereto, the Owner shall on behalf of the Municipality and the District record a copy of this Agreement with the County Recorder of Maricopa County, Arizona.

Section 9.17 **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 9.18 **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.

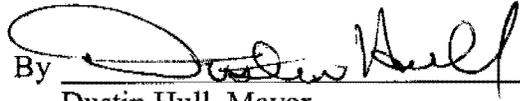
Section 9.19 **Consent.** Whenever the consent or approval of any party hereto, or of any agency therefor, shall be required under the provisions hereof, such consent or approval shall not be unreasonably withheld, conditioned or delayed.

Section 9.20 **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 Owner, and the Other Parties do not, by

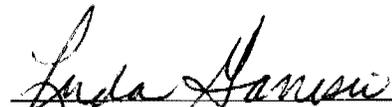
joining in the execution of this Agreement, obligate themselves to any of the affirmative obligations set forth herein on the part of the Owner.

IN WITNESS WHEREOF, the officers of the Municipality and of the District have duly affixed their signatures and attestations, and the officers of the Owner their signatures, all as of the day and year first written above.

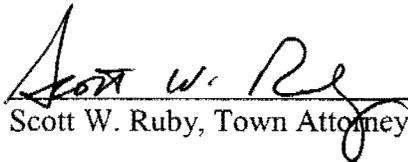
TOWN OF BUCKEYE, ARIZONA, a municipal corporation

By 
Dustin Hull, Mayor

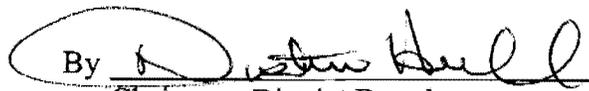
ATTEST:


Linda Garrison, Town Clerk

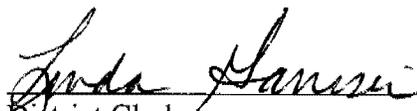
Pursuant to A.R.S. Section 11-952(D), this Agreement has been reviewed by the undersigned attorney for the Municipality who has determined that this Agreement is in proper form and is within the powers and authority granted pursuant to the laws of this State to the Municipality.


Scott W. Ruby, Town Attorney

TRILLIUM COMMUNITY FACILITIES DISTRICT, a municipal corporation

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.

Scott W. Reg
District Counsel

State of Arizona)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 11th day of JANUARY, 2006, 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, 2009



State of Arizona)
) ss.
County of Maricopa)

03/31/2009

The foregoing instrument was acknowledged before me this 11th day of JANUARY, 20 , by Dustin Hull, as Chairman of the District Board of Trillium Community Facilities District, an Arizona community facilities district.

Linda Garrison
Notary Public

My commission expires:

March 31, 2009



03/31/2009

State of Arizona)
) ss.
County of Maricopa)

On this day, personally appeared before me Joel H. Farkas, as Manager of Trillium West Holdings, 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 12-29-2005.

Marsha Kennedy
Notary Public

My commission expires:
3-15-2008



03/15/2008

LIENHOLDER
CONSENT AND AGREEMENT

Reference is made to that certain Development, Financing Participation and Intergovernmental Agreement No. 1 (Trillium Community Facilities District), dated as of JANUARY 11, 2006, by and among the Town of Buckeye, Arizona, the Trillium Community Facilities District, and Trillium West, L.L.C., an Arizona limited liability company ("*Trustor*") 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 this Development Agreement. The undersigned Sun Valley Consolidated Limited Partnership, an Arizona limited partnership ("*Beneficiary*"), is the beneficiary under a Deed of Trust dated December 16, 2003 and recorded December 16, 2003 in Documents No. 2003-169375 (the "*Deed of Trust*") covering property proposed to be included in this proposed Trillium Community Facilities District (the "*District*"). Amy Howland, Esq., a member of the State Bar of Arizona is the Trustee under said Deed of Trust (the "*Trustee*"). The undersigned, each as one of the "*Other Parties*" having an interest in the real property within the District to the Development Agreement, acknowledges that the Development Agreement shall bind all real property in which the undersigned has an interest 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 Owner under the Development Agreement.

SUN VALLEY CONSOLIDATED
LIMITED PARTNERSHIP, an Arizona
limited partnership, as Beneficiary

By: Amy H Howland
Its: authorized agent

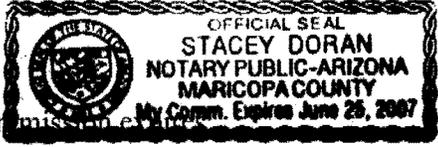
AMY HOWLAND, ESQ., a member of the
State Bar of Arizona, as Trustee

By: Amy H Howland
Its: Trustee

State of Arizona)
) ss.
County of Maricopa)

On this day, personally appeared before me Amy Howland, as Authorized Agent of Sun Valley Consolidated Limited Partnership, an Arizona limited partnership, 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 Dec 28th, 2005.



Stacey Doran
Notary Public

My commission expires June 25, 2007 06/25/2007

State of Arizona)
) ss.
County of Maricopa)

On this day, personally appeared before me Amy Howland, Esq., a member of the State Bar of Arizona, 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 Dec 28th, 2005.



Stacey Doran
Notary Public

My commission expires June 25, 2007 06/25/2007

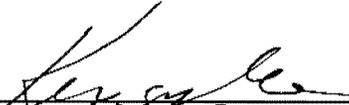
LIENHOLDER
CONSENT AND AGREEMENT

Reference is made to that certain Development, Financing Participation and Intergovernmental Agreement No. 1 (Trillium Community Facilities District), dated as of JANUARY 11, 2006, by and among the Town of Buckeye, Arizona, the Trillium Community Facilities District, and Trillium West Holdings, L.L.C., an Arizona limited liability company ("*Trustor*") 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 this Development Agreement. The undersigned National Bank of Arizona, a national banking association ("*Beneficiary*"), is the beneficiary under a Deed of Trust dated December 16, 2003 and recorded December 16, 2003 in Document No. 2003-1696258 (the "*Deed of Trust*") covering property proposed to be included in this proposed Trillium Community Facilities District (the "*District*"). The National Bank of Arizona, a national banking association is the Trustee under said Deed of Trust (the "*Trustee*"). The undersigned, each as one of the "*Other Parties*" having an interest in the real property within the District to the Development Agreement, acknowledges that the Development Agreement shall bind all real property in which the undersigned has an interest 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 Owner under the Development Agreement.

NATIONAL BANK OF ARIZONA, a
national banking association, as Beneficiary

By: 
Its: Vice President

NATIONAL BANK OF ARIZONA, a
national banking association, as Trustee

By: 
Its: Vice President

State of Arizona)
) ss.
County of Maricopa)

On this day, personally appeared before me Kevin McGinnis, as Vice President of National Bank of Arizona, 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 December 28, 2005

Vicki Gallegos
Notary Public

My commission expires:

Aug 18, 2008



08/18/2008

State of Arizona)
) ss.
County of Maricopa)

On this day, personally appeared before me Kevin McGinnis, as Vice President of National Bank of Arizona, 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 December 28, 2005

Vicki Gallegos
Notary Public

My commission expires:

Aug. 18, 2008



08/18/2008

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

**TRILLIUM
PROPERTY DESCRIPTION
FEBRUARY 23, 2005**

A parcel of land situate in the south half of Section 7, Section 18, a portion of the southwest quarter of Section 8 and a portion of the west half of Section 17, Township 3 North, Range 4 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, and Section 13 and Section 24 and the east half of Section 12, Township 3 North, Range 5 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

BEGINNING at a 2 ½" G.L.O. brass cap, found at the east quarter corner of said Section 12;

Thence South 89°32'32" East, along the east-west mid-section line of said Section 7, a distance of 5278.67 feet, to a 3" Maricopa County brass cap found at the east quarter corner of said Section 7;

Thence South 89°33'16" East, along the east-west mid-section line of said Section 8, a distance of 2571.18 feet, to a point on the west Right of Way of Sun Valley Parkway, as shown on the maps recorded in Book 33, Page 4, records of Maricopa County, Arizona;

Thence South 00°20'22" West, along said west Right of Way, a distance of 2641.25 feet, to a point on the south line of the southwest quarter of said Section 8;

Thence South 00°31'24" West, along said west Right of Way, a distance of 5282.03 feet, to a point on the south line of the southwest quarter of said Section 17;

Thence North 89°33'53" West, along the south line of the southwest quarter of said Section 17, a distance of 2565.45 feet, to a 2 ½" G.L.O. brass cap found at the southwest corner of said Section 17;

Thence North 89°24'46" West, along the south line of the southeast quarter of said Section 18, a distance of 2630.44 feet, to a 2 ½" G.L.O. brass cap found at the south quarter corner of said Section 18;

Thence North 89°27'52" West, along the south line of the southwest quarter of said Section 18, a distance of 2645.61 feet, to a 2 ½" G.L.O. brass cap found at the southwest corner of said Section 18;

Thence South 00°48'21" West, along the east line of the northeast quarter of said Section 24, a distance of 2637.19 feet, to a 2 ½" G.L.O. brass cap found at the east quarter corner of said Section 24;

Thence South 00°19'45" West, along the east line of the southeast quarter of said Section 24, a distance of 2638.89 feet, to a 2" Maricopa County aluminum cap found at the southeast corner of said Section 24;

Thence North 89°33'27" West, along the south line of the southeast quarter of said Section 24, a distance of 2646.08 feet, to a 2 ½" G.L.O. brass cap found at the south quarter corner of said Section 24;

Thence North 89°34'10" West, along the south line of the southwest quarter of said Section 24, a distance of 2639.11 feet, to a 2 ½" G.L.O. brass cap found at the southwest corner of said Section 24;

Thence North 00°21'34" East, along the west line of the southwest quarter of said Section 24, a distance of 2633.94 feet, to a 2 ½" G.L.O. brass cap found at the west quarter corner of said Section 24;

Thence North 00°30'56" East, along the west line of the northwest quarter of said Section 24, a distance of 2634.73 feet, to a 2 ½" G.L.O. brass cap found at the northwest corner of said Section 24;

Thence North 00°29'48" East, along the west line of the southwest quarter of said Section 13, a distance of 2641.72 feet, to a 2" brass cap found at the west quarter corner of said Section 13;

Thence North 00°29'48" East, along the west line of the northwest quarter of said Section 13, a distance of 2641.72 feet, to a 2" brass cap found at the northwest corner of said Section 13;

Thence South 89°26'42" East, along the north line of the northwest quarter of said Section 13, a distance of 2643.17 feet, to a 2 ½" G.L.O. brass cap found at the north quarter corner of said Section 13;

Thence North 00°29'00" East, along the north-south mid-section line of said Section 12, a distance of 5302.81 feet, to a 2 ½" G.L.O. brass cap found at the north quarter corner of said Section 12;

Thence South 89°08'44" East, along the north line of the northeast quarter of said Section 12, a distance of 2642.10 feet, to a 3 ½" G.L.O. brass cap found at the northeast corner of said Section 12;

Thence South 00°29'45" West, along the east line of the northeast quarter of said Section 12, a distance of 2639.96 feet, to a 2 ½" G.L.O. brass cap found at the east quarter corner of said Section 12 and the **TRUE POINT OF BEGINNING**.

Said parcel containing 3,029.095 acres, more or less.

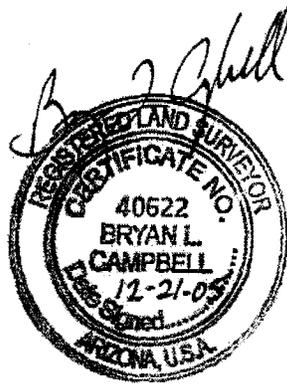


EXHIBIT B

**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 _____ Community Facilities District. The successful contractor will not have recourse, directly or indirectly, to the Town of Buckeye or _____ 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:

[INSERT]

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 _____ Community Facilities District (the "*District*"), and the engineer employed by _____ (the "*Owner*"), each hereby certify for purposes of the District Development, Financing Participation and Intergovernmental Agreement No. 1 _____ Community Facilities District, dated as of _____, 20__ (the "*Agreement*"), by and among the District, the Town of Buckeye, Arizona (the "*Municipality*") and the Owner 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 Owner 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 Owner 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 Owner 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 Owner

[P.E. SEAL]

Confirmed for purposes of Sections 1.5, 2.3, and
3.2 of the Development Agreement by

COMMUNITY FACILITIES DISTRICT

By _____
_____, District Manager

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 "Owner"), for good and valuable consideration received by the Owner from _____ 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**], its successors and assigns, all 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 _____ Community Facilities District, dated as of _____, 20____, by and among the Owner, the Municipality and the District 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 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 **[Municipality]**, its successors and assigns, forever; and the Owner 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.

The Owner binds 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 **[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 Owner hereby agrees that the amounts specified above and paid **[or promised to be paid]** to the Owner 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 Owner under such Development Agreement.

The Owner, in addition to the other representations and warranties herein, specifically makes the following representations and warranties:

1. The Owner has the full legal right and authority to make the sale, transfer, and assignment herein provided.
2. The Owner is not a party to any written or oral contract which adversely affects this Conveyance.
3. The Owner is 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 Owner is 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 Owner has full authority to do so, and no further official action need be taken by the Owner to validate this Conveyance.
6. The facilities conveyed hereunder are all located within property owned by the Owner, public rights-of-way, or public utility or other public easements dedicated or to be dedicated by plat or otherwise.

IN WITNESS WHEREOF, the Owner has 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 _____.

Notary Public

My Commission Expires: _____

[NOTARY SEAL]

**SCHEDULE I
TO
CONVEYANCE OF ACQUISITION PROJECT OR SEGMENT OF PROJECT**

(Insert all exceptions and reservations to the Conveyance)

EXHIBIT E

FORM OF DISCLOSURE PAMPHLET

**FACILITIES DISTRICT
DISCLOSURE STATEMENT
[IMPORTANT – READ CAREFULLY]**

Buyer(s) _____
Parcel _____
Lot _____
Homebuilder _____

General CFD Provisions

The home you are purchasing is within the _____ 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]

[name]

[address]

[name]

[address]