

**FEASIBILITY REPORT**

**FOR THE ISSUANCE  
OF  
NOT TO EXCEED  
\$10,230,000 PRINCIPAL AMOUNT OF  
FESTIVAL RANCH COMMUNITY FACILITIES DISTRICT  
(CITY OF BUCKEYE, ARIZONA)  
GENERAL OBLIGATION BONDS,  
SERIES 2024**

**Date of Public Hearing: May 7, 2024**

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**SECTION ONE**

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

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## **INTRODUCTION**

This Feasibility Report (this “Report”) has been prepared for presentation to the Board of Directors of Festival Ranch Community Facilities District (City of Buckeye, Arizona) (the “District”) in connection with the proposed issuance by the District of its General Obligation Bonds, Series 2024 (the “Bonds”), in an aggregate principal amount not to exceed \$10,230,000. Contemporaneously with the sale of the Bonds, the District plans to issue its General Obligation Refunding Bonds, Series 2024 (the “Refunding Bonds”), in an aggregate principal amount not to exceed \$3,500,000. The District anticipates certain debt service savings and a potential reduction in the ad valorem tax rate as a result of the issuance of some or all of the Refunding Bonds to refund certain outstanding general obligation bonds of the District, as described below. The amount of Bonds is partially contingent upon the debt service savings achieved by the Refunding Bonds, as the ad valorem tax rate is expected to increase in the amount not greater than the reduction in the rate effectuated by the issuance and sale of the Refunding Bonds. The Bonds will be issued pursuant to the Community Facilities District Act of 1988, Title 48, Chapter 4, Article 6, Arizona Revised Statutes (the “Act”). The District is authorized to issue not-to-exceed \$175,000,000 in principal amount of general obligation bonds pursuant to an election held on May 25, 2005. To date, the District has issued \$800,000 aggregate principal amount of District General Obligation Bonds, Series 2006; \$1,535,000 aggregate principal amount of District General Obligation Bonds, Series 2007; \$7,600,000 aggregate principal amount of District General Obligation Bonds, Series 2009; \$5,400,000 aggregate principal amount of District General Obligation Bonds, Series 2012; \$1,800,000 aggregate principal amount of General Obligation Bonds, Series 2013; \$5,410,000 aggregate principal amount of General Obligation Bonds, Series 2016; \$3,665,000 aggregate principal amount of General Obligation Bonds, Series 2017; \$2,940,000 aggregate principal amount of General Obligation Refunding Bonds, Series 2017; \$3,335,000 aggregate principal amount of General Obligation Bonds, Series 2018; \$5,715,000 aggregate principal amount of General Obligation Bonds, Series 2019; \$3,885,000 aggregate principal amount of General Obligation Refunding Bonds, Series 2019; \$5,315,000 aggregate principal amount of General Obligation Bonds, Series 2020; \$5,790,000 aggregate principal amount of General Obligation Bonds, Series 2021; \$6,075,000 aggregate principal amount of General Obligation Bonds, Series 2022; and \$3,985,000 aggregate principal amount of General Obligation Bonds, Series 2023 for a total amount of \$64,310,000 of general obligation bonds issued. Proceeds from the sale of the Bonds will be used to acquire the public infrastructure listed in Section Two and to pay a portion of the costs of issuance of the Bonds. Proceeds of the Refunding Bonds will be used to refund certain of the Series 2012 Bonds and the Series 2013 Bonds (collectively, the “Bonds Being Refunded”) and pay a portion of the costs of issuance of the Refunding Bonds.

## **PURPOSE OF FEASIBILITY REPORT**

This Report has been prepared for consideration of the feasibility and benefits of certain public infrastructure (as defined in Section 48-701, Arizona Revised Statutes) (“Public Infrastructure”), to be financed by the Bonds, if any are issued, and of the plan for financing the Public Infrastructure in accordance with the provisions of Section 48-715, Arizona Revised Statutes. Pursuant to Section 48-715, Arizona Revised Statutes, this Report includes (i) a description of the Public Infrastructure, an estimate of cost and a timetable to acquire the Public Infrastructure [Section Two]; (ii) a map showing, in general, the location of the Public Infrastructure and area to be benefited by the Public Infrastructure [Section Three]; and (iii) a plan of finance for the Public Infrastructure [Section Four].

This Report has been prepared for the consideration of the Board of Directors of the District only. It is not intended or anticipated that this Report will be relied upon by other persons, including, but not limited to, purchasers of the Bonds. This Report does not attempt to address the quality of the Bonds as investments or the likelihood of repayment of the Bonds, if any are issued. In preparing this Report, employees of Pulte Home Company LLC (“Pulte”), the master developer of the property within the District, the underwriter, the financial advisor, bond counsel, staff of the City of Buckeye, Arizona (the “City”) that provide services to the District, and other persons and experts have been consulted as deemed appropriate.

## GENERAL DESCRIPTION OF DISTRICT

Formation of the District was approved by the City on April 19, 2005, on the request of all of the landowners within the District. The District consists of approximately 4,015 acres within the approximately 10,354 acre master-planned community called Festival Ranch (the “Project”). The Project is located along the Sun Valley Parkway generally between 259th Avenue and the 291st Avenue alignments. Single-family residential units are planned for approximately 3,190 acres within the Project. As of March 31, 2024, Pulte has closed 4,124 residential homes at Sun City Festival (age restricted) and 1,274 homes at Festival Foothills (non-age restricted), for a total of 5,398 residential homes.

In addition to residential development, several community amenities have been constructed within the District, including a new 24,000 square foot recreation center. Currently, a 27-hole golf course is completed along with a 15,000 square foot golf clubhouse, a 30,000 square foot recreation center, an 8,000 square foot arts and crafts building, a softball complex, a pet park, a pickleball complex and a community park.

<b>Total Project</b>	<b>Approximate District Acres</b>
Single Family Residential Units	3,190
Two Golf Courses	400
Commercial	350
Recreation Centers	75
Total	<u>4,015</u>

The District was created to finance the construction or acquisition of Public Infrastructure within the District. See Section Two for a description of the Public Infrastructure. A legal description of the District is included in Appendix A. Maps of the District are included in Section Three. The acquisition of the Public Infrastructure as defined in this Report is consistent with and in furtherance of the approved General Plan of the District.

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**SECTION TWO**

**DESCRIPTION, ESTIMATE OF COST AND TIMETABLE FOR  
COMPLETION OF PUBLIC INFRASTRUCTURE**

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## DESCRIPTION OF PUBLIC INFRASTRUCTURE

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

Project Descriptions	Total Estimated Costs	Certified Engineer’s Costs	Paid by Prior Bonds	To be Paid by Series 2024 Bonds	Eligible for funding from Future Bonds
1. <b>Festival Ranch Wastewater Infrastructure Trunk Sewer Lines</b> - installation of approx. 11,121 linear feet of sewer lines including engineering, survey, permits and fees, and other labor, tools, and equipment.	\$3,220,619	\$3,220,619	\$3,220,619	\$0	\$0
2. <b>Sun City Festival Phase I Roadways and Landscaping (Canyon Springs, Desert Oasis, Mountain Ridge &amp; Sun Valley Parkway)</b> - installation of approx. 4,874 linear feet of Arterial Roadway and ROW Landscaping and 5,942 of Collector Roadway and ROW Landscaping including concrete, paving, storm drainage, landscaping, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$7,416,732	\$7,416,732	\$7,416,732	\$0	\$0
3. <b>Sun City Festival Phase I Infrastructure Water (Parcel A1, B1, C1 &amp; V1)</b> - installation of approx. 25,600 linear feet of water lines including engineering, survey, permits and fees, and other labor, tools, and equipment.	\$1,841,756	\$1,841,756	\$1,841,756	\$0	\$0
4. <b>Festival Ranch Water Reclamation Facility</b> - installation of a 1 MG Water Reclamation Facility including engineering, survey, permits and fees, and other labor, tools, and equipment.	\$8,966,703	\$8,966,703	\$8,966,703	\$0	\$0
5. <b>Sun City Festival Phase 1 Offsite Sewer (Alignment through Parcels D1, E1, S1 &amp; T1)</b> - installation of approximately 8,663 linear feet of sewer lines including engineering, survey, permits and fees, and other labor, tools, and equipment.	\$997,203	\$997,203	\$997,203	\$0	\$0
6. <b>Sun City Festival Water Plant #1, Well #1, Well #2</b> - installation of 1.2 MG storage tank and booster pumps at Water Plant #1, and the drilling and equipping of Well #1 and Well #2 producing 6,150 GPM, including the eligible costs for engineering, survey, permit fees, and other required labor, tools, and equipment.	\$6,754,018	\$6,754,018	\$6,754,018	\$0	\$0
7. <b>Festival Foothills Phase I Water Infrastructure Desert Vista Boulevard and Beardsley Parkway (East of CSB)</b> - installation of approximately 5,400 linear feet of water lines including engineering, survey, permits and fees, and other labor, tools, and equipment.	\$418,657	\$418,657	\$418,657	\$0	\$0

<b>Project Descriptions</b>	<b>Total Estimated Costs</b>	<b>Certified Engineer's Costs</b>	<b>Paid by Prior Bonds</b>	<b>To be Paid by Series 2024 Bonds</b>	<b>Eligible for funding from Future Bonds</b>
<b>8. Festival Foothills Phase I Roadways Desert Vista Blvd &amp; Beardsley Parkway (East of the CSB)</b> -installation of approximately 1,340 linear feet of Arterial Roadway and 4,050 linear feet of Collector Roadway including grading, concrete, paving, storm drainage, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$2,383,180	\$2,383,180	\$2,383,180	\$0	\$0
<b>9. Sun City Festival Phase II Infrastructure Water, Sewer (Phase 1), Storm Drain and reclaimed Waterline Phase I-</b> installation of approximately 7,782 linear feet of waterlines, 1,596 linear feet of sewer, 15,892 linear feet of reclaimed waterline and 1,361 linear feet of storm drain for Mountain Ridge Boulevard, Desert Oasis Boulevard and Canyon Spring Boulevard including engineering, survey, permits and fees, and other labor, tools, and equipment.	\$2,325,837	\$2,325,837	\$2,325,837	\$0	\$0
<b>10. Sun City Festival Phase II Concrete and Paving Infrastructure to serve Desert Oasis Boulevard and Mountain Ridge Boulevard to serve Parcels D 1-H 1</b> - installation of approximately 3,640 linear feet of arterial roadway and 2,100 of collector roadway including paving, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$2,537,569	\$2,537,569	\$2,537,569	\$0	\$0
<b>11. Sun City Festival Phase 2 Offsite Sewer</b> – installation of approximately 6,082 linear feet of 15 inch sewer including engineering, survey, permits and fees, and other labor, tools, and equipment.	\$ 781,133	\$ 781,133	\$781,133	\$0	\$0
<b>12. Desert Vista Boulevard Water Transmission Main</b> – installation of approximately 3,083 linear feet of water transmission main including engineering, survey, permits and fees, and other labor, tools, and equipment.	\$845,216	\$ 845,216	\$845,216	\$0	\$0
<b>13. Sun City Festival Well # 3</b> – equipping of Well #3 including the eligible costs for engineering, survey, permit fees, and other required labor, tools, and equipment.	\$1,680,547	\$1,680,547	\$1,680,547	\$0	\$0

<b>Project Descriptions</b>	<b>Total Estimated Costs</b>	<b>Certified Engineer's Costs</b>	<b>Paid by Prior Bonds</b>	<b>To be Paid by Series 2024 Bonds</b>	<b>Eligible for funding from Future Bonds</b>
<b>14. Sun City Festival Revised Abraham Lane Water Line (Portion within Parcel N1)</b> – installation of approximately 2,898 linear feet of 12 inch water including the eligible costs for engineering, survey, permit fees, and other required labor, tools and equipment.	\$212,935	\$212,935	\$212,935	\$0	\$0
<b>15. Sun City Festival Phase 2 Infrastructure Phase 3 Water Line and Desert Vista Boulevard Water Line</b> - installation of approximately 4,048 linear feet 16 inch water and approximately 770 linear feet of 12 inch water including the eligible costs for engineering, survey, permit fees, and other required labor, tools and equipment.	\$402,514	\$402,514	\$334,000	\$68,514	\$0
<b>16. Desert Vista Boulevard, Wagner Complex Drive and Phase II Infrastructure Phase 3 Roadway Concrete, Paving and Landscape Improvements</b> – installation of approximately 4,209 linear feet of arterial roadway and 3,000 linear feet of collector roadway including concrete, paving and right of way landscaping including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$4,941,129	\$4,941,129	\$4,941,129	\$0	\$0
<b>17. Sun City Festival – Phase 3 Offsite Sewer</b> – installation of approximately 3,700 linear feet of 15” ES VCP truck sewer including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$678,358	\$678,358	\$678,358	\$0	\$0
<b>18. City of Buckeye Firehouse # 705</b> – construction of fire station including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$3,351,485	\$3,351,485	\$3,351,485	\$0	\$0
<b>19. Sun City Festival Water Plant #1 Expansion</b> – installation of 1.2 MG storage tank and booster pumps at Water Plant #1, including the eligible costs for engineering, survey, permit fees, and other required labor, tools, and equipment.	\$2,654,932	\$2,654,932	\$2,654,932	\$0	\$0
<b>20. Sun City Festival Water Well #4</b> –the drilling, installation and equipping of Well #4 producing an estimated 2,500 GPM, including the eligible costs for engineering, survey, permit fees, and other required labor, tools, and equipment.	\$5,000,000	[to be determined]	\$0	\$0	[to be determined]

Project Descriptions	Total Estimated Costs	Certified Engineer's Costs	Paid by Prior Bonds	To be Paid by Series 2024 Bonds	Eligible for funding from Future Bonds
<b>21. Festival Ranch Water Reclamation Facility Expansion</b> - the installation of a 0.5 MGD Water Reclamation Facility Expansion, including the eligible costs for engineering, survey, permit fees, and other required labor, tools, and equipment.	\$12,800,000	[to be determined]	\$0	\$0	[to be determined]
<b>22. Festival Ranch Arsenic Treatment Facility</b> - the installation of a Water Treatment Facility, including the eligible costs for transmission mains, engineering, survey, permit fees, and other required labor, tools, and equipment.	\$14,000,000	[to be determined]	\$0	\$0	[to be determined]
<b>23. Sun City Festival Ranch Planning Area 2 Canyon Springs Blvd and Parcel A2 Concrete and Paving Improvements</b> – installation of approximately 4,400 linear feet of arterial roadway and parcel roadways including concrete and paving including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$2,180,613	\$2,180,613	\$2,180,613	\$0	\$0
<b>24. Sun City Festival Ranch Planning Area 2 Parcel D2 Concrete and Paving Improvements</b> – installation of approximately 6,500 linear feet of roadway including concrete and paving including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$1,316,658	\$1,316,658	\$1,316,658	\$0	\$0
<b>25. Sun City Festival Ranch Planning Area 2 Parcel C2 Concrete and Paving Improvements</b> – installation of approximately 5,400 linear feet of roadway including concrete and paving including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$1,048,802	\$1,048,802	\$1,048,802	\$0	\$0
<b>26. Festival Ranch Sun City Festival - Parcel S1 16 inch Waterline</b> – installation of approximately 1,600 linear feet of waterline including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$300,728	\$ 300,728	\$300,728	\$0	\$0

<b>Project Descriptions</b>	<b>Total Estimated Costs</b>	<b>Certified Engineer's Costs</b>	<b>Paid by Prior Bonds</b>	<b>To be Paid by Series 2024 Bonds</b>	<b>Eligible for funding from Future Bonds</b>
27. <b>Festival Ranch Sun City Festival - Parcel HH1-1 &amp; HH1-2 Water Transmission Mains</b> – installation of approximately 2,500 linear feet of water transmission main including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$214,263	\$214,263	\$214,263	\$0	\$0
28. <b>Sun City Festival Ranch Planning Area 2 Parcel B2 Concrete and Paving Improvements</b> – installation of approximately 4,600 linear feet of minor collector roadway and parcel roadways including concrete and paving including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$1,271,807	\$1,271,807	\$616,851	\$654,956	\$0
29. <b>Sun City Festival Ranch Planning Area 1 Parcel Q1 Phase 1 and Phase 2 Concrete and Paving Improvements</b> – installation of approximately 8,400 linear feet of major collector and parcel roadways including concrete and paving including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$2,212,211	\$2,212,211	\$0	\$2,212,211	\$0
30. <b>Sun City Festival Ranch Planning Area 1 Parcel T1 Concrete and Paving Improvements</b> – installation of approximately 5,900 linear feet of parcel roadway including concrete and paving including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$756,221	[to be determined] Completed Project Binder not yet prepared	\$0	\$0	[to be determined]
31. <b>Festival Ranch Sun City Festival - Parcel T1 16 inch Waterline</b> – installation of approximately 2,700 linear feet of waterline including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$524,078	[to be determined] Completed Project Binder not yet prepared	\$0	\$0	[to be determined]
32. <b>Sun City Festival Ranch Planning Area 2 Parcel L2 Concrete and Paving Improvements</b> – installation of approximately 1,000 linear feet of parcel roadway including concrete and paving including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$456,000	[to be determined] Completed Project Binder not yet repaired	\$0	\$0	[to be determined]

Project Descriptions	Total Estimated Costs	Certified Engineer's Costs	Paid by Prior Bonds	To be Paid by Series 2024 Bonds	Eligible for funding from Future Bonds
33. <b>Festival Ranch Groundwater Recharge Facility</b> - the installation of a Groundwater Recharge Facility, including the eligible costs for pump station, transmission mains, engineering, survey, permit fees, and other required labor, tools, and equipment.	\$3,500,000	[to be determined]	\$0	\$0	[to be determined]
34. <b>Sun City Festival Ranch Planning Area 2 Parcel E2 Infrastructure Sewer Improvements</b> – installation of approximately 2,599 linear feet of sewer line including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$488,885	[to be determined]	\$0	\$0	[to be determined]
35. <b>Sun City Festival Ranch Planning Area 2 Parcel F2 Concrete and Paving Improvements</b> – installation of approximately 6,960 linear feet of arterial, collector and parcel roadway concrete and paving including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$3,256,663	[to be determined]	\$0	\$3,256,663 (a)	\$0
36. <b>Sun City Festival Ranch Planning Area 1 Parcel HH1-3 Infrastructure Water and Well Supply Line Improvements</b> – installation of approximately 4,800 linear feet of water and well lines including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$424,000	[to be determined]	\$0	\$0	[to be determined]
37. <b>Sun City Festival Ranch Planning Area 2 Parcel K2/N2 Concrete and Paving Improvements</b> – installation parcel roadway concrete and paving including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$1,132,405	[to be determined]	\$0	\$1,132,405 (a)	\$0
38. <b>Sun City Festival Ranch Planning Area 2 Parcel H2 Phase 1 and 2 Concrete and Paving Improvements</b> – installation parcel roadway concrete and paving including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$2,525,056	[to be determined]	\$0	\$2,524,056 (a)	\$0

<b>Project Descriptions</b>	<b>Total Estimated Costs</b>	<b>Certified Engineer's Costs</b>	<b>Paid by Prior Bonds</b>	<b>To be Paid by Series 2024 Bonds</b>	<b>Eligible for funding from Future Bonds</b>
<b>39. Sun City Festival Ranch Planning Area 2 Parcel G2/I2 Concrete and Paving Improvements</b> – installation parcel roadway concrete and paving including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$1,686,178	[to be determined]	\$0	\$381,195 (a)	[to be determined]
<b>40. Sun City Festival Ranch Planning Area 2 Parcel J2 Concrete and Paving Improvements</b> – installation parcel roadway concrete and paving including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$657,083	[to be determined]	\$0	\$0	\$0
<b>41. Festival Ranch Sun City Festival – Planning Area 2 Kerry Lane and Offsite Water Line Waterline</b> – installation of approximately 5,000 linear feet of waterline including the eligible costs for design, engineering, survey, permits and fees, and other labor, tools, and equipment.	\$1,072,792	[to be determined]	\$0	\$0	[to be determined]
	<b>\$109,234,966*</b>	<b>\$60,955,605*</b>	<b>\$58,019,924</b>	<b>\$10,230,000*</b>	<b>\$ to be determined*</b>

The Public Infrastructure described above was completed from 2006 to the date of this Report. Proceeds of the Bonds will be used to finance the acquisition of a portion of the Public Infrastructure. Additional portions of public infrastructure have been completed but are awaiting administrative approval by the District before such public infrastructure is eligible for funding from future bonds. Additional public infrastructure as contemplated by the District's formational documents will be constructed in the future.

\* *Subject to change.*

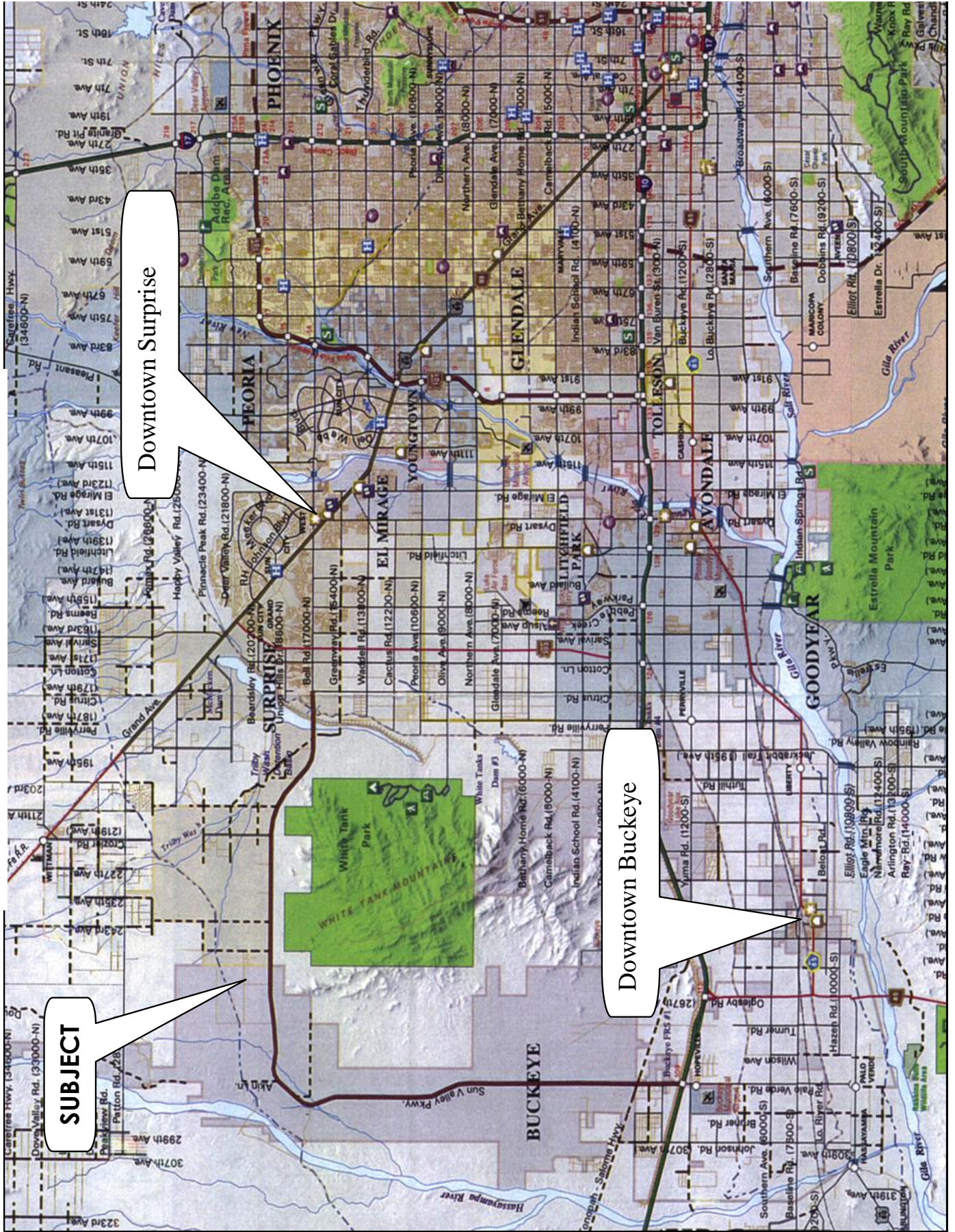
(a) *Pending certification.*

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**SECTION THREE**  
**MAPS OF THE DISTRICT**

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# Location Map





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**SECTION FOUR**

**PLAN OF FINANCE AND PRELIMINARY  
DEBT SERVICE SCHEDULE**

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## PLAN OF FINANCE

This Plan of Finance is subject to modification to accommodate market conditions at the time of the actual sale of the Bonds and to the extent necessary to comply with federal and State law.

**(i) Formation and Authorization:**

In response to a petition from the owners of 100% of the property within the District, the City Council formed the District on April 19, 2005. The District is authorized to issue not-to-exceed \$175,000,000 in principal amount of general obligation bonds pursuant to an election held on May 25, 2005. The remaining authorization prior to the issuance of the Bonds is \$120,545,108.

The District has previously issued the following series of general obligation bonds:

- \$800,000, District General Obligation Bonds, Series 2006;
- \$1,535,000, District General Obligation Bonds, Series 2007;
- \$7,600,000, District General Obligation Bonds, Series 2009;
- \$5,400,000, District General Obligation Bonds, Series 2012;
- \$1,800,000, General Obligation Bonds, Series 2013;
- \$5,410,000, General Obligation Bonds, Series 2016;
- \$3,665,000, General Obligation Bonds, Series 2017;
- \$2,940,000, General Obligation Refunding Bonds, Series 2017;
- \$3,335,000, General Obligation Bonds, Series 2018;
- \$5,715,000, General Obligation Bonds, Series 2019;
- \$3,885,000, General Obligation Refunding Bonds, Series 2019;
- \$5,315,000, General Obligation Bonds, Series 2020;
- \$5,790,000, General Obligation Bonds, Series 2021;
- \$6,075,000, General Obligation Bonds, Series 2022; and
- \$3,985,000, General Obligation Bonds, Series 2023.

**(ii) Proposed Debt Issuance:**

The Bonds are anticipated to be issued in September 2024. As indicated in Table One herein, it is currently estimated that the Bonds will have a final maturity of approximately 20-years with principal amortized such that when combined with the debt service on the previous issues referenced above, the result will be aggregate level debt service along with a targeted secondary tax rate of not to exceed \$3.00 per \$100 of net assessed limited property value (not including the tax of \$0.30 per \$100 of net assessed limited property value levied to pay a portion of operation and maintenance expenses of the District and of the public infrastructure financed by the District (the “Operation and Maintenance Tax”).

**(iii) Sources and Uses of Funds:**

The estimated sources and uses of funds associated with the sale of the Bonds is as follows:

<u>Sources of Funds:</u>	<u>Bonds</u>
Principal Amount of Bonds (a)	\$ 8,000,000
Pulte Contribution (b)	236,000
	<u>\$ 8,236,000</u>
<u>Uses of Funds:</u>	
Cost of Public Infrastructure	\$ 7,951,108
Costs of Issuance	140,000
Bond Insurance	48,892
Underwriting Fee	96,000
	<u>\$ 8,236,000</u>

- (a) Final par amount of the Bonds is subject to change based on market conditions.
- (b) All costs of issuance and underwriter fees will be paid by Pulte.

**(iv) Disclosure of Taxes and Assessments:**

Section 32-2181 et seq., Arizona Revised Statutes requires the disclosure of all property taxes and assessments to be paid by a homeowner in the Arizona Department of Real Estate Subdivision Public Report (the “Public Report”). Each homebuyer must be supplied a Public Report and, prior to any home sale, the homebuyer must acknowledge by signature that they have read and accepted the Public Report.

In addition, Pulte requires the homebuyer to sign an additional form that highlights and discloses the additional taxes as a result of the District financing.

**(v) Operation and Maintenance Estimated Revenues and Expenditures:**

The Public Infrastructure that may be acquired by the District has been dedicated to the City. The obligations pertaining to the operation and maintenance of the Public Infrastructure have been and were the subject of that certain Acceptance and Service Agreement for Wastewater Infrastructure and Related Appurtenances - Festival Ranch Water Reclamation Facility Phase 1.

Some or all of the public infrastructure heretofore or hereafter constructed may be, and may continue to be, supported by City monies (after acceptance of any such public infrastructure by the City), the Operation and Maintenance Tax, Home Owner’s Association (“HOA”) fees, developer contributions, or some combination of one or more of such revenue sources. Pursuant to a development agreement among the Project property owners and the City, the master HOA is responsible for the operation and maintenance costs of landscaping for the roadways, trails, and open space within the District. All homeowners are required to participate in the HOA. Monthly fees for the HOA are approximately \$138 per home in Sun City Festival and \$95 per home in Festival Foothills.

Pursuant to a development agreement among the Project property owners and the City, Pulte is required to provide a warranty for all infrastructure comprised of streets, parkways and alleys and all appurtenances thereto at its expense for a period of two years from the date the City accepts the infrastructure. Such warranty requires repair actions reasonably necessary to correct defects according to customary engineering industry standards for each item of the Public Infrastructure.

(1) (2) (3) (4) (5) (6) (7) (8) (9) (10) (11) (12) (13) (14) (15)

**TABLE ONE**

Fiscal Year	Net Limited Assessed Valuation (b)	Currently Outstanding General Obligation Bond Debt Service			(\$3,130,000) Bonds Being Refunded		\$3,165,000 Refunding Bonds, Series 2024 Dated: 9/26/2024 (a)			\$8,000,000 General Obligation Bonds, Series 2024 Dated: 9/26/2024 (a)			Total Aggregate Debt Service	Projected Bond Tax Rate (d)
		Principal	Interest	Debt Service	Principal	Interest	Principal	Interest (c)	Debt Service	Principal	Interest (c)	Debt Service		
2023/24	\$122,120,741	\$1,775,000	\$1,730,766	\$3,505,766									\$3,505,766	\$2.8731
2024/25	139,799,484	1,740,000	1,738,956	3,478,956	(\$280,000)	(\$156,875)	\$330,000	\$76,224	\$406,224	\$245,000	\$289,000	\$534,000	3,982,305	2.9985
2025/26	139,799,484	1,620,000	1,672,556	3,292,556	(295,000)	(143,325)	315,000	85,050	400,050	380,000	348,975	728,975	3,983,256	2.9992
2026/27	139,799,484	1,685,000	1,607,944	3,292,944	(305,000)	(129,063)	320,000	75,600	395,600	395,000	331,875	726,875	3,981,356	2.9978
2027/28	139,799,484	1,755,000	1,540,519	3,295,519	(320,000)	(114,138)	330,000	66,000	396,000	170,000	314,100	484,100	3,741,481	2.8172
2028/29	139,799,484	1,825,000	1,470,269	3,295,269	(340,000)	(98,488)	345,000	56,100	401,100	175,000	306,450	481,450	3,739,331	2.8156
2029/30	139,799,484	1,900,000	1,396,856	3,296,856	(355,000)	(81,675)	350,000	45,750	395,750	185,000	298,575	483,575	3,739,506	2.8157
2030/31	139,799,484	1,965,000	1,327,194	3,292,194	(365,000)	(64,113)	355,000	35,250	390,250	195,000	290,250	485,250	3,738,581	2.8150
2031/32	139,799,484	2,040,000	1,255,356	3,295,356	(390,000)	(45,675)	370,000	24,600	394,600	205,000	281,475	486,475	3,740,756	2.8166
2032/33	139,799,484	2,120,000	1,173,063	3,293,063	(480,000)	(25,200)	450,000	13,500	463,500	215,000	272,250	487,250	3,738,613	2.8150
2033/34	139,799,484	2,210,000	1,081,763	3,291,763						185,000	262,575	447,575	3,739,338	2.8156
2034/35	139,799,484	2,300,000	992,913	3,292,913						190,000	254,250	444,250	3,737,163	2.8139
2035/36	139,799,484	2,390,000	900,563	3,290,563						205,000	245,700	450,700	3,741,263	2.8170
2036/37	139,799,484	2,490,000	802,713	3,292,713						210,000	236,475	446,475	3,739,188	2.8155
2037/38	139,799,484	2,605,000	689,338	3,294,338						220,000	227,025	447,025	3,741,363	2.8171
2038/39	139,799,484	2,725,000	570,500	3,295,500						225,000	217,125	442,125	3,737,625	2.8143
2039/40	139,799,484	2,810,000	483,313	3,293,313						240,000	207,000	447,000	3,740,313	2.8163
2040/41	139,799,484	2,920,000	372,113	3,292,113						250,000	196,200	446,200	3,738,313	2.8148
2041/42	139,799,484	2,995,000	299,063	3,294,063						260,000	184,950	444,950	3,739,013	2.8153
2042/43	139,799,484	3,145,000	149,388	3,294,388						270,000	173,250	443,250	3,737,638	2.8143
2043/44	139,799,484									3,580,000	161,100	3,741,100	3,741,100	2.8169
		<u>\$45,015,000</u>			<u>(\$3,130,000)</u>		<u>\$3,165,000</u>			<u>\$8,000,000</u>	<u>\$5,098,600</u>	<u>\$13,098,600</u>		

(a) Closing date subject to change.

(b) Fiscal year 2023/24 is actual. Fiscal year 2024/25 is estimated by the County and assumes 14.5% growth. Subsequent years assume no growth.

(c) Interest rate is estimated at 4.5% for the new money bonds and 3.0% for the refunding bonds. Rates are subject to change based on a variety of economic and market factors.

(d) Fiscal year 2023/24 represents the actual secondary tax rate for debt service only. Subsequent years include a 5% delinquency factor.

The interest rate and rating assumptions assumed in this presentation are based on current market conditions and similar credits.

The Issuer's actual results may differ, and Stifel makes no commitment to underwrite at these levels.

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**APPENDIX A**

**LEGAL DESCRIPTION OF FESTIVAL RANCH COMMUNITY  
FACILITIES DISTRICT (CITY OF BUCKEYE, ARIZONA)**

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December 9, 2004

LEGAL DESCRIPTION FOR  
FESTIVAL RANCH  
COMMUNITY FACILITY DISTRICT

That part of Sections 13, 20, 21, 22, 23, 24, 25, 26, 27, 28 and 29, Township 4 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the G.L.O. Brass Cap marking the Northeast Corner of said Section 24;

Thence South  $00^{\circ}26'24''$  West, along the East line of the Northeast Quarter of said Section 24, a distance of 2,640.87 feet to the G.L.O. Brass Cap marking the East Quarter Corner thereof;

Thence South  $00^{\circ}23'56''$  West, along the East line of the Southeast Quarter of said Section 24, a distance of 2,639.68 feet to the Northeast Corner of said Section 25;

Thence South  $00^{\circ}23'04''$  West, along the East line of the Northeast Quarter of said Section 25, a distance of 2,642.69 feet to the East Quarter Corner of said Section 25;

Thence South  $00^{\circ}24'50''$  West, along the East line of the Southeast Quarter of said Section 25, a distance of 2,641.16 feet to the Southeast Corner of said Section 25;

Thence North  $89^{\circ}35'08''$  West, along the South line of the Southeast Quarter of said Section 25, a distance of 2,641.48 feet to the South Quarter Corner of said Section 25;

Thence North  $89^{\circ}35'25''$  West, along the South line of the Southwest Quarter of said Section 25, a distance of 2,639.43 feet to the Southeast Corner of said Section 26;

Thence North  $89^{\circ}42'22''$  West, along the South line of the Southeast Quarter of said Section 26, a distance of 2,630.35 feet to the South Quarter Corner of said Section 26;

Thence North  $00^{\circ}19'01''$  East, along the North-South mid-section line of said Section 26, a distance of 2,126.51 feet to a point on a 5,575.00 foot radius non-tangent curve, whose center bears North  $10^{\circ}31'05''$  West, said point also being on the Southerly right-of-way line of Sun Valley Parkway, as recorded in Book 309 of Maps, Page 12, Maricopa County Records;

Thence, along said Southerly right-of-way line of Sun Valley Parkway, the following courses:

Thence Southwesterly, along said curve, through a central angle of  $05^{\circ}06'05''$ , a distance of 496.37 feet;

Legal Description for  
Festival Ranch  
Community Facility District  
December 9, 2004

Thence South  $84^{\circ}32'16''$  West, a distance of 6,380.94 feet to a point on a 5,575.00 foot radius non-tangent curve, whose center bears North  $05^{\circ}28'11''$  West;

Thence Westerly, along said curve, through a central angle of  $18^{\circ}10'52''$ , a distance of 1,769.07 feet;

Thence North  $77^{\circ}17'35''$  West, a distance of 734.70 feet;

Thence South  $18^{\circ}15'19''$  West, departing said Southerly right-of-way line of Sun Valley Parkway, a distance of 374.09 feet;

Thence South  $40^{\circ}58'02''$  West, a distance of 464.78 feet;

Thence South  $74^{\circ}21'22''$  West, a distance of 761.00 feet;

Thence South  $41^{\circ}37'56''$  West, a distance of 588.43 feet;

Thence South  $03^{\circ}22'04''$  East, a distance of 301.48 feet to a point on the South line of the Southwest Quarter of said Section 28;

Thence North  $89^{\circ}31'12''$  West, along said South line, a distance of 2,364.77 feet to the Southwest Corner of said Section 28;

Thence North  $00^{\circ}27'37''$  East, along the West line of the Southwest Quarter of said Section 28, a distance of 2,642.29 feet to the East Quarter Corner of said Section 29;

Thence North  $89^{\circ}37'25''$  West, along the East-West mid-section line of said Section 29, a distance of 2,642.10 feet to the Center of said Section 29;

Thence North  $00^{\circ}30'30''$  East, along the North-South mid-section line of said Section 29, a distance of 2,481.52 feet to a point on the Southerly right-of-way line of the Central Arizona Project Canal;

Thence, along said Southerly right-of-way line of the Central Arizona Project Canal, the following courses:

Thence North  $44^{\circ}33'22''$  East, a distance of 3,419.52 feet;

Thence North  $56^{\circ}59'46''$  East, a distance of 496.13 feet;

Thence North  $80^{\circ}26'29''$  East, a distance of 3,220.32 feet;

Thence North  $85^{\circ}39'45''$  East, a distance of 497.23 feet;

Thence South  $89^{\circ}08'59''$  East, a distance of 293.06 feet;

Thence South  $00^{\circ}51'01''$  West, a distance of 74.97 feet;

Thence South  $89^{\circ}07'56''$  East, a distance of 300.00 feet;

Thence North  $01^{\circ}19'16''$  East, a distance of 75.03 feet;

Legal Description for  
Festival Ranch  
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December 9, 2004

Thence South  $89^{\circ}08'59''$  East, a distance of 6,130.87 feet to a point on the West line of the Northwest Quarter of said Section 23;

Thence South  $00^{\circ}22'19''$  West, departing said Southerly right-of-way line, along the West line of the Northwest Quarter of said Section 23, a distance of 200.79 feet to a point on the Southerly line of certain parcel of land described in Docket 13238, Page 640, Maricopa County Records;

Thence, along said Southerly line of Docket 13238, Page 640, the following courses:

Thence South  $89^{\circ}36'50''$  East, a distance of 33.00 feet;  
Thence North  $00^{\circ}22'19''$  East, a distance of 200.50 feet;  
Thence South  $89^{\circ}06'32''$  East, a distance of 285.89 feet;

Thence North  $69^{\circ}27'36''$  East, a distance of 174.40 feet to a point on the South line of the North 792.00 feet of the West 660.00 feet of the South Half of the Northwest Quarter of said Section 23;

Thence South  $89^{\circ}36'50''$  East, departing said Southerly line of Docket 13238, Page 640, and along said South line of the North 792.00 feet of the West 660.00 feet, a distance of 178.21 feet to a point on the East line of said West 660.00 feet of the North 792.00 feet;

Thence North  $00^{\circ}22'19''$  East, along said East line, a distance of 68.14 feet to a point on the Southerly right-of-way line of the Central Arizona Project Canal;

Thence, along said Southerly right-of-way line of the Central Arizona Project Canal, the following courses:

Thence North  $69^{\circ}27'36''$  East, a distance of 2,026.68 feet to a point on the North line of the South Half of the Northwest Quarter of said Section 23;

Thence South  $89^{\circ}36'50''$  East, along said North line, a distance of 90.13 feet to the Northeast corner of the South Half of the Northwest Quarter of said Section 23;

Thence North  $00^{\circ}27'52''$  East, along the North-South mid-section line of said Section 23, a distance of 34.37 feet;

Thence North  $69^{\circ}28'27''$  East, a distance of 2,820.53 feet to a point on the West line of the Northwest Quarter of said Section 24;

Thence South  $00^{\circ}22'48''$  West, along said West line, a distance of 106.56 feet;

Thence North  $69^{\circ}28'05''$  East, a distance of 1,086.54 feet to a point on the South line of the Southwest Quarter of said Section 13;

Legal Description for  
Festival Ranch  
Community Facility District  
December 9, 2004

Thence North 69°27'37" East, a distance of 1,740.17 feet to a point on the North-South mid-section line of said Section 13;

Thence North 69°27'38" East, a distance of 1,296.88 feet;

Thence South 00°00'00" East, departing said Southerly right-of-way line, a distance of 213.58 feet to a point on a line which is parallel with and 200.00 feet Southerly, as measured at right angles, from the Southerly right-of-way line of the Central Arizona Project Canal;

Thence North 69°27'38" East, along said parallel line, a distance of 464.53 feet;

Thence North 00°00'00" East, a distance of 213.58 feet to a point on the Southerly right-of-way line of the Central Arizona Project Canal;

Thence North 69°27'38" East, along said Southerly right-of-way line, a distance of 1,067.33 feet to a point on the East line of the Southeast Quarter of said Section 13;

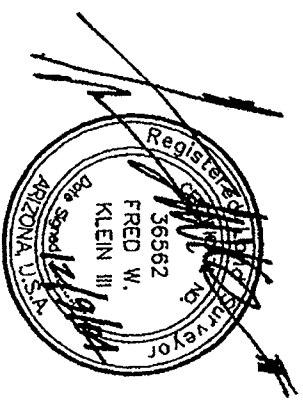
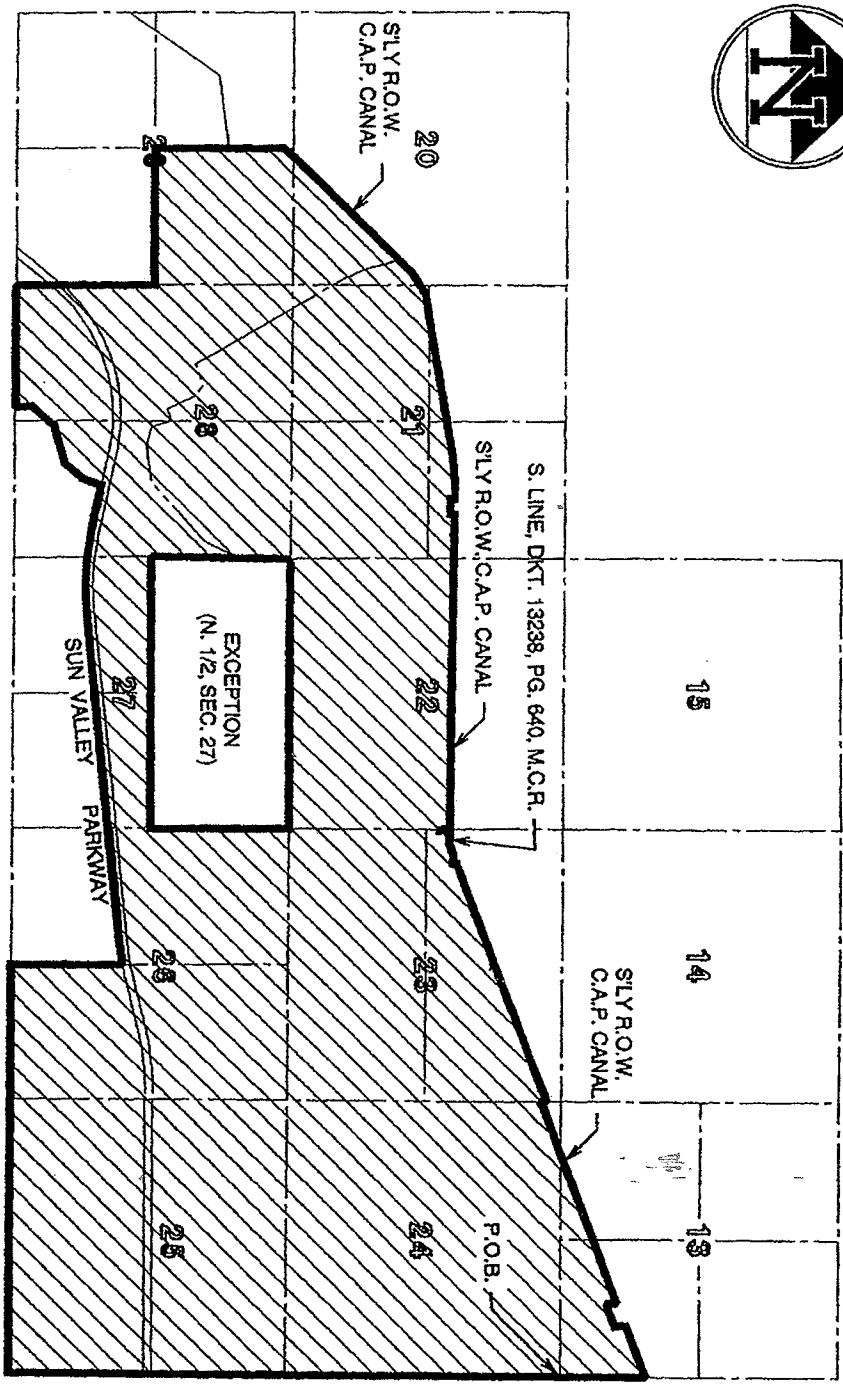
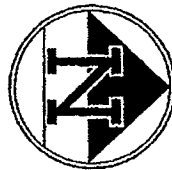
Thence South 00°24'51" West, departing said Southerly right-of-way line along said East line, a distance of 1,633.09 feet to the Point of Beginning.

EXCEPT THE FOLLOWING DESCRIBED PARCEL OF LAND:

The North Half of Section 27, Township 4 North, Range 4 West, of the Gila and Salt River Meridian, Maricopa County, Arizona,

Containing 4,015.490 Acres, more or less.





**EXHIBIT**  
 N:\680001\LAND\EH-CFD.DGN  
 4550 NORTH 12TH STREET  
 PHOENIX, ARIZONA 85014  
 TELEPHONE (602) 264-6831

**FESTIVAL RANCH  
 COMMUNITY FACILITY DISTRICT**  
**COE & VAN LOO**  
 PLANNING • ENGINEERING • LANDSCAPE ARCHITECTURE

JOB NO  
 680001  
 SHEET  
**1 OF 1**