

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER __, 2025**NEW ISSUE - BOOK-ENTRY-ONLY FORM****NOT RATED**

In the opinion of Gust Rosenfeld P.L.C., Phoenix, Arizona, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming continuing compliance with certain restrictions, conditions and requirements by the District (as defined herein), as mentioned under "TAX EXEMPTION" herein, the interest income on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is exempt from Arizona income taxes. Interest income on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. See "TAX EXEMPTION" herein.

\$10,668,000*

**ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT
(CITY OF GOODYEAR, ARIZONA)
MONTECITO ASSESSMENT DISTRICT NO. 4
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025**

DATED: Date of Initial Delivery**DUE: July 1, as shown on inside front cover page**

The Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) Montecito Assessment District No. 4 Special Assessment Revenue Bonds, Series 2025 (the "Bonds"), will be issued in the form of fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), and will be available to ultimate purchasers under the book-entry-only system maintained by DTC in minimum denominations of \$25,000 of principal amount due on a specified maturity date or \$1,000 integral multiples in excess thereof. Interest on the Bonds (except defaulted interest, if any) will be paid semiannually on January 1 and July 1 of each year, commencing July 1, 2026*. Payments of principal and interest will be paid by wire transfer to DTC for subsequent disbursements to DTC participants who will remit such payments to the beneficial owners of the Bonds. See APPENDIX E - "BOOK-ENTRY-ONLY SYSTEM."

See Inside Front Cover Page for Maturity Schedule

The Bonds are authorized pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes, and will be issued pursuant to a resolution of the Board of Directors of Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) (the "District"). The Bonds will be payable solely from and secured by a special, separate fund maintained by the District, which fund will contain installments due with respect to certain special assessments levied and assessed by the District on single family housing lots within the District in accordance with a method of apportionment based on the benefit received by such lots from public infrastructure acquired with the proceeds of the sale of the Bonds and agreed to by the owners of such lots, each of which assessments constitutes a first lien on the lot against which it is assessed and levied, subject only to general property taxes and prior special assessments. **(THERE ARE SUCH GENERAL PROPERTY TAXES (BUT NOT PRIOR SPECIAL ASSESSMENTS) IN THE CASE OF THE BONDS. SEE "OVERLAPPING, ADDITIONAL OVERLAPPING AND OTHER DEBT AND OTHER OVERLAPPING TAXES" HEREIN.)** The lien for such assessments will not be extinguished as a result of enforcement of the lien for general property taxes. Any such lot will be offered for sale for nonpayment of the special assessment levied and assessed by the District on such lot and, if sold, the proceeds thereof deposited in such special fund. The rights and obligations of the District relating to collection and payment of assessments and the enforcement of remedies against delinquent assessments may be subject to bankruptcy, insolvency, reorganization, moratorium, and similar laws affecting creditors' rights and may be subject to judicial discretion in accordance with general principles of equity. **SEE "SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS" AND "RISK FACTORS" HEREIN.**

THE BONDS WILL BE SUBJECT TO SPECIAL OPTIONAL, OPTIONAL AND MANDATORY REDEMPTION BY THE DISTRICT PRIOR TO MATURITY AS DESCRIBED HEREIN UNDER THE HEADING "THE BONDS - REDEMPTION PROVISIONS." PLEASE NOTE SPECIFICALLY THAT, PURSUANT TO SUCH SPECIAL OPTIONAL REDEMPTION UNDER CERTAIN CIRCUMSTANCES, THE BONDS WILL BE SUBJECT TO REDEMPTION IN WHOLE OR IN PART ON ANY INTEREST PAYMENT DATE.

Proceeds of the sale of the Bonds and amounts contributed by the hereinafter defined Major Landowner will be used to (i) pay a portion of the costs of acquisition of certain public infrastructure, (ii) pay capitalized interest on the Bonds through July 1, 2026*, (iii) fund a debt service reserve fund for the Bonds, and (iv) pay costs of issuance relating to the Bonds. See "SOURCES AND APPLICATIONS OF FUNDS" and "THE PUBLIC INFRASTRUCTURE" herein.

PLEASE BE ADVISED THAT AN INVESTMENT IN THE BONDS INVOLVES A SIGNIFICANT DEGREE OF RISK AND IS SPECULATIVE IN NATURE AS DESCRIBED UNDER "RISK FACTORS" AND UNDER OTHER SECTIONS IN THIS OFFICIAL STATEMENT. THIS ISSUE IS NOT RATED AND SHOULD NOT BE DEEMED TO BE INVESTMENT GRADE. THE "RISK FACTORS" SECTION OF THIS OFFICIAL STATEMENT SHOULD BE REVIEWED PRIOR TO MAKING ANY INVESTMENT DECISION IN THE BONDS.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE DISTRICT, THE CITY OF GOODYEAR, ARIZONA, THE STATE OF ARIZONA OR ANY POLITICAL SUBDIVISION THEREOF, NOR THE CREDIT OF THE MAJOR LANDOWNER, WILL BE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS WILL NOT BE GENERAL OBLIGATIONS OF THE DISTRICT, BUT WILL BE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM THE HEREIN-DESCRIBED SPECIAL ASSESSMENTS AND AMOUNTS HELD IN THE HEREIN-DESCRIBED RESERVE FUND.

The Bonds will be offered when, as and if issued by the District and subject to the approval of Gust Rosenfeld P.L.C., Phoenix, Arizona, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel, Gust Rosenfeld P.L.C., Phoenix, Arizona, for the Underwriter by its counsel, Greenberg Traurig, LLP, Phoenix, Arizona, for certain homebuilders by their respective counsel, and for the Major Landowner and its affiliates by their counsel, Berens Blonstein PLC, Scottsdale, Arizona. It is expected that delivery of the Bonds will be made through the facilities of DTC on or about December 18, 2025*.

This cover page contains certain information for general reference only. It is not a summary of the issue of which the Bonds are a part. Investors are advised to read this Official Statement in its entirety to obtain information essential to the making of an informed investment decision with respect to the Bonds.

STIFEL

* Subject to change.

\$10,668,000*
ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT
(CITY OF GOODYEAR, ARIZONA)
MONTECITO ASSESSMENT DISTRICT NO. 4
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025

MATURITY SCHEDULE*

Maturity Date (July 1)	Amount	Rate	Yield	CUSIP® ^(a) No. 29758R
2027	\$ 228,000	%	%	
2028	240,000			
2029	255,000			
2030	270,000			
2031	285,000			
2032	305,000			
2033	325,000			
2034	340,000			
2035	360,000			
2036	385,000			
2037	405,000			
2038	430,000			
2039	455,000			
2040	485,000			
2041	515,000			
2042	545,000			
2043	575,000			
2044	610,000			
2045	650,000			
2046	685,000			
2047	730,000			
2048	770,000			
2049	820,000			

\$ _____ Term Bond @ _____% Due July 1, 20__ - Yield _____% - CUSIP®(a) No. 29758R _____

* Subject to change.

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

DISTRICT BOARD

Joe Pizzillo, *Chair*
Wally Campbell, *Vice Chair*
Brannon Hampton, *Board Member*
Laura Kaino, *Board Member*
Vicki Gillis, *Board Member*
Benita Beckles, *Board Member*
Trey Terry, *Board Member*

DISTRICT STAFF

Wynette Reed, *District Manager**
Michael Shoemaker, *Interim District Treasurer*
Jasmine Pernicano, *District Clerk*

MUNICIPAL ADVISOR

Hilltop Securities Inc.
Phoenix, Arizona

DISTRICT ENGINEER

Willdan Group, Inc.
Phoenix, Arizona

APPRAISER

Wayne Harding & Associates
Scottsdale, Arizona

BOND COUNSEL

Gust Rosenfeld P.L.C.
Phoenix, Arizona

BOND REGISTRAR AND PAYING AGENT

U.S. Bank Trust Company, National Association
Tempe, Arizona

* Ms. Reed has announced her retirement, effective March 6, 2026. The Goodyear City Council will form a subcommittee to coordinate a national recruitment search for Ms. Reed's replacement.

REGARDING THIS OFFICIAL STATEMENT

This Official Statement, which includes the cover page, the inside front cover page and the appendices hereto, should be considered in its entirety, and no one subject should be considered less important than another by reason of location in the text. Brief descriptions of the Bonds, the Bond Resolution, the Appraisal (each as defined herein), the security for the Bonds, Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) (the “District”), the development of land within the District and other information are included in this Official Statement. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Bonds, the Bond Resolution, the Appraisal and other documents are qualified in their entirety by reference to such documents, copies of which may be obtained from Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), at 2801 East Camelback Road, Suite 300, Phoenix, Arizona 85016.

No dealer, broker, salesperson or other person has been authorized by the District, the Underwriter or Hilltop Securities Inc. (the “Municipal Advisor”), to give information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the District, the Underwriter or the Municipal Advisor.

The information set forth herein has been obtained from the District, the Major Landowner and other sources that are considered to be accurate and reliable and customarily relied upon in the preparation of similar official statements, but such information has not been independently confirmed or verified by the District, the Municipal Advisor or the Underwriter, is not guaranteed as to accuracy or completeness, and is not to be construed as the promise or guarantee of the District, the Municipal Advisor or the Underwriter.

The Underwriter has provided the following sentence for inclusion in this Official Statement: “The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under the federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.”

The presentation of information, including tables of receipts from taxes and other sources, shows recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the District. All information, estimates and assumptions contained herein are based on past experience and on the latest information available and are believed to be reliable, but no representations are made that such information, estimates and assumptions are correct, will continue, will be realized or will be repeated in the future. To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty, and no representation is made that any of these statements have been or will be realized. All forecasts, projections, opinions, assumptions or estimates are “forward-looking statements” that must be read with an abundance of caution and that may not be realized or may not occur in the future. Information other than that obtained from official records of the District has been identified by source and has not been independently confirmed or verified by the District, the Municipal Advisor or the Underwriter, or any of their respective counsel, including Bond Counsel and counsel to the Underwriter, and its accuracy cannot be guaranteed. This Official Statement is not to be construed as a contract or agreement between the District or the Underwriter and the purchasers or holders of any of the Bonds. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made pursuant hereto will, under any circumstances, create any implication that there has been no change in the affairs of the District or any of the other parties or matters described herein since the date hereof.

The Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission (the “Commission”) nor any other federal, state or other governmental entity or agency will have passed upon the accuracy or adequacy of this Official Statement or approved the Bonds for sale.

A wide variety of information, including financial information, concerning the District is available from publications and websites of the District, the City of Goodyear, Arizona, and others. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded. References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of Rule 15c2-12 of the Commission (the “Rule”).

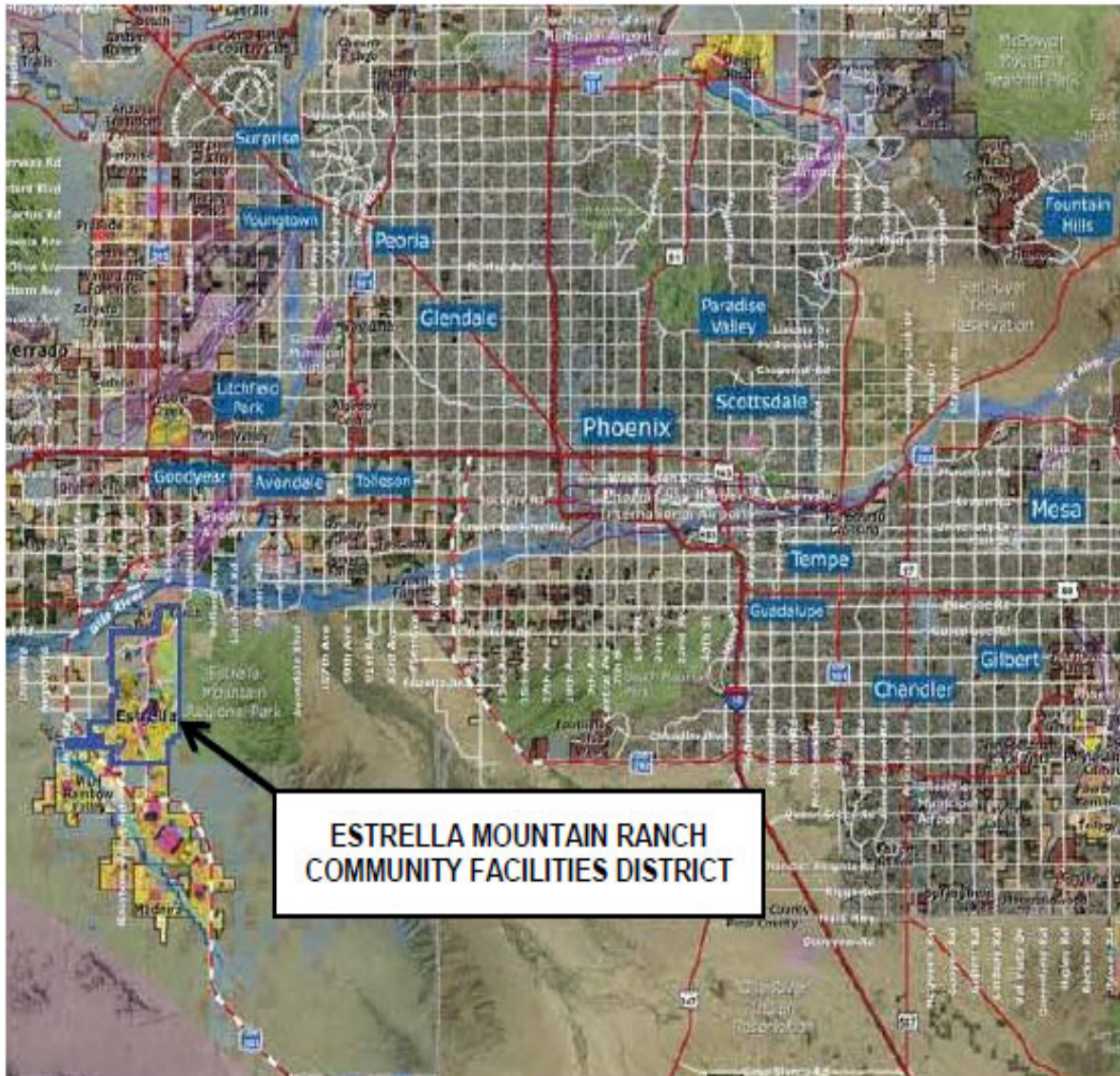
The District will undertake to provide continuing disclosure as described in this Official Statement under the heading “CONTINUING DISCLOSURE” and in APPENDIX D - “FORM OF CONTINUING DISCLOSURE UNDERTAKING,” all pursuant to the Rule.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM THE INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS.

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JUNE 30, 2024	

**MAP SHOWING LOCATION OF THE DISTRICT
WITHIN METROPOLITAN PHOENIX AREA**



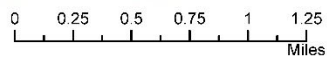
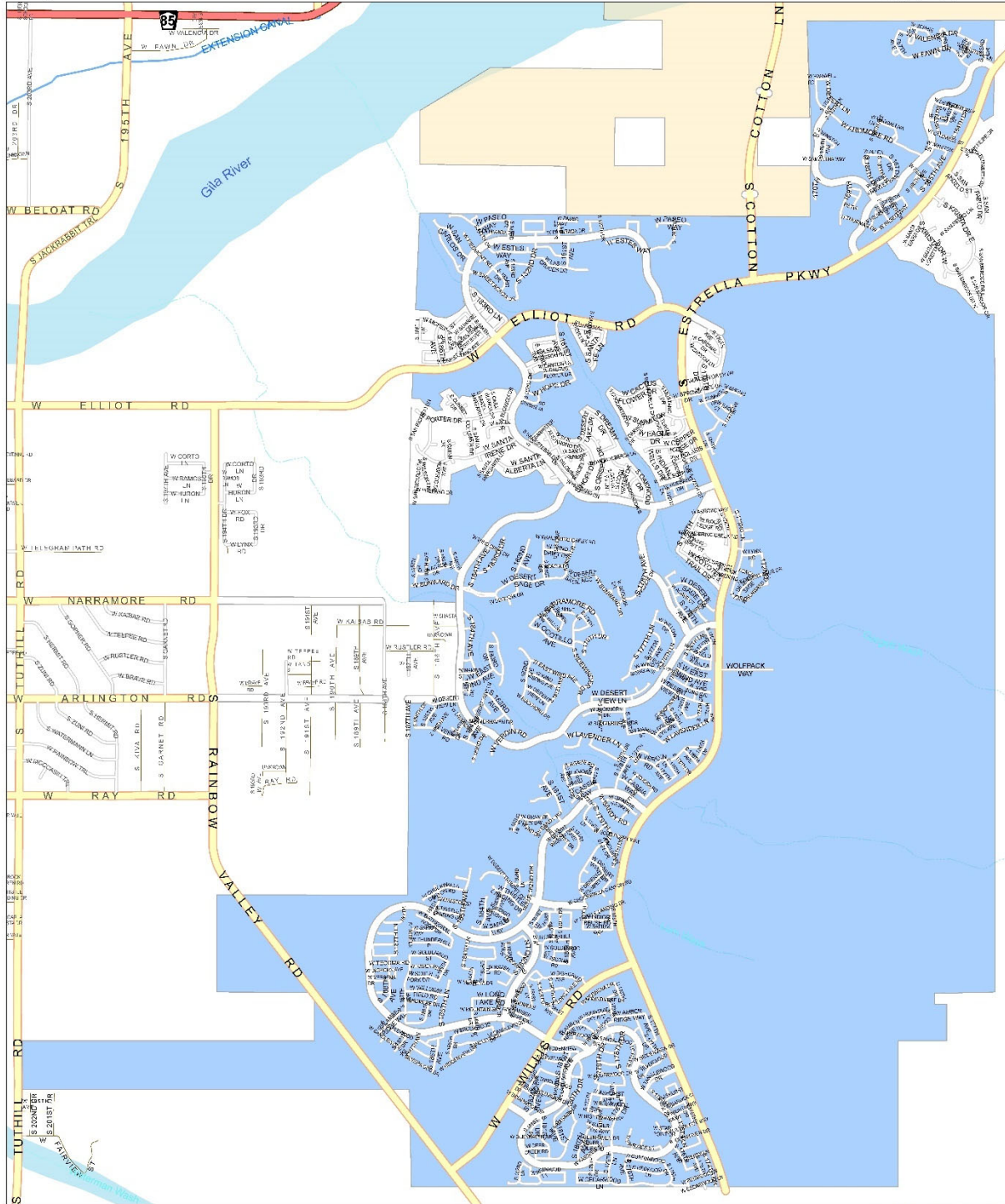
MAP OF THE DISTRICT



Community Facility Districts Estrella Mountain Ranch District



Print Date: 10/22/2025

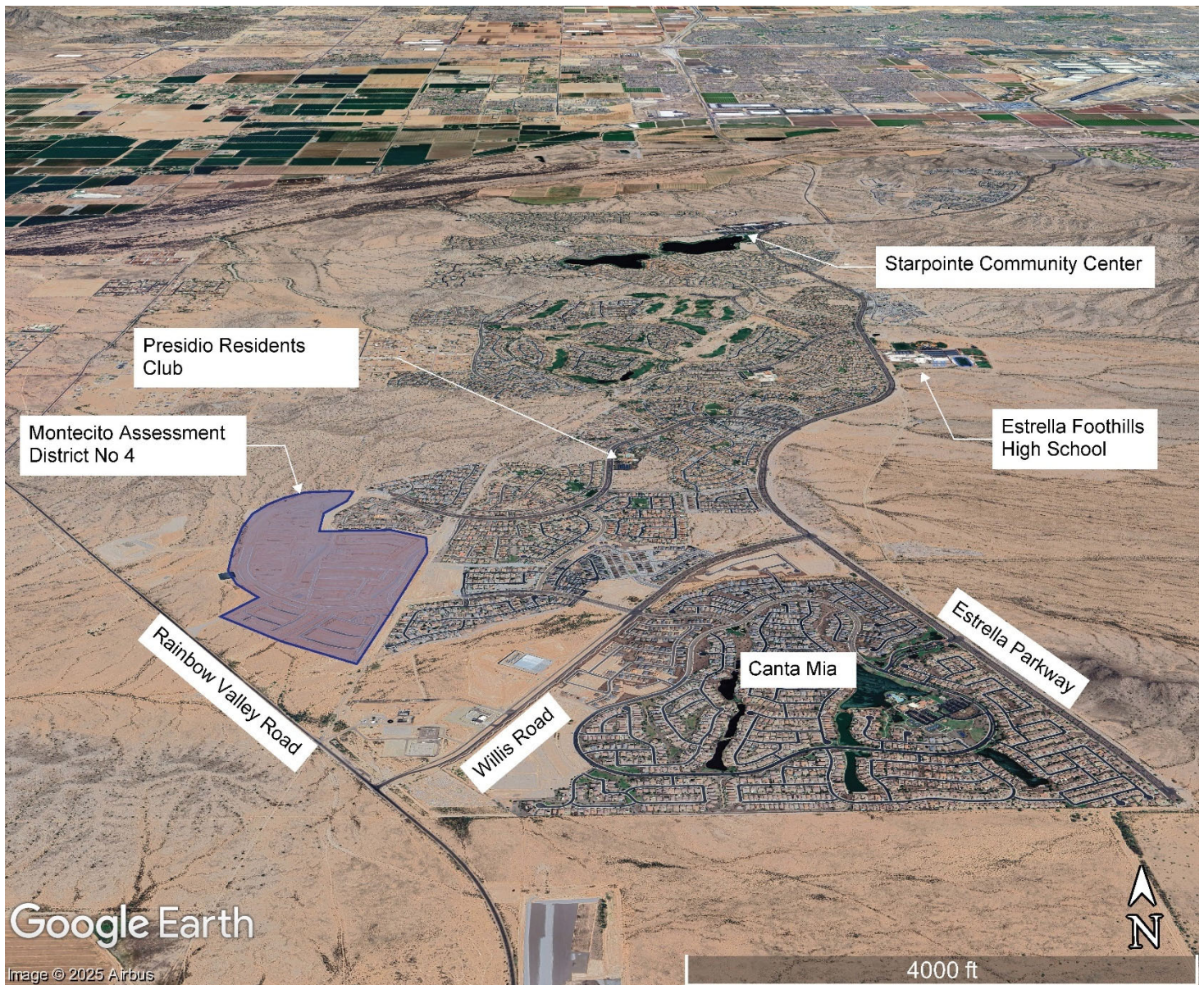


Legend

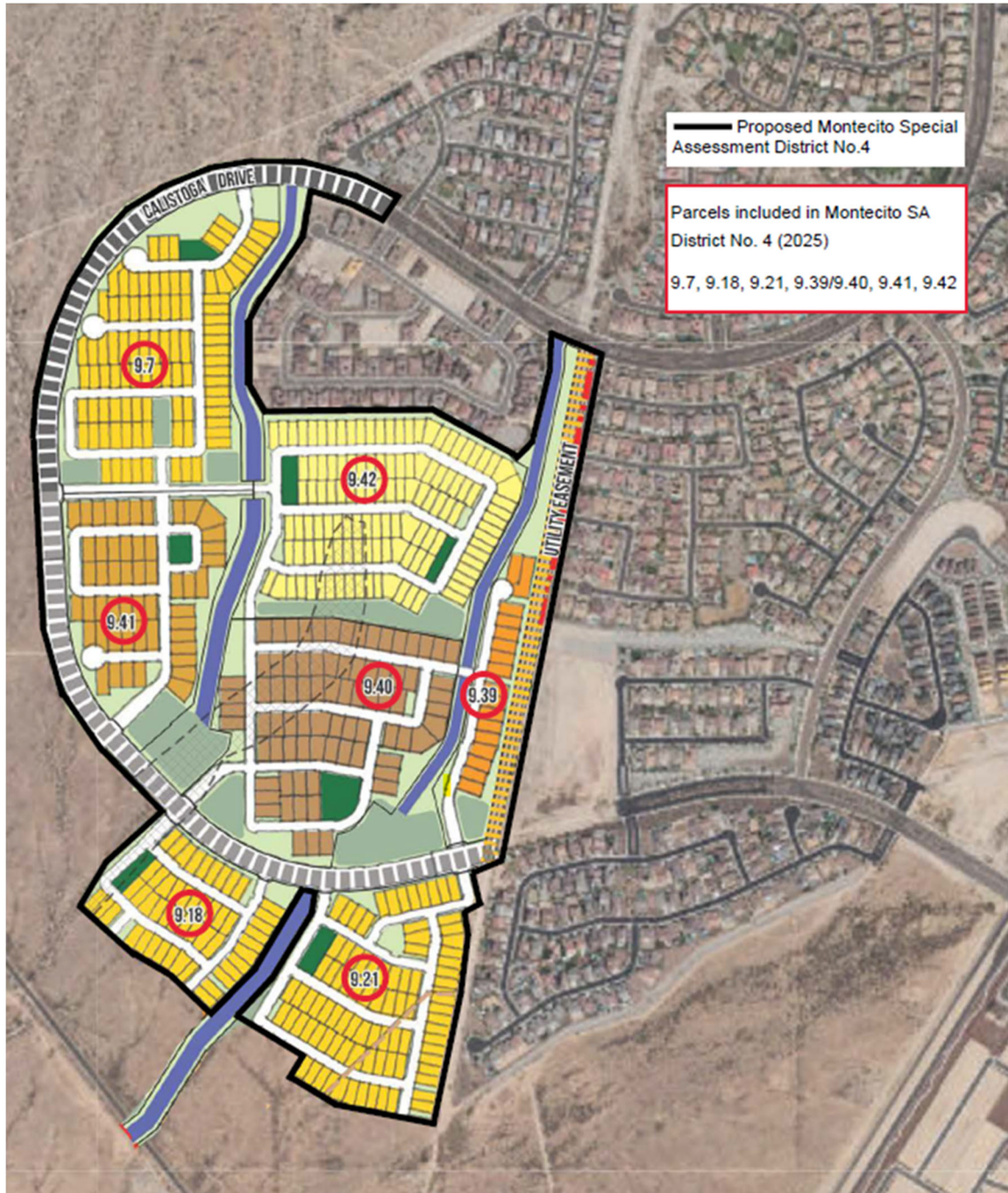
- Freeway/Highway
- Arterial
- Collector
- Residential
- City Limits
- Estrella Mountain Ranch District
- King Ranch District

City of Goodyear Digital makes no claims concerning the accuracy of this map nor assumes any liability resulting from the use of this information herein.

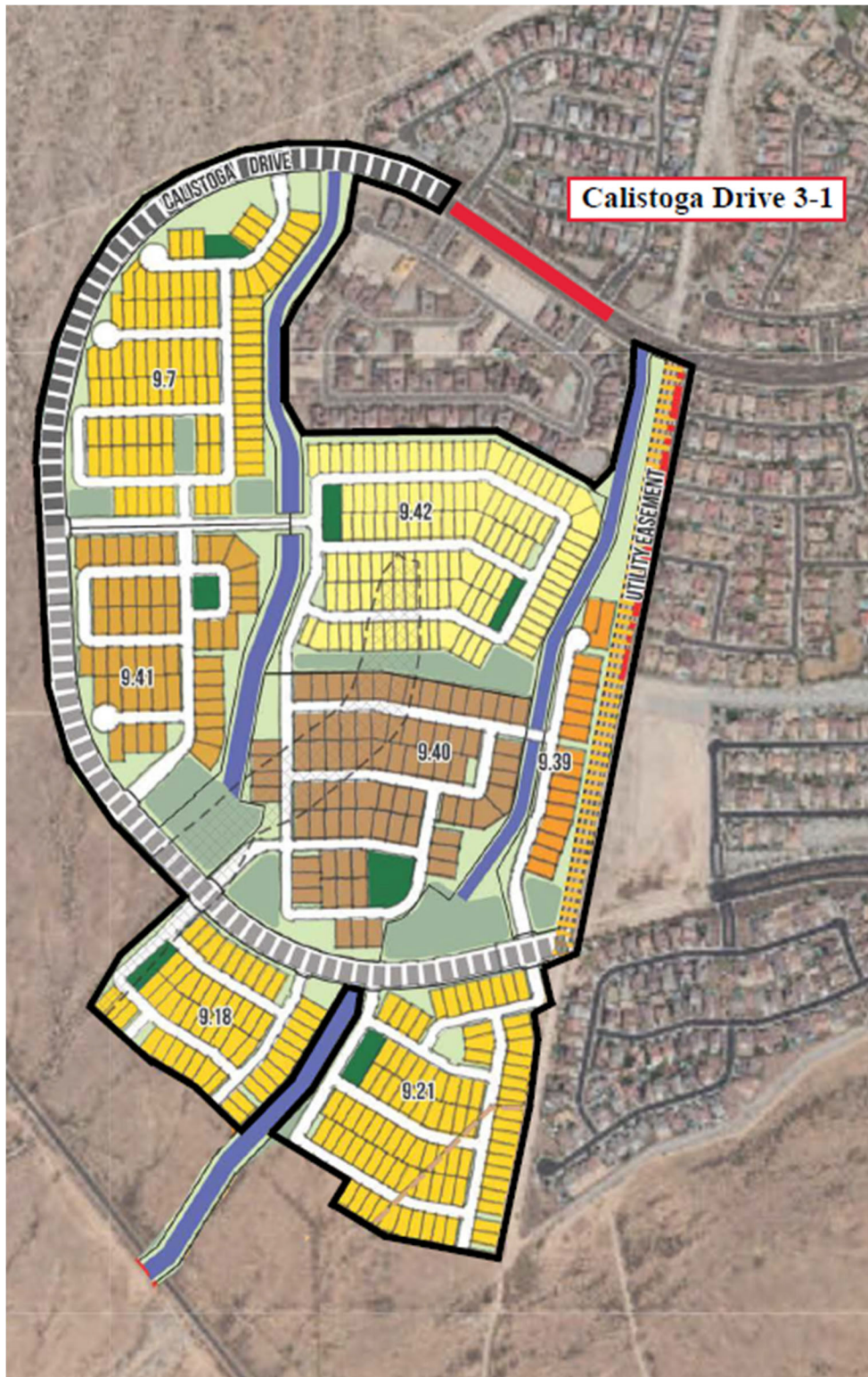
**AERIAL PHOTOGRAPH SHOWING LOCATION OF THE ASSESSMENT DISTRICT AND
IN THE CONTEXT OF THE DISTRICT AND FUTURE DEVELOPMENT**

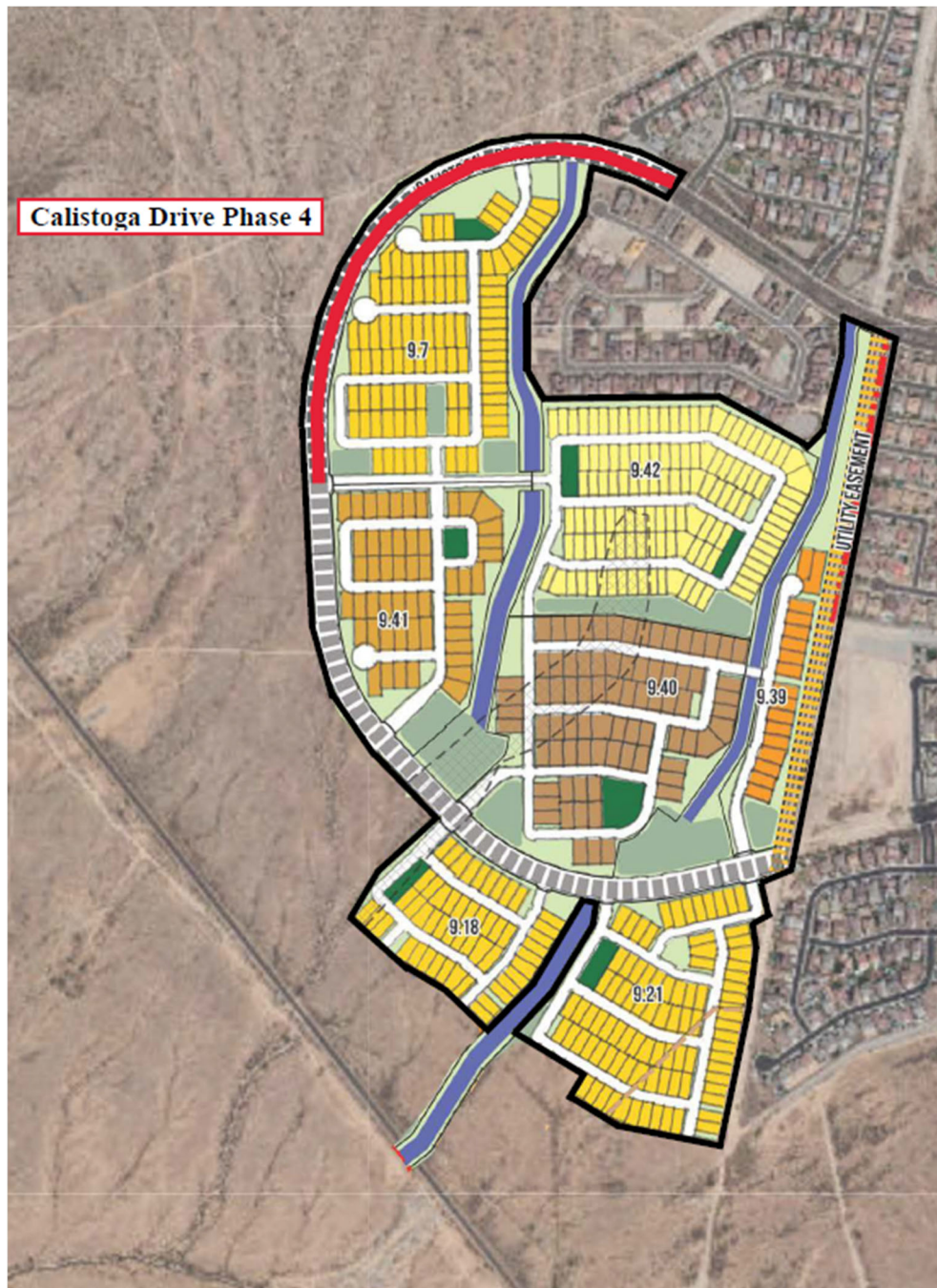


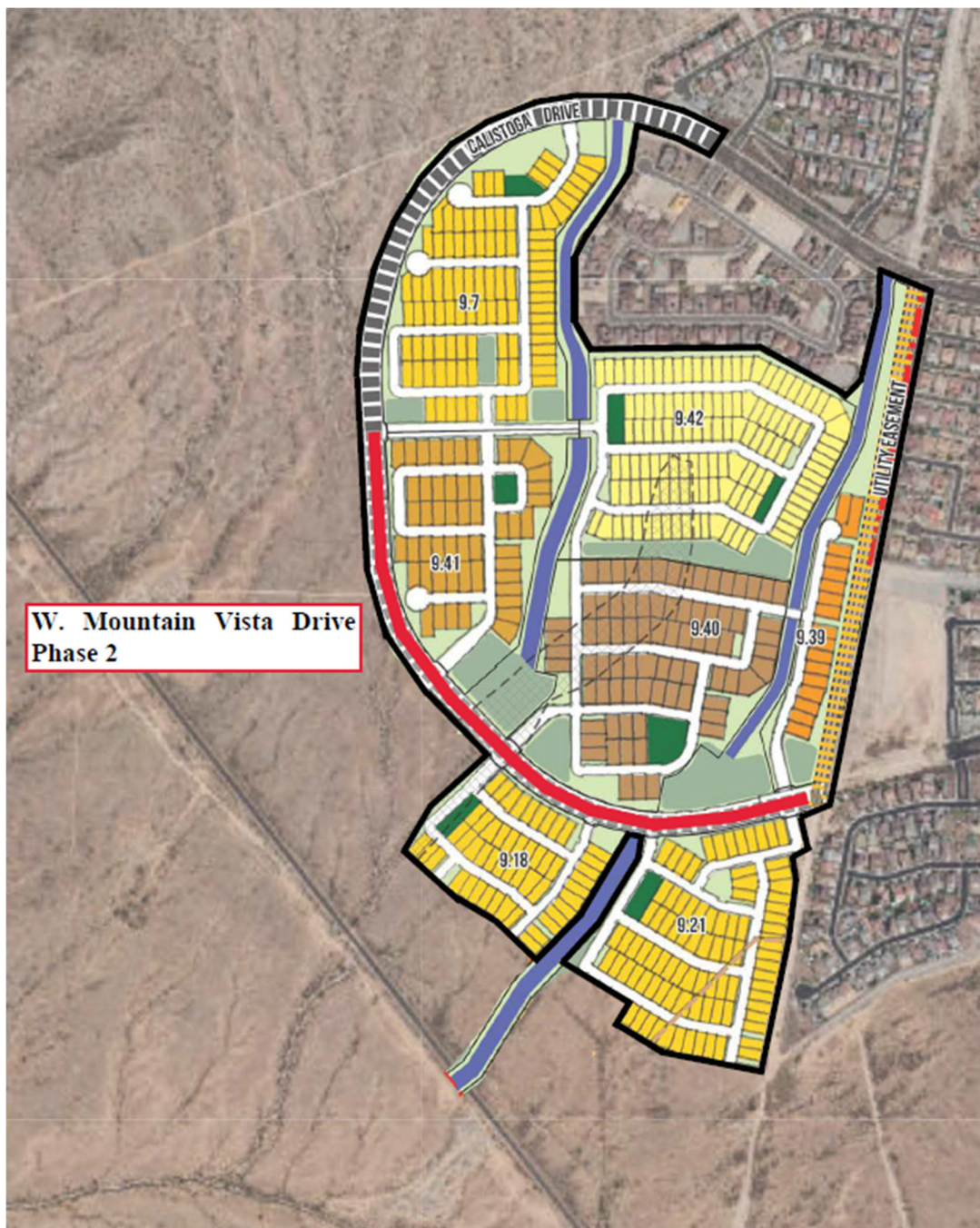
**AERIAL PHOTOGRAPH SHOWING LOCATION OF PARCELS
TO BE INCLUDED IN ASSESSMENT DISTRICT**



**AERIAL PHOTOGRAPHS SHOWING LOCATION OF THE PUBLIC INFRASTRUCTURE
TO BE ACQUIRED WITH PROCEEDS OF THE BONDS**







OFFICIAL STATEMENT

\$10,668,000*

**ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT
(CITY OF GOODYEAR, ARIZONA)
MONTECITO ASSESSMENT DISTRICT NO. 4
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025**

This Official Statement, which includes the cover page, the inside front cover page and the appendices hereto, provides certain information concerning the issuance of Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) Montecito Assessment District No. 4 Special Assessment Revenue Bonds, Series 2025 (the “Bonds”), in the aggregate principal amount of \$10,668,000*. Copies of any of the documents referenced herein are available upon request to the Underwriter (as defined herein) at: Stifel, Nicolaus & Company, Incorporated, 2801 East Camelback Road, Suite 300, Phoenix, Arizona 85016.

INTRODUCTION

General

Pursuant to the Community Facilities District Act of 1988, constituting Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (the “Act”), and in response to a petition by SunChase Estrella Limited Partnership, a Delaware limited partnership (“SunChase”), the Mayor and Council (the “City Council”) of the City of Goodyear, Arizona (the “City”), adopted a resolution on November 22, 1999, which formed Estrella Mountain Ranch Community Facilities District (the “District”). Subsequent to the formation of the District, a Development, Financing Participation and Intergovernmental Agreement No. 1 (Estrella Mountain Ranch Community Facilities District) was entered into among the District, the City and SunChase, dated as of August 1, 2000, and recorded on August 18, 2000, as Document No. 2000-0635059 (and which was subsequently amended by that First Amendment dated January 28, 2019, and recorded on February 4, 2019, as Document No. 2019-0076277 (as amended, the “Development Agreement”)). See APPENDIX A - “INFORMATION REGARDING THE CITY OF GOODYEAR, ARIZONA” hereto for certain information about the City.

The District encompasses approximately 9,771 acres within the City and is located within the Metropolitan Phoenix Area, approximately 20 miles southwest of downtown Phoenix, generally south of the Gila River, approximately six miles south of Interstate 10 (the “District Land”). See the maps on pages (v) and (vi) with respect to the location of the District and the aerial photographs of the District on pages (vii)-(xi). The boundaries of the District are shown on the map on page (vi).

The Bonds will be payable from the hereinafter defined Special Assessments on approximately 159 acres of property within the District (the “Assessment Area”).

See “LAND DEVELOPMENT – Prior Project Ownership” for a discussion of the disposition of the District Land since 1999. See “LAND DEVELOPMENT – Current Project Ownership” for a discussion of the current ownership of the District Land, particularly with respect to Estrella North LLC, a Delaware limited liability company (the “Major Landowner”).

The District is a special purpose, tax levying public improvement district for purposes of the constitution of the State of Arizona (the “State” or “Arizona”) and a municipal corporation for certain purposes of the laws of the State. Except as otherwise provided in the Act, the District is considered to be a municipal corporation and political subdivision of the State, separate and apart from the City. Members of the City Council serve, ex officio, as members of the Board of Directors of the District (the “Board”), and the City Manager of the City serves as the District Manager.

* *Subject to change.*

The District has provided, pursuant to the terms of certain development agreements among the City, the District and certain of the owners of land within the District and certain related entities, financing for the acquisition of certain public infrastructure necessary for development of the District Land. See “LAND DEVELOPMENT.” The District has the authority, with voter approval, to issue general obligation bonds payable from *ad valorem* taxes levied on all taxable property within the boundaries of the District, without limitation as to rate or amount, to finance, among other things, the acquisition costs of public infrastructure purposes within the District, including incidental costs and the costs of issuing bonds. The District also levies an *ad valorem* property tax of \$0.30 per \$100 of net assessed limited property value, the proceeds of which are used to pay a portion of the operation and maintenance expenses of the District and of the public infrastructure financed by the District (the “Operations and Maintenance Tax”).

Assessment Area

On October 6, 2025, the Board adopted a resolution approving a feasibility report relating to the financing of a portion of the costs of certain public infrastructure described under the heading “THE PUBLIC INFRASTRUCTURE” (collectively, the “Public Infrastructure”), to be acquired by the District and thereafter transferred to the City and declaring its intent to acquire the Public Infrastructure and to pay the costs thereof. On October 6, 2025, the Board adopted a resolution levying special assessments (collectively, the “Special Assessments” and, individually, as the Special Assessments relate to a particular lot, a “Special Assessment”) on certain single family housing lots within the District (collectively, the “Assessed Lots” and, individually, each an “Assessed Lot”) based on the benefit to be received by the Assessed Lots. See the maps on pages (viii) through (xi). **The Assessed Lots make up only a portion of the District and together make up the assessed portion of “Montecito Assessment District No. 4.”** See “THE ASSESSMENT AREA.”

Montecito Assessment District No. 4 consists of 508 Assessed Lots, all of which have been established by the final plats approved by the City, and of which the assessment area comprises 159.112 acres. See “THE ASSESSMENT AREA” and, particularly, TABLE 5 thereunder, as well as the maps on pages (v), (vi) and (viii) with respect to the location of the District and the area encompassing the Assessed Lots. As described under “LAND DEVELOPMENT – Current Project Ownership” herein, the Major Landowner sold the Assessed Lots in Montecito Assessment District No. 4 to homebuilders Lennar Arizona, LLC (“Lennar”) and Richmond American Homes of Arizona, Inc. (“Richmond Homes” and, together with Lennar, the “Homebuilders”), or to land bankers for the Homebuilders.

THE BONDS

Authorization and Purpose

The Bonds are authorized pursuant to the Act and will be issued, sold and delivered pursuant to a resolution adopted by the Board on November 17, 2025 (the “Bond Resolution”). Proceeds of the sale of the Bonds and amounts contributed by the Major Landowner will be used to (i) pay a portion of the costs of the Public Infrastructure, (ii) pay capitalized interest on the Bonds through July 1, 2026*, (iii) fund a debt service reserve fund for the Bonds (the “Reserve Fund”), and (iv) pay costs of issuance relating to the Bonds. See “SOURCES AND APPLICATIONS OF FUNDS.”

General Description

The Bonds will be dated the date of their initial delivery, and will mature and bear interest as set forth on the inside front cover page of this Official Statement.

Interest on the Bonds will be paid semiannually on January 1 and July 1 of each year, commencing July 1, 2026* (each such date being referred to herein as an “Interest Payment Date”). The Bonds will bear interest from the most recent Interest Payment Date for which interest has been paid or duly provided for or, if no interest has been paid, from the date of their initial delivery, calculated on the basis of a 360-day year of twelve 30-day months. The District has chosen the 15th day of the calendar month (other than a Saturday, a Sunday, or a legal holiday or equivalent (other

* *Subject to change.*

than a moratorium) for banking institutions generally (a “Business Day”)) next preceding the applicable Interest Payment Date or, if such day is not a Business Day, then the previous Business Day, as the “Record Date” for the Bonds.

Beneficial ownership interests may be purchased through the facilities of The Depository Trust Company in the book-entry-only form described herein in minimum denominations of \$25,000 of principal amount due on a specified maturity date or \$1,000 integral multiples in excess thereof. See APPENDIX E - “BOOK-ENTRY-ONLY SYSTEM.”

Bond Registrar and Paying Agent

U.S. Bank Trust Company, National Association, will serve as the initial bond registrar, transfer agent, paying agent and depository (the “Bond Registrar and Paying Agent”) for the Bonds. The District may change the Bond Registrar and Paying Agent without notice to or consent of the owners of the Bonds.

Redemption Provisions*

Special Optional Redemption. The Bonds will be redeemed at the option of the District in whole or in part on any Interest Payment Date, upon not more than 60 nor less than 30 days prior notice, upon payment of the applicable redemption price, which will consist of the principal amount of the Bonds so redeemed, plus interest, if any, on the Bonds so redeemed from the most recent Interest Payment Date to the applicable redemption date, without premium (i) if and to the extent on or after the completion of the Public Infrastructure amounts are transferred from the Acquisition Fund (as defined in the Bond Resolution) for such purpose, (ii) from the prepayment of any Special Assessment by the owner of any Assessed Lot, and (iii) from the proceeds from the sale of any delinquent Special Assessments, to the extent such proceeds are not used to replenish the Reserve Fund to an amount equal to the Reserve Fund Requirement (as defined herein).

Optional Redemption. The Bonds maturing on or after July 1, 20__, will also be redeemable, on or after July 1, 20__, at the option of the District in whole on any date or, from time to time, in part on any Interest Payment Date, upon not more than 60 nor less than 30 days prior notice, upon payment of the applicable redemption price, which will consist of the principal amount of the Bonds so redeemed plus interest, if any, on the Bonds so redeemed from the most recent Interest Payment Date to the applicable redemption date, without premium.

Mandatory Redemption. The Bonds maturing on July 1 in the following years will be redeemed on the following redemption dates and in the following amounts upon not more than 60 nor less than 30 days prior notice, upon payment of the applicable redemption price, which will consist of the principal amount of the Bonds so redeemed plus interest, if any, on the Bonds so redeemed from the most recent Interest Payment Date to the applicable redemption date, without premium:

Redemption Date <u>(July 1)</u>	Principal <u>Amount</u>
<u>20__ Term Bond</u>	
20__	\$
20__	
20__ (maturity)	

Whenever Bonds of such maturity are purchased, redeemed (other than pursuant to a mandatory redemption) or delivered to the Bond Registrar and Paying Agent for cancellation, the principal amount of the Bonds of such maturity so retired shall satisfy and be credited on a *pro-rata* basis against the remaining mandatory redemption requirements for the Bonds of such maturity.

Notice of Redemption. So long as the Bonds are held under the Book-Entry-Only System, notices of redemption will be sent to DTC, in the manner required by DTC. If the Book-Entry-Only System is discontinued, notice of redemption

* *Subject to change.*

of any Bond will be mailed to the registered owner of the Bond or Bonds being redeemed at the address shown on the bond register maintained by the Bond Registrar and Paying Agent not more than 60 nor less than 30 days prior to the date set for redemption. Neither the failure of DTC nor any registered owner of Bonds to receive a notice of redemption nor any defect therein will affect the validity of the proceedings for redemption of Bonds as to which proper notice of redemption was given. Notice of redemption may be sent to any securities depository by mail, facsimile transmission, wire transmission or any other means of transmission of the notice generally accepted by the respective securities depository.

Notice of any redemption will also be sent to the Municipal Securities Rulemaking Board (the "MSRB"), currently through the MSRB's Electronic Municipal Market Access system ("EMMA"), in the manner required by the MSRB, but no defect in said further notice or record nor any failure to give all or a portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above. See Appendix E - "BOOK-ENTRY-ONLY SYSTEM."

If the money necessary for such redemption is not held by the Bond Registrar and Paying Agent at the time of mailing the notice of redemption, the notice will further state that the redemption is conditional on such money being so held on the date set for redemption, and that if not so held, the redemption will be cancelled and the notice shall be of no force or effect.

Effect of Redemption. Pursuant to the Bond Resolution, if on the date of redemption of Bonds sufficient monies for payment of the redemption price and accrued interest are held by the Bond Registrar and Paying Agent, interest on the portion of the Bonds to be redeemed will cease to accrue and such portion of the Bonds will cease to be entitled to any benefit or security under the Bond Resolution except the right to receive payment from the monies held for such portion of the Bonds by the Bond Registrar and Paying Agent.

Redemption of Less Than All of a Bond. The District may redeem an amount which is included in a Bond in integral multiples of \$1,000. In that event, the registered owner shall submit the Bond for partial redemption and the Bond Registrar and Paying Agent shall make such partial payment and the Bond Registrar and Paying Agent shall cause to be issued a new Bond in a principal amount which reflects the redemption so made to be authenticated and delivered to the registered owner thereof.

[Remainder of page left blank intentionally.]

ESTIMATED DEBT SERVICE REQUIREMENTS

The following table sets forth the estimated debt service requirements for the Bonds.

Schedule of Estimated Annual Debt Service Requirements* (a)

Fiscal Year	The Bonds		Total Annual Debt Service Requirements
	Principal	Interest (b)	
2025/26		\$ 321,818 (c)	\$ 321,818
2026/27	\$ 228,000	640,080	868,080
2027/28	240,000	626,400	866,400
2028/29	255,000	612,000	867,000
2029/30	270,000	596,700	866,700
2030/31	285,000	580,500	865,500
2031/32	305,000	563,400	868,400
2032/33	325,000	545,100	870,100
2033/34	340,000	525,600	865,600
2034/35	360,000	505,200	865,200
2035/36	385,000	483,600	868,600
2036/37	405,000	460,500	865,500
2037/38	430,000	436,200	866,200
2038/39	455,000	410,400	865,400
2039/40	485,000	383,100	868,100
2040/41	515,000	354,000	869,000
2041/42	545,000	323,100	868,100
2042/43	575,000	290,400	865,400
2043/44	610,000	255,900	865,900
2044/45	650,000	219,300	869,300
2045/46	685,000	180,300	865,300
2046/47	730,000	139,200	869,200
2047/48	770,000	95,400	865,400
2048/49	820,000	49,200	869,200
	<u>\$10,668,000</u>		

(a) Prepared by Stifel, Nicolaus & Company, Incorporated (the "Underwriter").

(b) Interest is estimated at 6.00%.

(c) The first interest payment on the Bonds will be due on July 1, 2026*. Thereafter, interest payments will be made semiannually on January 1 and July 1 until maturity or prior redemption.

* Subject to change.

SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS

Bond Fund and Special Assessments

The Bonds will be payable solely from and secured by a special, separate fund established pursuant to the Bond Resolution and maintained by the District (the "Bond Fund") which will contain the installments collected with respect to the Special Assessments on Assessed Lots and, initially, amounts contributed by the Major Landowner representing capitalized interest for the July 1, 2026*, interest payment. (The remaining land in the District does not represent security for the Bonds.) The Bonds will, under certain circumstances, also be payable from amounts available from time to time in the Reserve Fund. The Board has levied the Special Assessments based on the benefit determined by the Board to be received by the corresponding Assessed Lots from the Public Infrastructure. **Pursuant to an agreement entered into between the District and the Treasurer of Maricopa County, Arizona (the "Treasurer"), the District may, in each year, determine to have the Treasurer collect some or all of that year's installment payments collected with respect to the Special Assessments as part of, and pursuant to the procedures for collection of, general property taxes. (See "OVERLAPPING, ADDITIONAL OVERLAPPING AND OTHER DEBT AND OTHER OVERLAPPING TAXES - Introduction.") In the event of nonpayment of a current year installment that is collected by the Treasurer, such installment will no longer be collected under the Foreclosure Process (as defined and described below) but will instead be collected in the same manner as general property taxes. However, it is the intent of the District to collect the remaining installments of that Special Assessment pursuant to the Foreclosure Process. Collection of a delinquent installment by the Treasurer with other delinquent general property taxes may result in a delay in the ultimate collection of such installment.**

The Special Assessments are a first lien on the Assessed Lots subject only to, notwithstanding any such agreement with the Treasurer, general property taxes and prior special assessments. **(THERE ARE SUCH GENERAL PROPERTY TAXES IN THE CASE OF THE BONDS; HOWEVER, THERE ARE NO PRIOR SPECIAL ASSESSMENTS. SEE "OVERLAPPING, ADDITIONAL OVERLAPPING AND OTHER DEBT AND OTHER OVERLAPPING TAXES.")** *Failure to pay such general property taxes and subsequent foreclosure of the related lien does not extinguish a Special Assessment. Neither the current owners nor any subsequent owners of any Assessed Lot are obligated to pay the Special Assessments or the Bonds, and the assets of the current owners or any subsequent owners, other than the Assessed Lots, do not secure such payment. The Special Assessments and the Bonds will be secured only by the Assessed Lots. The Special Assessments are not cross-defaulted. Any owner, current or subsequent, could choose to pay one Special Assessment and not another for Assessed Lots it owns.*

In the event of nonpayment of amounts due with respect to a Special Assessment, the procedures for collection of delinquent assessments and sale of delinquent property prescribed by Sections 48-601 through 48-607, Arizona Revised Statutes (the "Foreclosure Process"), apply, as nearly as practicable, **except that none of the District, the City or owners of land in the District (including the Major Landowner) is required to purchase the Assessed Lots subject to delinquency at the sale even if there is no other purchaser.** See "SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS - Foreclosure Process," "RISK FACTORS - Non-Payment of Assessments" and APPENDIX F - "CERTAIN STATUTORY PROVISIONS APPLICABLE TO THE FORECLOSURE PROCESS." Any Assessed Lot will be offered for sale pursuant to the Foreclosure Process for nonpayment of the Special Assessment on such Assessed Lot and, if sold, the proceeds thereof will be deposited in the Bond Fund or will be used to replenish the Reserve Fund. The rights and obligations of the District relating to collection and payment of the Special Assessments and the enforcement of remedies against delinquent Special Assessments (including the Foreclosure Process) may be subject to bankruptcy, insolvency, reorganization, moratorium, and similar laws affecting creditors' rights and may be subject to judicial discretion in accordance with general principles of equity.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE DISTRICT, THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, NOR THE CREDIT OF THE MAJOR LANDOWNER, WILL BE PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS WILL NOT BE GENERAL OBLIGATIONS OF THE DISTRICT BUT WILL BE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM THE SPECIAL ASSESSMENTS AND AMOUNTS HELD IN THE RESERVE FUND.

Reserve Fund

As indicated in "SOURCES AND APPLICATIONS OF FUNDS," \$870,100.00* of the proceeds of the sale of the Bonds will be deposited in the Reserve Fund. The amount in the Reserve Fund shall be not more than the lesser of: (i) 10% of the outstanding principal amount of the Bonds; (ii) an amount equal to the maximum debt service payments due on the Bonds in any year; or (iii) 125% of the average annual debt service on the Bonds outstanding, or such amount as required by the Internal Revenue Code of 1986, as amended (the "Code") to obtain or maintain the tax-exempt status of the Bonds (the "Reserve Fund Requirement"). To the extent income from investments of the Reserve Fund causes the Reserve Fund to exceed the Reserve Fund Requirement, such investment income will be transferred to the Bond Fund and used to pay semiannual interest on the Bonds.

If at any time it appears that the collection of installments of the Special Assessments will not raise money sufficient to pay the then forthcoming principal or interest payment on the Bonds, any or all investments in the Reserve Fund may be liquidated and such amounts transferred to the Bond Fund as is necessary to make timely payments of principal of and interest on the Bonds, as applicable. The Reserve Fund will be reimbursed from either: (i) the proceeds from the sale of delinquent Special Assessments pursuant to the Foreclosure Process or (ii) excess amounts from installments on the Special Assessments, if any, provided, however, only to the extent that such excess portion of such installments is not required for the payment of principal of and interest on the Bonds.

If the amount held in the Reserve Fund together with the amount held in the Bond Fund is sufficient to pay the principal amount of all the Bonds outstanding on a redemption date, together with the interest accrued on such Bonds as of such redemption date, the monies shall be transferred to the prepayment account of the Bond Fund and thereafter used to redeem all Bonds on such redemption date.

Foreclosure Process

The Foreclosure Process is provided by the Bond Resolution (by reference to waiver agreements applicable to the Assessed Lots) which states that certain sections of the "General Public Improvements and Improvement Bonds Law" of the Arizona Revised Statutes are applicable. APPENDIX F - "CERTAIN STATUTORY PROVISIONS APPLICABLE TO THE FORECLOSURE PROCESS" includes portions of certain sections of such law. Generally, a representative of the District is required, within 20 days from the date any installment is due on the Special Assessments, to begin publication of the list of the Special Assessments on which any installment is delinquent. Such representative also is required to append to and publish with the list a notice that unless each delinquent installment, together with the penalty and costs thereon, is paid, the whole amount of the Special Assessment will be declared due, and the corresponding Assessed Lot upon which the Special Assessment is a lien will be sold at public auction at a time and place to be specified in the notice. The notice of the delinquent Special Assessments is required to be published and circulated in the District for a period of 10 days in a daily newspaper, or for two weeks in a weekly newspaper so published and circulated. Before the date fixed for the sale or the date to which the sale has been postponed, the representative is required to obtain a record search that shows the names and addresses of all lien claimants on, and other persons with an interest in, the Assessed Lots on which an installment of the Special Assessment is delinquent. At least 10 days before the sale date or the date to which the sale has been postponed, the representative is required to mail notice of the sale to the owner and to each of the lien claimants and other interested persons. A final sale may not be held unless the representative has mailed such notice. The time of sale shall not be less than five days after the last publication, and the place of sale shall be in or in front of the office of such representative, or in front of the usual place of meeting of the Board. The sale may be postponed. **To comply with certain notice requirements, it may be necessary to postpone or continue such sales from time to time until such requirements are satisfied.**

On the day fixed for the sale, the representative of the District shall, at 10:00 a.m. MST, or at a time thereafter to which the sale may be adjourned, begin the sale of the Assessed Lots advertised, commencing at the head of the list and continuing in the numerical order of lots, until all are sold. The sale may be postponed or continued from day to day until all the property is sold. Each Assessed Lot shall be offered for sale separately. The sale shall be for the entire Special Assessment including the delinquent installments, and the person who will take the Assessed Lot and

* Subject to change.

then and there pay the amount of the Special Assessment, penalty and costs due, including 50 cents to the representative of the District for a certificate of sale, shall become the purchaser.

None of the District, the City or owners of land in the District (including the Major Landowner) are required to purchase delinquent land at any sale, even if there is no other purchaser.

Special Assessment Amounts and Land Values

Special Assessment Amounts. The Special Assessments have been levied based on the benefit to be received by the Assessed Lots from the Public Infrastructure. See TABLE 5. The amounts of the Special Assessments have been agreed to pursuant to waiver agreements which are applicable to all of the Assessed Lots; such waiver agreements are recorded in the real property records against the Assessed Lots.

Appraisal Values. An appraisal report, dated September 30, 2025 (the “Appraisal”), was prepared by Wayne Harding & Associates, Scottsdale, Arizona (the “Appraiser”), at the request of the District for the purpose of determining, subject to the limitations, terms and conditions thereof, the “market value” and “disposition value” of the Assessed Lots as security for the Special Assessments as of the valuation date of September 15, 2025. **THE FULL TEXT OF THE APPRAISAL IS INCLUDED AS APPENDIX C AND SHOULD BE REVIEWED IN ITS ENTIRETY.** See TABLE 5.

The Appraisal provides an “as is” market value and an “as complete” market value of the Assessed Lots.

“Market value” is defined in the Appraisal as the most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.

The Appraisal also provides an “as is” disposition value and an “as complete” disposition value of the Assessed Lots. These values are based on a marketing time of six months or less. These “disposition values” are discounted from the market values by 10% to reflect the reduced marketing period.

“Disposition value” is defined in the Appraisal as the most probable price that a specified interest in real property is likely to bring under all of the following conditions:

1. Consummation of a sale will occur within a severely limited future marketing period specified by the client.
2. The actual market conditions currently prevailing are those to which the appraised property interest is subject.
3. The buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider their best interest.
7. An adequate marketing effort and time will be allowed for the completion of a sale.
8. Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The value conclusions in the Appraisal are made subject to the hypothetical conditions that the improvements to be financed with proceeds of the Bonds are completed and all lot and subdivision improvements are complete.

The sales comparison approach was utilized to value the Assessed Lots. As described in the Appraisal, the sales comparison approach is a method of estimating value that examines transfers of land that are similar to a subject site, both physically and in terms of utility and highest and best use. By comparing the sales on a common unit basis, a trend in values can usually be identified. By analyzing the most similar sales and adjusting for factors that affect value, a value is indicated from each. Since these are the most likely alternative sites that would be considered by a

potential buyer of the subject site, they are the most logical indications of its market value. The value indications are then reconciled into a single value estimate based upon the relative strengths of each adjusted sale. The process is applied to each of the subject properties to arrive at an opinion of market value for each tract.

The fee simple estate of each Assessed Lot is appraised, which is defined in the Appraisal as absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.

As described in the Appraisal, the appraisal process involved the following steps: (i) inspection of each subject property to identify the physical, locational and economic characteristics of the property relative to competing properties; (ii) research and investigation of public records relating to the property and competing properties to identify legally permitted uses and availability of public amenities; (iii) performing a search of public records to identify sales of competing property in the market; (iv) analysis of the sales data to identify the sales most similar to the subject property; (v) formulating an opinion of the highest and best use of each of the subject parcels; and (vi) analysis of the sales comparison approach as it applies to each of the subject parcels.

As indicated in TABLE 5 herein, each of the Assessed Lots has an overall as is lot value to assessment lien ratio of not less than 4:1 as of the valuation date of the Appraisal. See **“RISK FACTORS - Failure or Inability to Complete Proposed Development”** and **“- Completion of the Public Infrastructure and the Other Infrastructure.”**

There can be no assurance that the values described in the Appraisal are accurate or that the assumptions relied upon in the Appraisal were accurate. There can be no assurance that the values determined in the Appraisal are related in any way to future value or the value as of the date of any default under the Bonds. See “RISK FACTORS - Appraised Value.”

Full Cash Values. It is estimated that the “full cash value” for tax year 2025 as determined by the County Assessor of Maricopa County, Arizona (the “Assessor”) for all of the Assessed Lots is much less than the total of the values shown in the Appraisal. Estimated “full cash value” is statutorily defined to mean “the value determined as prescribed by statute” or, if no statutory method is prescribed, it is “synonymous with market value” which means the estimate of value that is derived annually by using standard appraisal methods and techniques. The Assessor generally uses a market approach to value residential property such as the Assessed Lots. In determining full cash value of the Assessed Lots, the property generally was valued as “agricultural and vacant land” by the Assessor.

OVERLAPPING, ADDITIONAL OVERLAPPING AND OTHER DEBT AND OTHER OVERLAPPING TAXES

Introduction

The District has no control over the amount of additional indebtedness or other amounts payable from ad valorem property taxes or assessments on all or a portion of the property within Montecito Assessment District No. 4 or the area that encompasses the Assessed Lots that may be issued or levied in the future by other governmental entities or political subdivisions, including but not limited to the City, Maricopa County, Arizona (the “County”), school districts, certain other special districts or other entities having jurisdiction over all or a portion of the land within the District or such area. To the extent such indebtedness is payable from general property taxes or taxes are levied for other purposes, such taxes will have a lien on the property within Montecito Assessment District No. 4 paramount and superior to the lien of the Special Assessments. Under current law, any special assessment lien securing indebtedness issued after the Bonds by any such entity within Montecito Assessment District No. 4 would be subordinate and subject to the lien of the Special Assessments. See “Other Debt of the District” in this section. Currently, there are no prior special assessment liens in Montecito Assessment District No. 4. **SEE ALSO, “RISK FACTORS - Direct and Overlapping Indebtedness and Taxes” FOR A DISCUSSION ABOUT THE IMPACT OF SUCH LIENS, EVEN IF SUCH LIENS ARE SUBORDINATE LIENS.**

For tax purposes in Arizona, real property is either valued by the assessor of the county in which such property is located or by the Arizona Department of Revenue. Property valued by the Arizona Department of Revenue is referred

to as “centrally valued” property and is generally owned by large mine and utility entities. Property valued by the assessor of the county in which such property is located is referred to as “locally assessed” property and generally encompasses residential, agricultural and traditional commercial and industrial property.

While locally assessed property in the State has two different values, “limited property value” and “full cash value,” only the limited property value is used as the basis for taxation. The full cash value is maintained and used as the benchmark for determining the taxable value. The limited property value of real property and improvements, including mobile homes, used for all *ad valorem* property tax purposes (both primary and secondary as hereinafter described) is limited by the Arizona Constitution to the lesser of the full cash value of the property or an amount five percent greater than the limited property value of the property determined for the prior year. Such limitation on an increase in value does not apply to certain types of property set forth in the Arizona Constitution and the Arizona Revised Statutes. For centrally valued property and personal property (except mobile homes), the full cash value of the property is used as the basis for taxation.

All property both real and personal is assigned a classification (defined by property use) and related assessment ratio that is multiplied by the limited property value or full cash value of the property, as applicable, to obtain the limited assessed property value and the full cash assessed value, respectively. The assessment ratio for agricultural and vacant land is currently 15%; the assessment ratio for owner-occupied residential property is currently 10%. Net assessed limited property value (“Net Assessed Limited Property Value”) is determined by excluding the value of property exempt from taxation from limited assessed property value and from full cash assessed value of centrally valued property and combining the resulting two amounts.

Taxes levied for the maintenance and operation of counties, cities, towns, school districts, community college districts and the State are primary taxes. These taxes are levied against the assessed valuation of the property (taxable value multiplied by the appropriate assessment ratio).

The primary taxes levied by each county, city, town and community college district are constitutionally limited to a maximum increase of 2% over the maximum allowable prior year’s levy limit plus any taxes on property not subject to taxation in the preceding year (e.g., new construction and property brought into the jurisdiction because of annexation). The 2% limitation does not apply to primary taxes levied on behalf of school districts. Primary taxes on residential property only are constitutionally limited to 1% of the limited value of such property.

Taxes levied for debt retirement, voter-approved budget overrides and the maintenance and operation of special service districts such as sanitary, fire and road improvement districts are secondary taxes. These taxes are also levied against the assessed valuation of the property as described above. There is no constitutional or statutory limitation on annual levies for secondary taxes for voter-approved bond indebtedness or special district assessments.

All taxes become a lien upon the property assessed (they are not a personal obligation of the property owner), attaching on the first day of January of each tax year. Generally, a tax lien is not satisfied or removed until the taxes are paid or the property is finally vested in a purchaser under a tax lien sale as hereinafter described. An *ad valorem* property tax lien is prior and superior to all the liens and encumbrances on the property, except liens and encumbrances held by the State.

If the *ad valorem* property taxes are not paid when due, the Treasurer is required to secure a payment through the sale of the tax lien. Not later than December 31 of each year, the Treasurer must prepare a list of all real property upon which the *ad valorem* property taxes for prior years were unpaid and delinquent. The property so listed is advertised for sale, and the sale of the tax lien for delinquent *ad valorem* property taxes must be held by the Treasurer in February of the calendar year immediately following the publication of notice of the tax lien sale. The Treasurer will offer at the sale a tax lien on each delinquent property at a price equal to the amount of taxes, interest and penalties due on the property to the bidder willing to accept the lowest rate of interest on the amount paid by the bidder for the tax lien. If no bidder is willing to accept 16% per annum or less, the lien is assigned to the State and held for subsequent resale. If a tax lien is sold, the bidder is required to pay in cash at the time of sale a purchase price equal to the amount of taxes, interest and penalties due on the property. If the lien is assigned to the State, the *ad valorem* property taxes due will remain unpaid until subsequent resale or redemption of the property.

Accordingly, delinquent *ad valorem* property taxes should, if the assessed property has sufficient value to attract bidders at the tax lien sale, be recovered within 15 months after the end of the calendar year in which such taxes were levied and assessed.

The holder of a tax lien is entitled to foreclose the right to redeem the tax lien by judicial sale after the third anniversary of the tax lien sale.

Notwithstanding the foregoing, Chapter 176, Laws of Arizona 2024 (commonly referred to by its original bill number as “SB 1431”) revises the redemption and foreclosure process for tax lien certificate holders whereby a delinquent taxpayer may request an entry of judgment directing the sale of the property for excess proceeds. If a delinquent taxpayer requests an excess proceeds sale, and an entry of judgment is granted to direct such excess proceeds sale, a tax lien certificate holder’s potential financial return on the subject tax lien eligible for foreclosure may decrease relative to the tax lien certificate holder’s potential financial return on such tax lien prior to the enactment of SB 1431. Therefore, in connection with the new excess proceeds sale process instituted by SB 1431, it is reasonable to conclude that “tax sale investors” may be less willing to purchase tax liens. The effective date of SB 1431 was September 14, 2024. None of the District, the Municipal Advisor (as defined herein), the Major Landowner, the Underwriter, or the counsel or agents of any of them, including Bond Counsel (as defined herein), are able to determine or predict what impact, if any, SB 1431 will have on property tax collections in the District. Likewise, to the extent the Special Assessments are collected by the Treasurer with general property taxes as described under “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS – Bond Fund and Special Assessments,” none of the District, the Municipal Advisor, the Major Landowner, the Underwriter, or the counsel or agents of any of them, including Bond Counsel, are able to determine or predict what impact, if any, SB 1431 will have on the collection of delinquent Special Assessment installments collected by the Treasurer in the same manner as the collection of delinquent general property taxes. See “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS – Bond Fund and Special Assessments” regarding the District’s intent to collect the remaining installments for a delinquent Special Assessment pursuant to the Foreclosure Process.

Existing, Overlapping, Superior, General Obligation Bonded Indebtedness and Taxes

Overlapping general obligation bonded indebtedness and tax levies for other purposes with respect to land which encompasses the District, the lien for which is paramount and superior to that of the Bonds, is shown below including a breakdown of each overlapping jurisdiction’s applicable general obligation bonded debt, Net Assessed Limited Property Value and combined tax rate per \$100 of Net Assessed Limited Property Value. **(While such indebtedness and tax levies also encompass Assessed Lots, comparable information for the Assessed Lots based on the Net Assessed Limited Property Value is not yet available. See footnote (c) to TABLE 1.)** The District has authorized the issuance of up to \$200,000,000 principal amount of general obligation bonds, of which \$29,190,000 aggregate principal amount has been sold and issued. In addition, certain amounts of net premium on the District’s future issues of general obligation bonds may reduce the voter authorized but unissued amount of District general obligation bonds. See “Overlapping, Superior, General Obligation Bonded Indebtedness and Operations and Maintenance Tax of the District.”

[Remainder of page left blank intentionally.]

TABLE 1
OVERLAPPING GENERAL OBLIGATION BONDED INDEBTEDNESS

Direct and Overlapping Jurisdiction	2025/26 Net Limited Assessed Property Value	Net Outstanding General Obligation Bonded Debt (b)	Proportion Applicable to the District (a)		2025/26 Combined Primary and Secondary Tax Rates Per \$100 Net Limited Assessed Property Value
			Approximate Percentage	Net Amount	
State of Arizona	\$ 92,371,826,506	None	0.20%	None	None
Maricopa County (c)	60,724,517,167	None	0.31	None	\$1.4957
	60,724,517,167	\$ 26,675,000		\$	1.0828
Maricopa County Community College District			0.31	82,864	
Maricopa County Special Health Care District	60,724,517,167	512,560,000	0.31	1,592,240	0.2914
City of Goodyear	1,770,911,952	120,355,000	10.65	12,820,211	1.7350
Buckeye Union High School District No. 201	1,312,367,603	48,830,000	14.37	7,018,741	2.8998
Western Maricopa Education Center	23,716,678,873	66,045,000	0.80	525,308	0.1815
Liberty Elementary School District No. 25	501,070,688	45,335,000	37.65	17,067,214	3.7177
The District (d)	188,637,488	16,165,000	100.00	16,165,000	1.3000
				<u>\$55,271,578</u>	

(a) Includes total stated principal amount of general obligation bonds outstanding. Does not include outstanding principal amount of certificates of participation, revenue obligations or loan obligations outstanding for the jurisdictions listed. Does not include outstanding principal amounts of various County and City improvement districts, as the obligations of these districts are presently being paid from special assessments against property within the various improvement districts.

Does not include presently authorized but unissued general obligation bonds of such jurisdictions that may be issued in the future as indicated in TABLE 2. Authorized but unissued amounts in TABLE 2 may be subject to additional reductions based on net premium amounts of future bond sales. Additional bonds may also be authorized by voters within overlapping jurisdictions pursuant to future elections.

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

limited to \$0.14 per \$100 of Net Assessed Limited Property Value, of which \$0.14 is being levied. (See Sections 48-3715 and 48-3715.02, Arizona Revised Statutes.) There can be no assurance that such levy limit will not be increased or removed at any time during the life of the contract. This table does also does not include the obligation of the Flood Control District of Maricopa County (the "County Flood Control District") to contribute \$80 million to the CAP. The County Flood Control District's sole source of revenue to pay the contribution will be raised from the levy of ad valorem taxes on real property and improvements.

- (b) The County's tax rate includes the \$0.1400 tax rate of CAWCD, the \$0.1428 tax rate of the Maricopa County Flood Control District, the \$0.0462 tax rate of the Maricopa County Free Library District and the \$0.0076 tax rate of the Maricopa County Fire District contribution and the \$1.1591 tax rate of the County. It should be noted that the County Flood Control District does not levy taxes on personal property.*
- (c) Proportion applicable to Montecito Assessment District No. 4 is not available. Proportion applicable to the District was used instead. Because Montecito Assessment District No. 4 only encompasses the area shown on the map at page (vii), which is a smaller area than the area of the District, these amounts are greater than what actually overlaps such area. If the assessed value within the District increases at a faster rate than the overlapping jurisdictions, the amount of overlapping debt allocated for payment within the District will increase. Does not include special assessment revenue bonds outstanding in the aggregate principal amount described in TABLE 3 herein.*
- (d) District tax rate includes \$0.30 Operations and Maintenance Tax of the District for maintenance and operations expenses.*

Source: The various entities, *Property Tax Rates and Assessed Values*, Arizona Tax Research Association, *State and County Abstract of the Assessment Roll*, Arizona Department of Revenue and the Treasurer of the County.

Overlapping, Superior, General Obligation Bonded Indebtedness and Operations and Maintenance Tax of the District

Pursuant to an election held on December 13, 1999, the District is authorized to incur general obligation bonded indebtedness in an amount not to exceed \$200,000,000 in principal amount, of which \$170,479,982 remains authorized but unissued, payable from *ad valorem* property taxes levied on all taxable property within the District without limit as to rate or amount. Such remaining authorized but unissued amount may be subject to further reduction based on the amount of net premium on the future issues of general obligation bonds of the District. Such bonds may be issued over time in order to finance, among other things, the costs of public infrastructure within the District, including incidental costs and the costs of issuing bonds. (Additional bonds payable from such source could be authorized by elections in the future.)

The District also levies the Operations and Maintenance Tax. The lien for taxes for both purposes would be superior and paramount to that for the Special Assessments with respect to the Bonds. **See "RISK FACTORS - Direct and Overlapping Indebtedness and Taxes."**

Other Additional, Overlapping, Superior, General Obligation Bonded Indebtedness and Taxes

As noted above, the District has no control over the amount of additional debt payable from taxes or tax levies for other purposes on all or a portion of the property within the District that may be issued or levied in the future by other political subdivisions, including but not limited to the City, the County, school districts, certain other special districts or other entities having jurisdiction over all or a portion of the land within the District. To the extent such obligations are payable from general property taxes, such taxes will have a lien on the taxable property within the District superior and paramount to that for the Special Assessments with respect to the Bonds. Additional indebtedness or tax levies for other purposes could be authorized for such overlapping jurisdictions in the future. **See "RISK FACTORS - Direct and Overlapping Indebtedness and Taxes."**

TABLE 2
AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS

<i>Overlapping Jurisdiction</i>	<i>General Obligation Bonds Authorized but Unissued</i>
<i>City of Goodyear, Arizona</i>	\$276,446,616
<i>The District</i>	170,479,982

Source: Overlapping jurisdictions.

Other Debt of the District

To finance costs to acquire certain public infrastructure for development of land in the District, the District has issued special assessment revenue bonds as described in the table below. See the map on page (vii) for the location of the areas assessed. All of the infrastructure financed with such bonds has been or will be dedicated to the City.

TABLE 3
OTHER ASSESSMENT DISTRICT DEBT OF THE DISTRICT

Series Designation	Original Principal Amount	Date Issued	Assessment District	Final Maturity Dates	Total Outstanding
2015	\$4,980,000	3/19/2015	Montecito AD No. 2	7/1/2039	\$3,383,000
2018	1,985,000	1/25/2018	Desert Village AD	7/1/2026	191,000
2018	5,329,000	1/25/2018	Montecito AD No. 1	7/1/2031	2,502,000
2018	4,789,000	1/25/2018	Golf Village AD No. 2	7/1/2030	1,954,000
2019	6,913,000	4/26/2019	Lucero AD No. 1	7/1/2043	5,700,000
2021	598,000	10/21/2021	Montecito AD No. 3	7/1/2046	528,000
2023	4,429,000	2/2/2023	Lucero AD No. 2	7/1/2046	4,205,000

Other series of special assessment revenue bonds payable solely from and secured by special, separate funds established and maintained by the District from installments due with respect to certain other special assessments may be issued by the District in the future. If a lot owner fails to pay an assessment installment when due, the lot can be offered for sale by the District for the amount of the assessment together with interest, costs and penalties. None of the Major Landowner, the District or the City is obligated to bid at the sale. The lien for such assessments is not extinguished by foreclosure with regard to taxes. There can be no assurance that additional amounts of such bonds payable from special assessments will not be issued in the future, increasing the amount of liens on property in the District for such purposes. See **“RISK FACTORS – Direct and Overlapping Indebtedness and Taxes.”**

SOURCES AND APPLICATIONS OF FUNDS

TABLE 4

Sources

Par Amount of Bonds	\$10,668,000.00*
Major Landowner Contribution	
Total	\$

Applications

Deposit to Acquisition Fund	
Deposit to Bond Fund (Representing Capitalized Interest) (a)	
Deposit to Reserve Fund	
Payment of Costs of Issuance (a)	
Total	\$

(a) *To be paid by a contribution from the Major Landowner. Costs of issuance will include compensation and costs of the Underwriter with respect to the Bonds.*

* *Subject to change.*

THE PUBLIC INFRASTRUCTURE

The information contained in this section relates to and has been obtained from the Major Landowner and none of the District, the Underwriter or the Municipal Advisor or their agents or counsel, including Bond Counsel, assumes any responsibility for the accuracy or completeness thereof. The information included under the heading “RISK FACTORS” as it relates to the information contained under this heading is hereby incorporated under this heading by this reference.

Proceeds of the Bonds will be used to finance portions of the Public Infrastructure, as described below. Such Public Infrastructure is complete and has been accepted by the City or is substantially complete and is expected to be completed and accepted by the City in November 2025. If the total estimated cost of such Public Infrastructure that is eligible to be paid from proceeds of the sale of the Bonds is greater than the amount of proceeds from the sale of the Bonds, the balance of the cost of such Public Infrastructure has been or will be paid by the Major Landowner. Unreimbursed costs of such Public Infrastructure may be eligible to be reimbursed by the sale of bonds by the District in the future should the District elect to issue such additional bonds. See the aerial photographs on pages (ix) through (xi).

The Public Infrastructure was publicly bid in compliance with the process required by State law and the District; completion bonds have been obtained to secure completion of the Public Infrastructure described below. The Public Infrastructure was constructed or will be constructed by the Major Landowner and then acquired by the District and transferred to the City pursuant to a Map of Dedication.

Calistoga Drive 3-1

The project begins at the current terminus of Calistoga Drive Phase 2-1, continues westward approximately 1,401 linear feet (“LF”) and stops at the west ingress/egress street into Parcel 9.43. Costs include engineering, design, survey, review fees, construction permits, testing, grading, installation of wet utilities, dry utilities, storm drain, curb, and gutter, asphalt pavement, landscaping, and streetlights. Calistoga Drive Phase 3-1 construction is substantially complete and was accepted by the City in January 2019. A portion of this project was paid with certain proceeds of the District’s Montecito Assessment District No. 3 Special Assessment Revenue Bonds, Series 2021, to account for the benefit of Calistoga Drive 3-1 to the parcels within the District’s Montecito Assessment District No. 3.

Calistoga Drive Phase 4

This project begins at the current terminus of Calistoga Drive Phase 3-1, continues westward approximately 2,710 LF and connects to West Mountain Vista Drive Phase 2. Cost includes engineering, design, survey, review fees, construction permits, testing, grading, hard dig, installation of wet utilities, dry utilities, storm drain, curb and gutter, asphalt, pavement, landscaping, and streetlights. Calistoga Drive Phase 4 construction is substantially complete.

West Mountain Vista Drive Phase 2

This project begins at the current terminus of West Mountain Vista Drive Phase 1, continues westward approximately 4,070 LF and connects to Calistoga Drive Phase 4. Cost includes engineering, design, survey, review fees, construction permits, testing, grading, hard dig, installation of wet utilities, dry utilities, storm drain, curb and gutter, asphalt, pavement, landscaping, and streetlights. West Mountain Vista Drive Phase 2 construction is substantially complete.

THE ASSESSMENT AREA

The information contained in this section relates to and has been obtained from the Major Landowner and none of the District, the Underwriter or the Municipal Advisor or their agents or counsel, including Bond Counsel, assumes any responsibility for the accuracy or completeness thereof. The information included under the heading “RISK FACTORS” as it relates to the information contained under this heading is hereby incorporated under this heading by this reference.

The location of the area containing the Assessed Lots is shown on the map at page (viii). Final plats have been approved and recorded for all of the 508 Assessed Lots. The Assessed Lots are on average 50 feet x 120 feet. Additional information about the Assessed Lots is set forth in TABLE 5. ***Only the Assessed Lots, and not the remaining area in the hereinafter defined Project or the District, represent security for the Bonds.***

The Major Landowner sold all of the 508 Assessed Lots, which are owned by, or subject to an option in favor of, the Homebuilders. Based on the current development of the 508 Assessed Lots owned or optioned by the Homebuilders (all grading, wet and dry utility lines in place, and initial concrete work and subdivision walls are completed), it is expected that the Homebuilders will be able to commence home sales in November 2025. The total cost to complete the 508 Assessed Lots owned by the Homebuilders, including all the related subdivision improvements, is \$10,313,023, based on amounts expended to date and the remaining amounts due on “bid” contracts. The majority of the bid contract amounts were agreed upon in 2024 and may not be available for such improvements if contracted today or in the future. The Major Landowner will complete the required improvements, which include the improvements necessary to allow the construction and sale of single-family residences, such as streets, curb, gutter, sidewalk, sewer lines, water lines, electric facilities and other dry utility lines. Such improvements generally take between 12 and 18 months to complete, with home sales commencing before completion, and home closings being allowed to occur immediately after completion. Once completed, the Assessed Lots will have all utilities stubbed to each lot at the street frontage. Such utilities will include power, phone, municipal water and sewer, natural gas, cable television and internet. Easements for utility lines and other amenities for the Assessment Area that require partial use of property rights have been planned to minimize impact on the Assessed Lots.

The Assessed Lots vary in size, ranging from 47 feet x 115 feet to 65 feet x 120 feet. The Major Landowner anticipates that single-family homes ranging in size from 1,850 square feet to 3,000 square feet will be constructed on the Assessed Lots based on lot size and the houses constructed in the surrounding area of the District. However, the actual design, size and type of product will be determined by each homebuilder and the then existing market conditions.

The Assessment Area is located along the west side of Estrella Parkway, west of West Willis Road, in the District. Access to the Assessment Area will be provided by either of the to-be-completed West Calistoga Drive or West Mountain Vista Drive. West Calistoga Drive will run westward from the northside of the Assessment Area, connecting on the west side to West Mountain Vista Drive and will run southeast to West Willis Road once it is completed. As of the date hereof, none of the Assessed Lots have physical access beyond a rough construction road. The West Calistoga Drive and West Mountain Vista Drive improvements being financed as described above in "THE PUBLIC INFRASTRUCTURE" provide improved access and necessary utility lines for the Assessed Lots.

As the ownership of the Assessed Lots is subject to change, the development plans may not be continued by the subsequent owner if the Assessed Lots are sold; development by any subsequent owner will be subject to the policies and requirements of the City and the then existing market conditions. The projections above are also subject to the timely completion of the Public Infrastructure and other infrastructure in the District. The amounts due with respect to the Special Assessments are not personal obligations of the owners of the Assessed Lots; the Bonds will be secured solely by the Assessed Lots. See "RISK FACTORS - General Risks of Real Estate Investment and Development; Certain Factors Which May Adversely Affect Development; Consequences," "- Failure or Inability to Complete Proposed Development" and "- Completion of the Public Infrastructure and the Other Infrastructure."

Neither the current owners nor any subsequent owners of any Assessed Lot are personally obligated to pay the Special Assessments or the Bonds, and the assets of the current owners or any subsequent owners, other than the Assessed Lots, do not secure such payment. The Special Assessments and the Bonds will be secured only by the Assessed Lots. The Special Assessments are not cross-defaulted.

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TABLE 5

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
PARCEL <i>(a)</i>	ACREAGE	ASSESSED LOTS	SPECIAL ASSESSMENT PER LOT	TOTAL SPECIAL ASSESSMENT	DISPOSITION AS IS VALUE <i>(b)</i>	VALUE TO LIEN RATIO	STATUS OF REGULATORY APPROVALS	CURRENT OWNER <i>(c)(d)</i>
9.7	28.110	95	\$21,000	\$1,995,000	\$9,976,880	5.00:1	Recorded Plat	TPG AG EHC III (LEN) MULTI STATE 5
9.18	13.130	51	21,000	1,071,000	5,383,524	5.02:1	Recorded Plat	TPG AG EHC III (LEN) MULTI STATE 5
9.21	21.360	92	21,000	1,932,000	9,960,801	5.15:1	Recorded Plat	TPG AG EHC III (LEN) MULTI STATE 5
9.39, 9.40	45.443	97	21,000	2,037,000	13,196,905	6.47:1	Recorded Plat	Richmond Homes
9.41	23.882	52	21,000	1,092,000	5,776,216	5.28:1	Recorded Plat	Richmond Homes
9.42	27.187	121	21,000	2,541,000	12,509,791	4.92:1	Recorded Plat	TPG AG EHC III (LEN) MULTI STATE 5
Total	159.112	508		\$10,668,000				

- (a)* See APPENDIX C - “APPRAISAL” for additional details regarding these parcels.
- (b)* See “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS – Special Assessment Amounts and Land Values” and, particularly, APPENDIX C - “APPRAISAL” for detail regarding these values, along with a definition of “disposition value.” Such disposition values are discounted from the market values by 10% to reflect a reduced marketing period of six months or less.
- (c)* Some of the entities or their parent companies are subject to the informational reporting requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and in accordance therewith file the reports, proxy statements and other information (collectively, the “Filings”) with the Securities and Exchange Commission (the “Commission”). The Filings may be inspected and copied at the public reference facilities maintained by the Commission at 100 F Street, NE, Washington DC 20549. In addition, the Filings may also be inspected at the offices of the NYSE at 20 Broad Street, New York, NY 10005. The Filings may also be obtained through the Internet on the Commission’s EDGAR database at <http://www.sec.gov>. **None of the District, the Underwriter, the Municipal Advisor, Bond Counsel or counsel to the Underwriter or their agents or counsel have examined the information set forth in the Filings for accuracy or completeness, or examined similar information for entities or the parent company that are not subject to the same or similar informational reporting requirements. See “RISK FACTORS – No Review of Filings.”**
- (d)* Lennar is subject to an option to take down certain of the Assessed Lots from TPG AG EHC III (LEN) MULTI STATE 5.

LAND DEVELOPMENT

The information contained in this section relates to and has been obtained from the Major Landowner, unless otherwise sourced or noted, and none of the District, the Underwriter or the Municipal Advisor or their agents or counsel, including Bond Counsel, assumes any responsibility for the accuracy or completeness thereof. The information included under the heading “RISK FACTORS” as it relates to the information contained under this heading is hereby incorporated under this heading by this reference.

The following pertains to development within the Project and the District as a whole. Only the Assessed Lots, and not the remaining area in the Project or the District, represent security for the Bonds.

The Overall Project

Introduction. The project consists of over 20,000 acres, of which 9,771 acres are the District Land (the “Project”). Located south of the Gila River, the Project was annexed into the City in 1986 and acquired by SunChase in 1994. Thereafter the ownership of the Project changed as described below under the heading “Current Project Ownership.” Initial entitlement efforts began with the preliminary planned area development (“PAD”) approved by the City in 1986. Over the years, as revisions and updates were made to the development strategy, a number of amendments have been submitted and approved in order to refine entitlements and associated zoning. Most of the master planned community, including most of the District, has been the subject of some form of PAD zoning since the time of its annexation.

The current conceptual master plan for the Project is dated 2007 (the “Current Conceptual Master Plan”) and provides for the development of several separate “communities” within the Project, each containing a mixture of planned land uses and densities. The Current Conceptual Master Plan conforms to the City’s current General Plan for the mixed use, master planned community known as Estrella Mountain Ranch. The Current Conceptual Master Plan is revised periodically to reflect changes in market conditions, planning ideas, political and economic environments, costs and other factors, and the Major Landowner is presently studying changes to the Current Conceptual Master Plan. The number of acres devoted to each particular type of land use may ultimately vary from those presented in the following table. The Current Conceptual Master Plan is expected to include the following land uses:

**TABLE 6
LAND USES AT BUILD OUT**

<u>Type of Land Use</u>	<u>Gross Acres</u>
Residential	10,768
Commercial	1,272
Schools	565
Campus	93
Civic/Public/Institutional	526
Worship	53
Open Space	4,031
Roadway	1,460
Parks	592
<u>Golf Courses</u>	<u>690</u>
Total Acreage	<u>20,050</u>

Source: The Major Landowner.

A number of major arterial and collector roadways throughout the Project have been completed and dedicated to the City, including Estrella Parkway, Hillside Drive, Elliot Road, San Gabriel Drive, San Miguel Avenue, Golf Club Drive, Calistoga Drive (Phases 1, 2 and 3-1), West Mountain Vista Drive Phase 1, 182nd Drive and Westar Drive.

Water lines, sewer lines, utilities, streetlights and landscaping associated with these roadways have also been completed and dedicated to the City. Several private community amenities have been constructed within the Project, which, although not included in the District, will be available to all residents of the District. The private community amenities include the following:

- A public 18-hole championship golf course, clubhouse and related facilities.
- Bike paths.
- Natural trail system.
- North and South Lakes which are artificial lakes that were built in the 1980s by the original developer of the Project. The surface area of the lakes is approximately 72 acres. The current source of water for the lakes is groundwater from wells located within the Project, as well as treated effluent from the Corgett Treatment Facility and the Rainbow Valley Treatment Facility.
- North Lake amenities include Starpointe Residents Club, a 24,300 square foot facility including fitness, a youth club and outside basketball court, a café, multipurpose meeting facilities, a board room and expansive areas for gathering. Amenities also include StarSplash waterpark, which includes a 12,000 square foot play pool, a heated lap pool, two slides and “Big Dipper” water toy. Other lakeside amenities include a boathouse, pump station, dock with ramp, sundial, pedestrian bridge, cooking ramada and a floating fountain.
- South Lake Amenities include ramadas with picnic tables and barbecue grills, 2,500 square foot open pavilion, tennis court, maintenance building, horseshoe pits, sand volleyball courts, pickleball court, basketball court and playground area with equipment and restroom.
- Bougainvillea Park, which consists of approximately 4.7 acres, includes a basketball court, tennis courts, a tot-lot, a sand volleyball court, ramadas and grass area for soccer and baseball and restrooms.
- 18,500 square foot residents club at the Montecito Community called Presidio. This facility includes management offices, café/wine bar, exercise area, gathering room, swimming pool and splash pad, a ramada and an event lawn.

The construction and sale of residential product in portions of the Project outside the boundaries of the District has been in process since the late 1980s. The Major Landowner estimates approximately 10,300 homes have been built within the Project as of August 2025. The number of active builders within the Project varies from time to time, with close to 20 different production builders having constructed homes within the Project to date. There are currently nine different production neighborhoods in the Project offering homes for sale to retail customers. In addition, CantaMia by Taylor Morrison Homes (CantaMia), which opened in February 2010, is a private gated community for those 55 years and older. CantaMia’s 30,500 square foot Village Center features an indoor pool, outdoor resort-style pool and lakes as well as a state-of-the-art fitness center, demonstration kitchen and library. CantaMia is planned for 1,716 units.

Mountain Ranch Marketplace, located in the Project, the first LEED Gold certified shopping center in Arizona opened in 2010. It is anchored by a Safeway grocery store and provides several other neighborhood services including a dentist, Chase Bank, Walgreens, a day care center, an urgent care facility, McDonald’s, Taco Bell, Subway and a bagel shop. Mountain Ranch Medical Commons, located in the Project, is home to Banner Health and provides medical care and other health services at a 13,500 square foot Class A medical office facility.

The base prices for new homes in the Project currently range from approximately \$350,000 to \$700,000 for a standard production home.

The following is a summary of historical housing market activity at the Project:

TABLE 7
HISTORICAL MARKET ACTIVITY IN THE PROJECT

<u>Year</u>	<u>Housing Starts/Permits</u>	<u>Builder Home Sales</u>	<u>Builder Home Closings</u>
2016	296	270	261
2017	428	400	349
2018	447	490	429
2019	505	452	397
2020	588	645	522
2021	557	442	421
2022	429	243	418
2023	630	154	229
2024	220	240	206
2025 (a)	143	153	150

Source: The Major Landowner.

^(a) Data through August 31, 2025.

Government Approvals. The Project is the subject of a Master Development Agreement approved by the City on August 11, 1986, which addresses rights to develop the property as provided in and subject to the conditions of such agreement. The Master Development Agreement has been updated and supplemented from time to time through amendments and additional development agreements. These development agreements collectively address various issues that are typically made the subject of development agreements in Arizona, such as City services, reimbursements for certain public infrastructure, City’s processing of plans and permits, and public bidding. These agreements also address required capital and operations contributions to the City for police and fire services within the District.

Sales of residential lots or units within the District cannot be closed until the Arizona Department of Real Estate (“ADRE”) issues a public report with respect to the development in accordance with Arizona law. Public reports have already been obtained from ADRE for those parcels currently conducting sales of residential lots in the Project.

The Major Landowner’s predecessors procured from the Army Corps of Engineers a permit under Section 404 of the Clean Water Act for the discharge of dredged and/or fill materials at the Project. The permit has been assigned to the Major Landowner. The permit has been extended to December 2033. The permit is subject to certain conditions and limitations, none of which will impair the development of the Project in the manner described herein. In addition, predecessors of the Major Landowner acquired a 401 permit from Arizona Department of Environmental Quality which has been extended to December 2033. The 401 permit addresses quality standards of water discharged into to waters of U.S. These permits cover approximately 10,000 acres in the north half of the Project, which includes all of the District Land.

Development of the District Land and construction of the residential units will be subject to obtaining various other routine approvals and permits. Each successful bidder for each project will be required to obtain building, grading and any additional permits required for the development of the construction projects.

Utilities. There are two wastewater treatment facilities serving the Project. The first wastewater treatment facility, Corgett Wastewater Treatment Facility, is located northwest of Elliot Road and San Gabriel Drive and operated by the City to service the Project. It has a current capacity of 0.8 million gallons per day. Corgett Wastewater Treatment Facility is presently providing capacity for 3,560 dwelling units, 190,000 square feet of commercial space and two schools while processing 0.421 million gallons of wastewater per day on average. The second wastewater treatment facility, Rainbow Valley Wastewater Treatment Facility, is located at Rainbow Valley Road and Willis Road and operated by the City to service the Project. It has a capacity of 0.75 million gallons per day. Rainbow Valley Wastewater Treatment Facility is currently serving 4,750 dwelling units, 59,000 square feet of commercial space and

one school while processing approximately 0.457 million gallons of wastewater per day on average. This facility is in process of operational improvements and an expansion of 1.25 million gallons per day to bring the plant to 2.0 million gallons per day. Expected completion is fourth quarter 2026.

The City is serving potable water to the developed portion of the District. The City also will serve potable water to the remainder of the District.

In order to subdivide and sell lots, the City has relied upon a designation by the Arizona Department of Water Resources (“ADWR”) as having an assured water supply. An assured water supply means that sufficient water of adequate quality will be continuously available to satisfy the water needs of the proposed use for at least 100 years, that any projected groundwater use is consistent with the water management plan approved by ADWR and the management goals for the active groundwater management area and that financial capability to construct the delivery system and any necessary treatment works has been demonstrated to ADWR.

On May 31, 2016, ADWR issued a Decision and Order designating the City as having an assured water supply and concluding that the annual volume of water that is available to the City for a minimum of 100 years exceeds the projected demand through the calendar year 2028. That Decision and Order requires the City to file with ADWR an application to modify the City’s assured water supply designation by the earlier of December 31, 2026, or when the sum of the City’s current water demand, committed water demand and two years of projected water demand exceeds 18,621.79 acre-feet per year. The City’s designation of assured water supply can be terminated or modified by ADWR should circumstances warrant. If ADWR subsequently terminates the City’s assured water supply designation, the developers of residential parcels would need to obtain from ADWR individual certificates of assured water supply for each future subdivision in order to continue to subdivide and sell lots.

An 8.0 million gallon per day surface water treatment facility of the City provides additional potable water to the Project.

Within the District, Arizona Public Service Company provides electricity, Century Link provides telephone service, Cox Cable System provides phone and cable television and Southwest Gas Company provides natural gas.

Schools. The Project currently has two elementary schools serving students in kindergarten through 8th grade (Estrella Mountain Elementary School and Westar Elementary School, which are part of Liberty Elementary School District No. 25 of Maricopa County, Arizona) and one high school serving students in 9th through 12th grade (Estrella Foothills High School, which is part of Buckeye Union High School District No. 201 of Maricopa County, Arizona). While based upon the existing level of school services, it is expected that these schools will be sufficient to meet the immediate elementary and secondary educational needs of residents within the District, the Liberty Elementary School District has expressed interest in procuring the next elementary school site over the next 2-3 years so it can begin planning for the next elementary school.

Police, Fire and Sanitation. Police, fire and sanitation services are provided to the District by the City. The City has constructed an approximately 18,000 square foot facility at the Project to house both fire and police. A second, 12,587 square foot fire only station, also at the Project, was put into service in 2021. Additional fire and police facilities are anticipated as the Project is developed.

Environmental Matters. Since 1994, one or more environmental site assessments have been obtained with respect to the lands within the District. None of the environmental site assessments have disclosed material environmental conditions within the District that would require further action or evaluation.

Marketing. There is an Information Center for the Project. The Information Center is approximately 5,500 square feet and encompasses an internet cafe, sitting areas, display areas, a topographical model and a bike shop. The Project has a website (www.estrella.com) and generally advertises on television, radio, newspaper and magazine, outdoor billboards, electronic media and through a variety of other means. The Major Landowner also uses the services of real estate brokers in connection with the marketing and sale of the property within the Project and will pay fees and commissions in connection therewith. The Major Landowner intends to continue to market improved and unimproved lots within the Project and does not itself anticipate building or marketing homes.

Prior Project Ownership

The Project was originally commenced in the mid 1980s by Continental Homes. The Project was acquired by SunChase as the owner of all the land within the District as of formation on November 22, 1999. Residential Funding Corporation, a Delaware corporation, consented to the formation of the District as a holder of a lien interest in such land as of formation. Subsequent to the formation of the District, the Development Agreement was entered into among the District, the City and SunChase. The initial and subsequent public infrastructure was described in the General Plan, which was recorded on November 23, 1999, as Document No. 99-1063338. Residential Funding Corporation and Ryland Group, Inc. (which subsequently obtained a contractual interest in certain property contained within the District) consented and agreed to the Development Agreement.

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

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

Current Project Ownership

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

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

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

sale of over 30,000 residential lots through Arizona, Texas and New Mexico. Harvard will manage the day-to-day operations of the land development within the District.

Toll Brothers is a national homebuilder based in Horsham, Pennsylvania. Toll Brothers is the eighth largest homebuilder in the U.S. based on closings and builds to the higher end of the homebuilding market. Toll Brothers has also undertaken development in other real estate sectors including multi-family. Toll Brothers operates in hundreds of communities across 20 states. Toll Brothers is publicly traded on the New York Stock Exchange. Toll Brothers is subject to reporting the information required by the Exchange Act, and in accordance therewith files the Filings with the Commission. The Filings may be inspected and copied at the public reference facilities maintained by the Commission at 100 F Street, NE, Washington DC 20549. In addition, the Filings may also be inspected at the offices of the New York Stock Exchange at 20 Broad Street, New York, NY 10005. The Filings may also be obtained through the Internet on the Commission's EDGAR database at <http://www.sec.gov>. None of the District, the Municipal Advisor, Bond Counsel, the Underwriter or counsel to the Underwriter has examined the information set forth in the Filings for accuracy or completeness, nor do they assume responsibility for the same.

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

The remaining land within the District is owned by various parties including homebuilders, homeowners, homeowners' associations, commercial and civic users and other investors. The Homebuilders own all or are subject to an option in favor of all the Assessed Lots. See TABLE 5.

RISK FACTORS

Investment in the Bonds involves a significant degree of risk and is speculative in nature. The relatively high interest rates borne by the Bonds (as compared to prevailing interest rates on bonds that have an investment grade rating) are intended to compensate the investor for such risks. INVESTMENT IN THE BONDS SHOULD BE UNDERTAKEN ONLY BY PERSONS WHOSE FINANCIAL RESOURCES ARE SUFFICIENT TO ENABLE THEM TO ASSUME SUCH RISK. THIS SECTION SETS FORTH A BRIEF SUMMARY OF SOME OF THE PRINCIPAL RISK FACTORS. PROSPECTIVE INVESTORS SHOULD FULLY UNDERSTAND AND EVALUATE THESE RISKS, IN ADDITION TO THE OTHER FACTORS SET FORTH IN THIS OFFICIAL STATEMENT, BEFORE MAKING AN INVESTMENT DECISION.

This discussion of risk factors is not, and is not intended to be, exhaustive, and such risk factors are not necessarily presented in the order of their magnitude.

General Risks of Real Estate Investment and Development; Certain Factors Which May Adversely Affect Development; Consequences

Investments in developing real estate such as undeveloped areas in the District like Montecito Assessment District No. 4 are generally considered to be speculative in nature and to involve a high degree of risk. Owners of land in the District (currently concentrated in the Major Landowner and its affiliates) will be subject to the risks generally incidental to real estate investments and development including those described herein.

Construction of houses on the lots within the District may be affected by changes in the income tax treatment of real property ownership; changes in national, regional and local market and economic conditions; imposition of

tariffs or other, similar, trade restrictions; changes in long and short term interest rates; changes in the climate for real estate purchases; changes in demand for or supply of competing properties; unanticipated development costs, market preferences and architectural trends; unforeseen environmental risks and controls, including, without limitation, drought mitigation and other governmental actions taken to address certain water resource allocations; the adverse use of adjacent and neighboring real estate; changes in interest rates and the availability of mortgage funds and homeowners insurance to buyers of the homes to be built in the District, which may render the sale of such homes difficult or unattractive; acts of war, terrorism or other political instability; delays or inability to obtain governmental approvals; pandemics or epidemics; changes in laws; moratorium; force majeure (which may result in uninsured losses); strikes; labor shortages; energy shortages; material shortages; inflation; climate change; adverse weather conditions; subcontractor defaults; and other unknown contingencies and factors beyond the control of the owners of such land. Land development within the District also could be affected adversely by changes in governmental policies, including, but not limited to, governmental policies to restrict or control development. (Any approvals needed in the future for the development must come from the City, over which the District has no control.)

Homebuilders throughout the Phoenix metropolitan area are experiencing supply chain issues currently affecting the national economy based on certain of the factors described in the immediately preceding paragraph, specifically the timely availability of materials necessary to build new homes. While advantage is being taken of all available alternatives, completion of homes has been slowed. This circumstance is expected to continue for the near term and to affect home closings. Such supply chain factors will affect other owners of property within the District, such as owners constructing communities for rentals.

The residential development business, particularly with respect to master planned residential communities such as the Project, is highly competitive in the Phoenix Metropolitan Area. The business of merchant builders building in the District will face competition from a number of competitors in the City and other developments throughout the Phoenix Metropolitan Area, many of which offer or intend to offer lots and parcels in similar communities to a similar target market.

Decreased absorption rates associated with the current and/or future slowdowns could adversely affect land values and reduce the ability or desire of the property owners to pay ad valorem property taxes and assessments. In that event, there could be a default in the payment of principal of and interest on the Bonds.

THE TIMELY PAYMENT OF THE BONDS DEPENDS UPON THE WILLINGNESS AND ABILITY OF AN OWNER OF AN ASSESSED LOT AND ANY SUBSEQUENT OWNERS TO PAY THE SPECIAL ASSESSMENTS WHEN DUE. AS NOTED IN TABLE 5, OWNERSHIP OF THE ASSESSED LOTS IS CURRENTLY CONCENTRATED IN THE HOMEBUILDERS. ANY OR ALL OF THE FOREGOING FACTORS COULD REDUCE THE WILLINGNESS AND THE ABILITY OF SUCH OWNERS TO PAY THE SPECIAL ASSESSMENTS ON ANY ONE OR ALL OF THE ASSESSED LOTS THEY OWN AND COULD GREATLY REDUCE THE VALUE OF THE ASSESSED LOTS IN THE EVENT SUCH PROPERTY HAS TO BE FORECLOSED. IN THAT EVENT, THERE COULD BE A DEFAULT IN THE PAYMENT OF THE BONDS.

Portions of the Project have been encumbered by the Major Landowner to provide security for certain private acquisition and development loans. In the event there is a default on such loans, the lender could foreclose and obtain ownership of those portions of the Project, which in turn could delay development.

The land encompassing the Assessed Lots is partially developed and, if any or all of the foregoing occurs, the undeveloped portion could continue as such. Vacant land provides less security to the holders of the Bonds should it be necessary for the District to foreclose due to nonpayment of the Special Assessments. An inability to develop the remaining land within such area will likely reduce the potential future diversity of ownership of the Assessed Lots.

Development, including the phase of the development plan for the Assessed Lots, requires obtaining a variety of governmental approvals and permits. Such approvals and permits are necessary to initiate construction and to allow the sale and occupancy of homes and to satisfy conditions included in the approvals and permits. There can be no assurance that all or any of these permits and approvals can be obtained or that the conditions to the

approvals and permits can be fulfilled. The failure to obtain any of the required approvals or fulfill any one of the conditions could cause materially adverse financial consequences to the present owners of the Assessed Lots.

Concentration of Ownership; Subsequent Transfer

There can be no assurance that the Major Landowner has the financial capability to complete development within the Project. Because there can be no assurance that bank loans will be available to the Major Landowner sufficient to pay all costs attributable to the Project, the Major Landowner may have to depend on revenues from sales of lots and parcels to generate cash flow and otherwise make funds available to pay all costs associated with the ownership, operation and development of the Project. If the Major Landowner has to depend on sales of lots and parcels to generate cash flow, there can be no assurance that sufficient funds will be available to the Major Landowner to pay all of its obligations and liabilities, including, without limitation, Special Assessments (including those relating to property then owned by the Major Landowner or its affiliates to be applied to pay the Bonds), as such obligations and liabilities become due and payable.

See “Current Project Ownership” with regards to concentration of ownership of property within the District and see TABLE 5 with regard to the concentration of ownership of property in, and obligation for payment of Special Assessments in the Homebuilders.

Failure or Inability to Complete Proposed Development

The development of each phase of the Project (including that encompassing the Assessed Lots) will be staged so that a particular phase will not be developed at one time. The funding for development of the Project will be provided by the Major Landowner and other sources. The availability of funding for the completion of the Project will depend upon the demand for residential lots or units within the Project and local, regional and national market and economic conditions. No assurance is given that funding will be obtained for development of the Project, or, if obtained, will be in an amount sufficient to complete development of the Project. If satisfactory funding is unavailable, completion of the development of the balance of the Project may be delayed or suspended.

Public and private on-site and off-site improvements may increase the public and private debt for which District Land including the Assessed Lots is security. The burden of additional debt would be placed on the District Land to complete the necessary improvements. See “RISK FACTORS – Direct and Overlapping Indebtedness and Taxes.”

Completion of the Public Infrastructure and the Other Infrastructure

The construction of infrastructure for development of the District Land (including in the Assessed Lots) is not yet complete. See “LAND DEVELOPMENT.” The cost and time for completion of all of such improvements is uncertain and may be affected by changes like those described herein. If cost overruns result in delay of construction, or if other delays are experienced, the sale of lots and construction of homes may be delayed. Failure or inability to complete proposed development, including development of necessary utilities, could affect adversely development of the District Land and the Project.

Availability of Utilities and Water

Water and sewer service to the District will be provided by the City as described under the subheading “LAND DEVELOPMENT - The Overall Project.” Failure or inability to complete proposed development, including development of necessary utilities, could affect adversely development of the District Land, including the Assessed Lots. See “RISK FACTORS - Failure or Inability to Complete Proposed Development.” Certain utilities are to be developed by the City pursuant to certain development agreements including as described above. In addition, the City’s water rights or the availability of water may be insufficient to serve all areas of the City, leading to delays in development or the need to acquire more expensive water supplies. There can be no assurances that such utilities will be financed and developed or that the necessary water will be available for the required uses.

Direct and Overlapping Indebtedness and Taxes

The ability of an owner of an Assessed Lot to pay a Special Assessment could be affected by the existence of other taxes and assessments imposed upon the property. The District and other public entities whose boundaries overlap those of the District could, without the consent of the District and, in certain cases, without the consent of the owners of the land within the District, impose additional ad valorem property taxes or assessment liens on the property within the District in order to finance public improvements to be located inside or outside of the District. (The existing public debt relating to the District is set forth in “OVERLAPPING, ADDITIONAL OVERLAPPING AND OTHER DEBT AND OTHER OVERLAPPING TAXES.”) The lien created on the property within the District through the levy of ad valorem property taxes would be superior and paramount to that for the Special Assessments securing the Bonds. The imposition of additional superior and paramount liens, or subordinate liens in the case of future special assessments, or for that matter for private financing, may reduce the ability or willingness of the owners of Assessed Lots to pay the Special Assessments. In that event, there could be a default in the payment of the Bonds.

Appraised Value

The Appraisal was prepared for the purpose of providing the opinion of the Appraiser of market value of the Assessed Lots with the assumptions stated in the Appraisal. See “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS - Special Assessment Amounts and Land Values - Appraisal Values” and APPENDIX C - “APPRAISAL.”

Subject to the limitations, terms and conditions thereof, the Appraisal provides the opinion of the Appraiser of market value with the assumptions as described therein and the Appraisal. Each of the Assessed Lots has an overall “as is” disposition lot value to assessment lien ratio of not less than 4:1, as of the valuation date described in the Appraisal. The lot value to assessment lien ratio of each individual lot is different though. See “RISK FACTORS - Failure or Inability to Complete Proposed Development” and “- Completion of the Public Infrastructure and the Other Infrastructure.”

There can be no assurance that the values described in the Appraisal are accurate or that the assumptions relied upon in the Appraisal were accurate. There can be no assurance that the values determined in the Appraisal are related in any way to future value or the value as of the date of any default under the Bonds. No assurance can be given that should any Assessed Lot become delinquent due to unpaid Special Assessments, and be foreclosed upon and sold for the amount of such delinquency, that any bid would be received or, if a bid is received, that such bid would be sufficient to pay such delinquent Special Assessment or would approximate the appraised value.

Non-Payment of Assessments

As discussed below, payments with respect to the Special Assessments could be insufficient to pay the Bonds due to nonpayment of the amounts levied.

In order to pay debt service on the Bonds, it is necessary that the Special Assessments be paid in a timely manner. Should a Special Assessment not be paid on time, the District has established the Reserve Fund in the amount of the Reserve Fund Requirement to pay debt service on the Bonds to the extent other funds are not available therefor.

Foreclosure proceedings will be instituted against any property with a delinquent Special Assessment in order to obtain funds to pay debt service on the Bonds. If foreclosure proceedings were ever instituted, any mortgage or deed of trust holder could, but would not be required to, advance the amount of the delinquent Special Assessment to protect its security interest. See “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS - Foreclosure Process” for provisions which apply if foreclosure is required and which the District is required to follow in the event of delinquency in the payment of a Special Assessment.

If amounts are withdrawn from the Reserve Fund to make payments on the Bonds on account of a default in a Special Assessment, the amount received by the District from the corresponding Assessed Lot, after the deduction of the expenses of sale, will be paid over and credited to the Reserve Fund.

Bankruptcy and Foreclosure Delays

The payment of the Special Assessments and the ability of the District to foreclose the lien of delinquent, unpaid Special Assessments may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of Arizona relating to judicial foreclosure.

The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Bond Counsel's approving legal opinion) will be qualified, as to the enforceability of the various legal instruments, by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

Although bankruptcy proceedings would not cause the Special Assessments to become extinguished, bankruptcy of a property owner could result in a delay in foreclosure proceedings and could result in the possibility of a delinquent Special Assessment not being paid in full. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the Bonds.

Depletion of Reserve Fund

Failure of the owners of the Assessed Lots to pay the Special Assessments when due could result in the rapid, total depletion of the Reserve Fund prior to replenishment from the resales of property upon a foreclosure or otherwise or delinquency redemptions after a foreclosure sale, if any. There could be a default in payments of the principal of, and interest on, the Bonds if sufficient amounts are not available in the Reserve Fund.

Environmental Matters

The Project, including the phase of the development plan which represents the real estate development encompassing the Assessed Lots, will be subject to risks arising out of environmental, archaeological, and biological considerations generally associated with the ownership of real estate and the construction of improvements located thereon. Such risks include, in general, potential liability arising as a result of any contamination later discovered on the site and the possibility of a decline in property values in the District resulting from any contamination on the site or from the proximity of the site to other contaminated areas; discovery of archaeological artifacts located on the site or in the vicinity of the site; discovery of endangered species of animals, plants or other habitat for endangered species and a determination of waterways of the United States against dredging or fill. Liability may arise under a variety of federal, state or local environmental laws and regulations, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), the Resource Conservation and Recovery Act (RCRA), the Endangered Species Act and the National Historical Preservation Act. In addition, development may require approvals and actions under the Clean Water Act and the National Environmental Protection Act may limit, delay or change materially the number and type of development on the site.

Amendment of Documents Referenced

The reports, inspections and other documents described in this Official Statement may be modified, updated or amended (as new reports and/or inspections may be obtained), and such modifications may materially and adversely affect the development of the property (e.g., updating of environmental reports).

The development of the Assessed Lots is in the early phases. Circumstances could change as the development process continues and other issues are raised or new developers, homebuilders or owners become involved. Accordingly, the Major Landowner and its affiliates anticipate that there may be significant changes to the agreements and contracts summarized in this Official Statement to address any such issues. Because the existing contracts and agreements are subject to change, the summaries of any contracts or agreements contained hereinabove may not accurately reflect the future conditions relating to the development of the Assessed Lots and the Project; however, the Major Landowner and its affiliates do not presently anticipate that any modifications of the current contracts or agreements would materially affect the repayment of the Bonds.

Risk of Internal Revenue Service Audit

The Internal Revenue Service (the “Service”) has announced a program of auditing tax-exempt bonds which can include those issued by special purpose governmental units, such as the District, for the purpose of determining whether the Service agrees (a) with the determination of Bond Counsel that interest on the Bonds is tax-exempt for federal income tax purposes or (b) that the District is in or remains in compliance with Service regulations and rulings applicable to governmental bonds such as the Bonds. The commencement of an audit of the Bonds could adversely affect the market value and liquidity of the Bonds, regardless of the final outcome. An adverse determination by the Service with respect to the tax-exempt status of interest on the Bonds could be expected to adversely impact the secondary market, if any, for the Bonds, and, if a secondary market exists, would also be expected to adversely impact the price at which the Bonds can be sold. The Bond Resolution does not provide for any adjustment to the interest rates borne by the Bonds in the event of a change in the tax-exempt status of the Bonds. Owners of the Bonds should note that, if the Service audits the Bonds, under current audit procedures the Service will treat the District as the taxpayer during the initial stage of the audit, and the owners of the Bonds will have limited rights to participate in such procedures. There can be no assurance that the District will have revenues available to contest an adverse determination by the Service. No transaction participant, including the District, the Municipal Advisor, Bond Counsel, counsel to the Underwriter, or the Underwriter is obligated to pay or reimburse the owner of any of the Bonds for audit or litigation costs in connection with any legal action, by the Service or otherwise, relating to the Bonds.

There can be no assurance that an audit by the Service of the Bonds will not be commenced. However, the District has no reason to believe that any such audit will be commenced, or that if commenced, an audit would result in a conclusion of noncompliance with any applicable Service position, regulation or ruling. No rulings have been or will be sought from the Service with respect to any federal tax matters relating to the issuance, purchase, ownership, receipt or accrual of interest upon, or disposition of the Bonds. See also “TAX EXEMPTION” herein.

No Credit Rating

No credit rating for the Bonds has been sought, nor is it anticipated that any such rating will be applied for. There can be no guarantee that there will be a secondary market for the Bonds, or, if a secondary market exists, that such Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary market trading in connection with a particular issue is suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon the then generally prevailing circumstances. Such prices could be substantially different from the original purchase price.

Projections and Appraisals

Included in this Official Statement are various projections for lot closings, estimated Assessed Lot values, completion dates, completion costs and other items. The projections are based on assumptions concerning future events and should be viewed with an abundance of caution. Circumstances that may not yet be ascertainable, which the Major Landowner and its affiliates believe to be significant and which the Major Landowner and its affiliates cannot control may also exist. There are usually differences between projections and results because events frequently do not occur as expected, and those differences may be material. There can be no assurances that the various projections set forth in this Official Statement can be achieved.

No Review of Filings

As described in footnote (c) to TABLE 5, none of the District, the Underwriter, the Municipal Advisor, Bond Counsel or counsel to the Underwriter have examined the information set forth in the Filings for accuracy or completeness, or examined similar information for entities or their parent companies that are not subject to same or similar informational requirements.

Cancellation of Contracts

The State, its political subdivisions, including the District, or any department or agency of either may, within three years after its execution, cancel any contract, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions, including the District or any of the departments or agencies of either is, while the contract or any extension thereof is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. Cancellation of contracts entered into by the District may adversely affect the Bonds.

LITIGATION

At the time of delivery and payment for the Bonds, appropriate representatives of the District will certify that there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending or, to their knowledge, threatened against the District affecting the existence of the District, or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Bond Resolution, or the collection or application of any revenues providing for the payment of the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Bond Resolution, any action of the District contemplated by any of the said documents, or the collection or application of the revenues provided for the payment of the Bonds, or in any way contesting the completeness or accuracy of this Official Statement or any amendment or supplement thereto, or contesting the powers of the District or its authority with respect to the Bonds or any action of the District contemplated by any of said documents.

TAX EXEMPTION

In the opinion of Gust Rosenfeld P.L.C., Phoenix, Arizona, Bond Counsel (“Bond Counsel”), under existing laws, regulations, rulings and judicial decisions, and assuming continuing compliance with certain restrictions, conditions and requirements by the District as described below, the interest income on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Code and is exempt from State income taxes. Interest income on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.

The Code includes requirements that the District must continue to meet after issuance of the Bonds in order that the interest on the Bonds remains excludable from gross income for federal income tax purposes. The failure of the District to meet these requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. The District has covenanted to take the actions required by the Code to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds. The opinion of Bond Counsel assumes continuing compliance with such covenants.

Although Bond Counsel will render an opinion that, as of the delivery date of the Bonds, interest income on the Bonds is excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect a Beneficial Owner’s (as defined in APPENDIX E – “BOOK-ENTRY-ONLY SYSTEM”) federal tax liability. Certain taxpayers may experience other tax consequences. Taxpayers who become Beneficial Owners of the Bonds, including without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain subchapter S corporations, individuals who receive Social Security or Railroad Retirement benefits and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax-exempt obligations should consult their tax advisors as to the applicability of such tax consequences to the respective Beneficial Owner. The nature and extent of these other tax consequences will depend upon the Beneficial Owner’s particular tax status and the Beneficial Owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

From time to time, there are legislative proposals in Congress that, if enacted or made effective, could alter or amend the federal tax matters referred to above or adversely affect the market value and marketability (liquidity) of the Bonds.

Any such change that occurs before initial delivery of the Bonds could cause Bond Counsel to deliver an opinion substantially different from the opinion shown in APPENDIX B – “FORM OF APPROVING LEGAL OPINION OF BOND COUNSEL.” The extent of changes in Bond Counsel’s opinion cannot be determined at this time. It cannot be predicted whether, when or in what form any such proposal or proposals might be enacted or whether, if enacted, such proposal or proposals would apply to obligations (such as the Bonds) issued prior to the enactment or effective date. Prospective purchasers of the Bonds should consult with their own tax advisors regarding any other pending or proposed federal income tax legislation.

NO CREDIT RATING

The District has not made, and does not contemplate making, application to any rating agency for the assignment of a rating to the Bonds. See “RISK FACTORS - No Credit Rating.”

FINANCIAL STATEMENTS

The audited financial statements of the District for the period ended June 30, 2024, a copy of which are included in APPENDIX G of this Official Statement have been audited by Heinfeld, Meech & Co., P.C., Certified Public Accountants, to the extent and for the period indicated in their report thereon. The District has neither requested nor obtained the consent of Heinfeld, Meech & Co., P.C. to include their report herein, and Heinfeld, Meech & Co., P.C. has performed no procedures subsequent to rendering their opinion on the audited financial statements.

LEGAL MATTERS

In connection with the issuance of the Bonds, the District will furnish the Underwriter with the approving opinion of Bond Counsel addressing legal matters relating to the validity of the Bonds under Arizona law, and with regard to the tax-exempt status of the interest income thereon (see “TAX EXEMPTION”). The signed legal opinion of Bond Counsel will be dated and premised on the law in effect only as of the date of original delivery of the Bonds and will be delivered to the District at the time of original issuance. The fees of Bond Counsel and Counsel to the Underwriter are expected to be paid from the proceeds of the sale of the Bonds and are contingent upon delivery of the Bonds.

The proposed text of the legal opinion is set forth as APPENDIX B – “FORM OF APPROVING LEGAL OPINION OF BOND COUNSEL.” The legal opinion to be delivered may vary from the text of APPENDIX B – “FORM OF APPROVING LEGAL OPINION OF BOND COUNSEL” if necessary to reflect the facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution, by recirculation of this Official Statement or otherwise, should not be construed as a representation that Bond Counsel has reviewed or expressed any opinion concerning any matters relating to the Bonds subsequent to the original delivery of the Bonds.

Bond Counsel has reviewed the information in the tax caption on the cover page as well as the information under the headings “THE DISTRICT,” “THE BONDS,” “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS,” “OVERLAPPING, ADDITIONAL OVERLAPPING AND OTHER DEBT AND OTHER OVERLAPPING TAXES,” “LITIGATION,” “TAX EXEMPTION,” “CONTINUING DISCLOSURE” (except as it relates to compliance with prior continuing disclosure undertakings) and “RELATIONSHIPS AMONG PARTIES” (but only as it applies to Bond Counsel) and in APPENDIX B – “FORM OF APPROVING LEGAL OPINION OF BOND COUNSEL,” APPENDIX E – “FORM OF CONTINUING DISCLOSURE UNDERTAKING,” and APPENDIX F – “CERTAIN STATUTORY PROVISIONS APPLICABLE TO THE FORECLOSURE PROCESS” but otherwise has not participated in the preparation of this Official Statement and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has neither examined nor attempted to examine nor verify any of the financial or statistical statements or data contained in this Official Statement and will express no opinion with respect thereto.

Certain legal matters will be passed upon for the Underwriter by Greenberg Traurig, LLP, Phoenix, Arizona, counsel to the Underwriter and for the Major Landowner by Berens Blonstein PLC, Scottsdale, Arizona.

From time to time, there are legislative proposals which, if enacted, could alter or amend the property tax system of the State and numerous matters, both financial and non-financial, impacting the operations of community facilities districts which could have a material impact on the District and could adversely affect the secondary market value and marketability (liquidity) of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to obligations (such as the Bonds) issued prior to enactment.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issue explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

UNDERWRITING

The Bonds will be purchased by the Underwriter at an aggregate purchase price of \$ _____, pursuant to a bond purchase agreement (the "Purchase Contract") entered into by and between the District and the Underwriter. If the Bonds are sold to produce the prices or yields shown on the inside front cover page hereof, the Underwriter's compensation will be \$ _____. The Purchase Contract provides that the Underwriter will purchase all of the Bonds so offered if any are purchased. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into unit investment trusts) and others at prices higher or yields lower than the public offering prices or yields stated on the inside front cover page hereof. The initial offering prices or yields set forth on the inside front cover page hereof may be changed, from time to time, by the Underwriter without amendment of this Official Statement.

The Underwriter and its affiliates comprise a full service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the District and to persons and entities with relationships with the District, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, the Underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the District (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the District.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the District.

CONTINUING DISCLOSURE

The District will covenant for the benefit of the owners of the Bonds to provide certain financial information and operating data relating to the District not later than February 1 of each year commencing February 1, 2026 (the "Annual Reports"), and to provide notices of the occurrence of certain enumerated events (the "Notices of Listed Events"). The Annual Reports, the Notices of Listed Events and any other document or information required to be filed by the District will be filed with the MSRB through EMMA, as described in APPENDIX D - "FORM OF CONTINUING DISCLOSURE UNDERTAKING." The specific nature of the information to be contained in the Annual Reports and the Notices of Listed Events is also set forth in APPENDIX D - "FORM OF CONTINUING DISCLOSURE UNDERTAKING."

These covenants will be made in order to assist the Underwriter in complying with Rule 15c2-12 of the Commission (the "Rule"). A failure by the District to comply with these covenants must be reported in accordance with the Rule

and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price. *Pursuant to Arizona Law, the ability of the District to comply with such covenants will be subject to annual appropriation of funds sufficient to provide for the costs of compliance with such covenants.* Should the District not comply with such covenants due to a failure to appropriate for such purpose, the District has covenanted to provide notice of such fact to the MSRB. Absence of continuing disclosure, due to non-appropriation or otherwise, could adversely affect the Bonds, specifically their market price and transferability.

The District has implemented written procedures to facilitate compliance with its continuing disclosure undertakings.

MUNICIPAL ADVISOR

Hilltop Securities Inc. (the “Municipal Advisor”) has been engaged by the District for the purpose of advising the District as to certain debt service structuring matters specific to the Bonds and on certain matters relative to the District’s overall debt financing program. The Municipal Advisor has assisted in the assembly and preparation of this Official Statement at the direction and on behalf of the District. No person is entitled to rely on the Municipal Advisor’s participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to, the accuracy and completeness of the information contained herein.

RELATIONSHIPS AMONG PARTIES

Bond Counsel has previously represented the Underwriter with respect to other financings and has acted or is acting as bond counsel with respect to other bonds underwritten by the Underwriter and may do so in the future. Bond Counsel also serves and has served as bond counsel for one or more of the political subdivisions that the District territorially overlaps. Greenberg Traurig, LLP, counsel to the Underwriter, has previously acted as bond counsel with respect to other bonds underwritten by the Underwriter and may continue to do so in the future if requested.

The Underwriter and the Municipal Advisor have underwritten or acted as municipal advisor with respect to bonds issued by the City and other overlapping political subdivisions. The Underwriter and the Municipal Advisor have underwritten or acted as municipal advisor on other transactions together and expect to do so in the future.

CONCLUDING STATEMENT

The summaries or descriptions contained herein and all references to other materials not purporting to be quoted in full are only brief outlines of certain provisions thereof and do not constitute complete statements of such provisions and do not summarize all the pertinent provisions of such documents.

All projections, forecasts and other information in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or holders of any of the Bonds. The attached Appendices A through G are integral parts of this Official Statement and must be read together with all the foregoing statements.

This Official Statement has been approved, executed and delivered by the District.

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

By.....
Chair, Board of Directors

INFORMATION REGARDING THE CITY OF GOODYEAR, ARIZONA

The following information is given as background information concerning the City. THE BONDS WILL NOT BE AN OBLIGATION OF THE CITY IN ANY RESPECT. The Bonds will be secured and payable only as described under “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS” herein. The holders of the Bonds will have no right to payment except as described therein.

General

The City (also referred to herein as “Goodyear”), which incorporated in 1946, is a suburban community that lies approximately 17 miles west of downtown Phoenix. The City was founded in 1916 by the Goodyear Tire & Rubber Company for the farming of cotton. Later, a naval air station was established in Goodyear and a subsidiary, Goodyear Aircraft (now Lockheed Martin), began manufacturing flight decks for Navy sea planes. The City has grown from a one-industry, agricultural-based community into a diversified manufacturing and service center for the far west valley area.

The City annexed 67 square miles south of its former southern boundary, which annexation expanded the City to approximately 190 square miles. The annexed area is expected to be primarily utilized in future years for residential land uses.

**TABLE A-1
POPULATION STATISTICS**

Year	City of Goodyear	Maricopa County	State of Arizona
2024 Estimate (a)	116,694	4,726,247	7,621,703
2020 Census	95,294	4,420,568	7,151,502
2010 Census	65,275	3,817,117	6,392,017
2000 Census	18,911	3,072,149	5,130,632
1990 Census	6,258	2,122,101	3,665,339

(a) Estimate as of July 1, 2024 (published December 2024).

Source: Arizona Office of Economic Opportunity and U.S. Census Bureau (2020, 2010, 2000 and 1990) – *Census of Population and Housing* and July 1, 2024 Population Estimates for Arizona’s Counties, Incorporated Places and Unincorporated Balance of Counties.

Municipal Government Organization and Services

The City’s charter government provides for six Council Members and a Mayor elected at large. A Vice Mayor is elected by the Mayor and Council Members. Council Members serve four-year staggered terms and the Mayor serves a four-year term. The Mayor is limited to two four-year terms and Council Members are limited to three four-year terms. The City Manager, who is appointed by the City Council, is responsible for the overall operation and supervision of all governmental functions. The operations of City government are provided by a staff of approximately 904 employees.

The City, along with other private utilities, provides refuse collection and public safety (police and fire) to its residents. The City and Liberty Water Company provide water and sewer service to a majority of the City’s residents. Electricity is provided by Arizona Public Service Company, and natural gas is supplied by Southwest Gas Corporation.

Economy

Historically agriculture was a major contributor to the City's economic base. Agriculture still plays a role in the City's economy, however, it no longer dominates the area's economy. Today much of the City's economy centers around the aerospace industry and retail services. Arizona's Airline Training Center and Lockheed Martin are located on the Phoenix-Goodyear Airport Campus. Industrial, commercial and residential developments have also become a significant part of the economy.

Goodyear Ballpark is the spring training and player development home of both of Ohio's Major League Baseball teams – the Cleveland Guardians and the Cincinnati Reds. The Cleveland Guardians started spring training in the City in 2009; the Cincinnati Reds started spring training in the City in 2010. Each team has a year-round presence in Arizona, through Spring Training, extended Spring Training, Rookie League, Fall Instructional League and rehabilitation of injured players at their training complexes. The teams' development complexes each include a 42,000 square foot clubhouse, six full-size practice fields, two infields, batting cages, pitching mounds, hitting tunnels and observation towers. Both teams have made Arizona their second home, and are actively engaged in the City and surrounding communities, participating in charity activities, youth sports programs and other events.

TABLE A-2 (a)
UNEMPLOYMENT RATE AVERAGES

Year	City of Goodyear	Maricopa County	State of Arizona	United States
2025 (b)	4.0%	3.6%	4.1%	4.3%
2024	3.4	3.2	3.6	4.0
2023	3.4	3.2	3.7	3.6
2022	3.5	3.3	3.7	3.7
2021	4.4	4.6	5.0	5.4
2020	6.7	7.3	7.8	8.1

- (a) This table includes restated data: Local Area Unemployment Statistics (“LAUS”) program data is intermittently revised to incorporate new population controls, updated inputs, re-estimation of models, and adjustment to new census division and national control totals.
- (b) Data is not seasonally adjusted, is preliminary and is an average through August 2025 for the National Unemployment rate; through July 2025 for LAUS data.

Source: *Local Area Unemployment Statistics and National Labor Force Statistics*, U.S. Department of Labor, Bureau of Labor Statistics. Data accessed September 22, 2025.

A list of major employers located within the City is set forth in the following table.

TABLE A-3
MAJOR EMPLOYERS – CITY OF GOODYEAR, ARIZONA

Employer (a)	Description	Approximate Employment
Amazon	Retail	5,500
United Parcel Service	Transportation & Distribution	2,740
City of Goodyear	Government	1,210
Abrazo Healthcare	Healthcare	1,150
Chewy	Transportation & Distribution	1,100
Macy's	Transportation & Distribution	970
Subzero Freezer Co	Consumer Goods Manufacturing	840
State of Arizona	Government	750
Avondale Elementary School District No. 44	Education	500
Walmart	Retail	500

- (a) Some of such employers or their parent companies are subject to the informational requirements of the Exchange Act and in accordance therewith file the Filings with the Commission. The Filings may be inspected and copied at the public reference facilities maintained by the Commission at 100 F Street, NE, Washington DC 20549. In addition, the Filings may also be inspected at the offices of the NYSE at 20 Broad Street, New York, NY 10005. The Filings may also be obtained through the Internet on the Commission’s EDGAR database at <http://www.sec.gov>. None of the District, the Underwriter, the Municipal Advisor, Bond Counsel or counsel to the Underwriter have examined the information set forth in the Filings for accuracy or completeness, or examined similar information for entities or the parent company that are not subject to same or similar informational reporting requirements.

Source: *Arizona COG/MPO Employer Database, Maricopa Association of Governments* (data accessed August 2025).

Construction

The following tables illustrate a building permit summary for residential and non-residential construction and new housing starts for the City. Values shown in thousands.

TABLE A-4
VALUE OF BUILDING PERMITS – CITY OF GOODYEAR, ARIZONA

Fiscal Year	Residential	Commercial and Industrial	Total
2025/26 (a)	\$ 69,874	\$ 89,247	\$ 159,121
2024/25	607,722	630,843	1,238,565
2023/24	460,873	432,596	893,469
2022/23	258,443	563,500	821,943
2021/22	402,088	218,177	620,265
2020/21	655,377	295,009	950,386

(a) Partial year data through September 4, 2025.

Source: The City. Construction is valued on the basis of estimated cost, not on market price or value of construction at the time the permit is issued. The date on which the permit is issued is not to be construed as the date of construction.

TABLE A-5
NEW HOUSING STARTS – CITY OF GOODYEAR, ARIZONA

Fiscal Year	Total New Housing Starts
2025/26 (a)	172
2024/25	1,565
2023/24	1,363
2022/23	687
2021/22	1,235
2020/21	2,062

(a) Partial year data through September 4, 2025.

Source: The City. The date of new housing starts is the date on which the permit is issued and is not to be construed as the date of construction.

Transportation

The City is readily accessible via ground and air transportation. Highway access is provided by County Highway 85, State Route 303 and Interstate 10. Other freeways, including State Route 101, Interstate 17 and Interstate 8 are readily accessible to the City. The City is approximately 25 miles from Phoenix Sky Harbor International Airport, which offers service from major airlines, commuter airlines and charter companies. The Phoenix-Goodyear Airport, located within the City is classified as a reliever airport to Phoenix Sky Harbor International Airport. The airport has an 8,500-foot lighted and paved runway and offers various airport-related facilities. The City is also served by the major bus companies and rail service is provided by the Union Pacific Railroad.

Education

Elementary and secondary education is provided to residents of the City by Mobile Elementary School District, Avondale Elementary School District, Liberty Elementary School District, Litchfield Elementary School District, Littleton Elementary School District, Buckeye Union High School District, Tolleson Union High School District and Agua Fria Union High School District. Post-secondary education is provided by the Maricopa County Community

College District, which provides two-year and professional degrees through a number of facilities located throughout the County and the greater Metropolitan Phoenix Area, including the campus of Estrella Mountain Community College located in the neighboring City of Avondale. Four-year degrees are attainable through Arizona State University located in Phoenix, Glendale, Mesa and Tempe, Grand Canyon University located in Phoenix and other universities located in the greater Metropolitan Phoenix Area that offer flexible class schedules to the working individuals of the County. Franklin Pierce University located in Goodyear offers doctorate programs through its College of Graduate and Professional Studies.

FORM OF APPROVING LEGAL OPINION OF BOND COUNSEL

[Closing Date]

District Board
Estrella Mountain Ranch Community Facilities District
(City of Goodyear, Arizona)

Re: Estrella Mountain Ranch Community Facilities District
(City of Goodyear, Arizona) Montecito Assessment District No. 4
Special Assessment Revenue Bonds, Series 2025

Honorable Board:

At your request we have examined the official proceedings leading to the issuance of \$10,668,000* aggregate principal amount of Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) Montecito Assessment District No. 4 (the “*Special Assessment District*”) Special Assessment Revenue Bonds, Series 2025 (the “*Bonds*”), dated [Closing Date], issued by the Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) (the “*District*”).

We have examined the law and such documents and matters as we have deemed necessary to render this opinion including, without limitation, Resolution EMRCFD RES 2025-171, passed and adopted by the Board of Directors of the District (the “*District Board*”) on November 17, 2025 (the “*Resolution*”). As to questions of fact material to our opinion we have relied upon, and assumed due and continuing compliance with the provisions of, the proceedings and other documents, and have relied upon certifications, covenants and representations furnished to us without undertaking to verify the same by independent investigation, including, without limitation, those with respect to causing interest on the Bonds to be and remain excluded from gross income for federal income tax purposes.

Based upon the foregoing, we are of the opinion, as of this date, which is the date of initial delivery of the Bonds against payment therefor, that:

1. The District is duly created and validly existing as a community facilities district and political subdivision of the State of Arizona with power to pass and adopt the Resolution, perform the agreements on its part contained therein and issue the Bonds.
2. The Resolution has been duly passed and adopted by the District Board and is valid and binding upon and enforceable against the District.
3. The Bonds and the proceedings leading to and including the issuance thereof are legal and constitute a valid and binding special assessment obligation of the District.
4. The Bonds are payable solely from the funds pledged pursuant to the Resolution and from payments of the unpaid assessments upon the real property within the boundaries of the Special Assessment District assessed for the improvements which have been validly levied.
5. Under existing laws, regulations, rulings and judicial decisions, the interest income on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “*Code*”), and is exempt from Arizona income taxes. Interest income on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however,

* *Subject to change.*

such interest may be taken into account for the purpose of computing the alternative minimum tax imposed on corporations. The opinion set forth in the preceding sentence is subject to the condition that the District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The District has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. For purposes of this opinion, we have assumed continuing compliance by the District with such restrictions, conditions, and requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement dated as of _____, 2025, relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances that may later come to our attention, or any changes in law that may later occur.

Respectfully submitted,

APPRAISAL

FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

\$10,668,000*

ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT
(CITY OF GOODYEAR, ARIZONA)
MONTECITO ASSESSMENT DISTRICT NO. 4
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025

(CUSIP BASE NUMBER 29758R)

This Undertaking is executed and delivered by Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) (the “Issuer”) in connection with the issuance of the captioned municipal securities (the “Securities”) for the benefit of the owners of the Securities, being the registered owners thereof or any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any of the Securities (including persons holding the Securities through nominees, depositories or other intermediaries) or is treated as the owner of any Securities for federal income tax purposes.

Section 1. Definitions.

“Annual Report” shall mean any annual report provided by the Issuer pursuant to, and as described in, Section 2.

“Authorizing Documents” shall mean, collectively, the resolution or resolutions authorizing the issuance of the Securities.

“Dissemination Agent” shall mean any agent which has executed a dissemination agent agreement with the Issuer and such successors and assigns of such agent.

“EMMA” shall mean the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board. Information regarding submissions to EMMA is available at <http://emma.msrb.org>.

“Financial Obligation” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 3(a).

“Notice of Listed Event” shall mean any notice provided by the Issuer pursuant to, and as described in, Section 3.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

* *Subject to change.*

Section 2. Contents and Provision of Annual Reports.

(a) (i) ***SUBJECT TO ANNUAL APPROPRIATION TO COVER THE COSTS OF PREPARATION AND MAILING THEREOF, THE ISSUER SHALL, OR SHALL CAUSE THE DISSEMINATION AGENT TO, NOT LATER THAN FEBRUARY 1 OF EACH YEAR, COMMENCING FEBRUARY 1, 2026, PROVIDE THROUGH EMMA AN ANNUAL REPORT WHICH IS CONSISTENT WITH THE REQUIREMENTS OF SUBSECTION (b) OF THIS SECTION.***

(ii) ***IF THE ISSUER IS UNABLE OR FOR ANY OTHER REASON FAILS TO PROVIDE AN ANNUAL REPORT OR ANY PART THEREOF BY THE DATE REQUIRED IN SUBSECTION (a)(i) OF THIS SECTION, THE ISSUER SHALL, OR SHALL CAUSE THE DISSEMINATION AGENT TO, SEND A NOTICE TO THAT EFFECT NOT LATER THAN SUCH DATE THROUGH EMMA ALONG WITH THE OTHER PARTS, IF ANY, OF THE ANNUAL REPORT.***

(b) (i) The Annual Reports shall contain or incorporate by reference the following:

(A) Information with respect to status of amounts of delinquencies and parcels delinquent (including amount of penalties and interest) and status of foreclosure sales by tax parcel identification number as such matters relate to the “Special Assessments” which are the subject of TABLE 5 of the Official Statement, dated _____, 2025; provided, however, if there are no such delinquencies nothing need be included in the Annual Report.

(B) Current balances in the funds held pursuant to the “Reserve Fund” described in the Official Statement.

(C) Audited financial statements for the preceding fiscal year, if any, such statements to be prepared on the basis of generally accepted accounting principles as applied to governmental units. ***IF THE FISCAL YEAR OF THE ISSUER CHANGES, THE ISSUER SHALL, OR SHALL CAUSE THE DISSEMINATION AGENT TO, FILE A NOTICE OF SUCH CHANGE IN THE SAME MANNER AS FOR A NOTICE OF LISTED EVENT.***

(ii) The Annual Report may be submitted as a single document or as separate documents comprising a package and may incorporate by reference from other documents other information, including final offering documents of debt issues of the Issuer or related public entities which have been submitted to the Municipal Securities Rulemaking Board. If the document incorporated by reference is a final offering document, it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so incorporated by reference.

(iii) ***If audited financial statements are to be included in an Annual Report but are not available in time to satisfy the requirements of Subsection (a)(i) of this Section, unaudited financial statements must be provided at the requisite time as part of the Annual Report and after such audited financial statements become available, the audited financial statements shall be provided through EMMA within 30 days of receipt thereof by the District.***

Section 3. Reporting of Listed Events.

(a) This Section shall govern the giving of notices of the occurrence of any of the following events (the “Listed Events”) with respect to the Securities:

(i) Principal and interest payment delinquencies.

(ii) Non-payment related defaults, if material.

difficulties. (iii) Unscheduled draws on debt service reserves reflecting financial

difficulties. (iv) Unscheduled draws on credit enhancements reflecting financial

(v) Substitution of credit or liquidity providers, or their failure to perform.

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.

(vii) Modifications to rights of security holders, if material.

(viii) Bond calls, if material, and tender offers.

(ix) Defeasances.

(x) Release, substitution or sale of property securing repayment of the securities, if material.

(xi) Rating changes.

(xii) Bankruptcy, insolvency, receivership or similar events of the obligated person, being if any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(xiii) The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

(xiv) Appointment of a successor or additional trustee or the change of the name of the trustee, if material.

(xv) Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material.

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(xvii) Notice of a failure of the obligated person to provide required annual financial information on or before the date specified in Section 2 above, including any non-appropriation to cover applicable costs.

(b) Whether events subject to the standard “material” would be material shall be determined under applicable federal securities laws.

(c) ***SUBJECT TO ANNUAL APPROPRIATION TO COVER THE COSTS OF PREPARATION AND MAILING THEREOF, THE ISSUER SHALL, OR SHALL CAUSE THE DISSEMINATION AGENT TO, PROMPTLY, BUT NOT MORE THAN TEN (10) BUSINESS DAYS THEREAFTER, FILE A NOTICE OF LISTED EVENT OF SUCH OCCURRENCE THROUGH EMMA.***

Section 4. Termination of Reporting Obligation. The obligations of the Issuer pursuant to this Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Securities. ***SUBJECT TO ANNUAL APPROPRIATION TO COVER THE COSTS OF PREPARATION AND MAILING THEREOF, THE ISSUER SHALL, OR SHALL CAUSE THE DISSEMINATION AGENT TO, GIVE NOTICE OF SUCH TERMINATION THROUGH EMMA AS SOON AS PRACTICABLE, BUT NOT LATER THAN THE DATE AN ANNUAL REPORT WOULD OTHERWISE HAVE BEEN DUE.***

Section 5. Amendment or Waiver.

(a) Notwithstanding any other provision of this Undertaking, the Issuer may amend this Undertaking, and any provision of this Undertaking may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the Issuer or type of business conducted; (ii) this Undertaking, as amended or affected by such waiver, would have complied with the requirements of the Rule at the time of the primary offering of the Securities, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (iii) such amendment or waiver does not materially impair the interests of the owners of the Securities, as determined either by parties (such as bond counsel) unaffiliated with the Issuer or by an approving vote of the registered owners of the Securities pursuant to the terms of the Authorizing Documents at the time of the amendments.

(b) The Annual Report containing amended operating data or financial information resulting from such amendment or waiver, if any, shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided. If an amendment or waiver is made specifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information in order to provide information to investors to enable them to evaluate the ability of the Issuer to meet its obligations. To the extent reasonably feasible, such comparison also shall be quantitative. ***IF THE ACCOUNTING PRINCIPLES OF THE ISSUER CHANGE, THE ISSUER SHALL, OR SHALL CAUSE THE DISSEMINATION AGENT TO, FILE A NOTICE OF SUCH CHANGE IN THE SAME MANNER AS FOR A NOTICE OF LISTED EVENT.***

Section 6. Additional Information. Nothing in this Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Annual Report or Notice of Listed Event, in addition to that which is required by this Undertaking. If the Issuer chooses to include any information in any Annual Report or Notice of Listed Event in addition to that which is specifically required by this Undertaking, the Issuer shall have no obligation under this Undertaking to update such information or include it in any future Annual Report or Notice of Listed Event.

Section 7. Default. In the event of a failure of the Issuer to comply with any provision of this Undertaking, any owner of a Security for the benefit of which this Undertaking is being provided may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Undertaking. A default under this Undertaking shall not be deemed an event of default for other purposes of the Authorizing Documents, and the sole remedy under this Undertaking in the event of any failure of the Issuer to comply with this Undertaking shall be an action to compel performance.

Section 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist the Issuer in satisfying the obligations of the Issuer hereunder and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 9. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Undertaking and the applicable, related agency agreement, and, to the extent permitted by applicable law, the Issuer shall indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless for, from and against any loss, expense and liabilities which the Dissemination Agent may incur arising out of or in the exercise or performance of the powers and duties of the Dissemination Agent pursuant to this Undertaking and the applicable, related agency agreement, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the gross negligence or willful misconduct of the Dissemination Agent. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Securities.

Dated: [Closing Date]

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

By.....
Chair, Board of Directors

BOOK-ENTRY-ONLY SYSTEM

This information concerning DTC and DTC's book-entry system has been obtained from DTC and the District takes no responsibility for the accuracy thereof. The Beneficial Owners (defined below) should confirm this information with DTC or the DTC participants.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S., securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Securities Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants" and together with the Direct Participants, the "Participants"). DTC has Standard & Poor's rating of: "AA+." The DTC Rules applicable to its Direct Participants and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchase of the Bonds under the DTC system must be made by or through Direct Participants, who will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct Participant's and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interest in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all the Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co., or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct Participants and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the

Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and Paying Agent and request that copies of notices be provided directly to them.

Redemption notices of the Bonds shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Bond Registrar and Paying Agent as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payment of principal of and interest on the Bonds, and the redemption price of any Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of and information funds and corresponding detail information from the Bond Registrar and Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct Participants and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such Direct Participants and Indirect Participants and not of DTC (or its nominee) or the Bond Registrar and Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of and interest on the Bonds, and the redemption price of any Bonds will be made to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Bond Registrar and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of Direct Participants and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Bond Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, physical Bonds are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, physical Bonds will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

**CERTAIN STATUTORY PROVISIONS APPLICABLE
TO THE FORECLOSURE PROCESS**

The following constitutes a summary of the “Foreclosure Process,” specifically portions of certain sections of the General Public Improvements and Improvement Bonds Law, Title 48, Chapter 4, Article 2, Arizona Revised Statutes, as amended (the “Act”), deemed applicable to the Bonds pursuant to the Bond Resolution. The summaries do not purport to be complete, and reference is hereby made to the full text of each section and to the Bond Resolution.

Section 48-601. List of delinquent installments; publication of notice; sale of delinquent property

The representative of the District (the “Superintendent”) shall, within 20 days from the date of the delinquency, begin the publication of the list of the assessments on which any installment is delinquent. The Superintendent shall append to and publish with the list, a notice that unless each delinquent installment, together with the penalty and costs thereon, is paid, the whole amount of the assessment will be declared due by him, and the property upon which the assessment is a lien will be sold at public auction at a time and place to be specified in the notice. The publication shall be published and circulated in the District for a period of 10 days in a daily newspaper, or for two weeks in a weekly newspaper so published and circulated.

Before the date fixed for the sale or before the date to which the sale has been postponed, the Superintendent shall obtain a record search that shows the names and addresses of record of all lien claimants on, and other persons with an interest in, all lots or parcels on which an installment of the assessment is delinquent.

At least 10 days before the sale date or the date to which the sale has been postponed, the Superintendent shall serve by first-class mail a notice of the date and place of the sale or postponed sale to the owner and to each of the lien claimants and other interested persons. A final sale may not be held unless the Superintendent has provided notice by mail to all lien claimants discovered in the search of records.

The time of sale shall not be less than five days after the last publication, and the place of the sale shall be in front of the office of the Superintendent, or in front of the usual place of meeting of the City Council. The sale may be postponed.

Section 48-602. Payment after delinquency and before sale

At any time prior to the sale of any lot assessed, any person may pay the delinquent installment on the lot together with the penalty and costs then due, including the cost of advertising, whereupon the Superintendent shall note on his records the date of payment, the name of the person by or for whom it is paid and the amount paid.

Section 48-603. Sale procedure

On the day fixed for the sale, the Superintendent shall, at 10:00 a.m., or at any time thereafter to which the sale may be adjourned, begin the sale of the property advertised, commencing at the head of the list and continuing in the numerical order of lots, until all are sold. The Superintendent may postpone or continue the sale from day to day until all the property is sold. Each lot separately assessed shall be offered for sale separately. The sale shall be for the entire assessment including the delinquent installments, and the person who will take the least quantity of

land and then and there pay the amount of the assessment, penalty and costs due, including 50 cents to the Superintendent for a certificate of sale, shall become the purchaser.

The Superintendent shall record the date of the payment and mark the installment of principal or interest paid. In the event the owner does not pay the balance due on the installment of principal or interest, and the property is sold for the full amount of the assessment, the Superintendent shall refund to the owner all money received from the owner by way of partial payments.

Section 48-604. Certificate of sale; lien

After making the sale, the Superintendent shall execute, in duplicate, a certificate of sale stating the description of the property sold, the name of the owner thereof as given on the record of the assessment, that the property was sold for a delinquent assessment, specifying the improvement for which the assessment was made, the amount for which the property was sold, the date of sale, the name of the purchaser, and the time when the purchaser will be entitled to a deed. The Superintendent shall file one copy of the certificate in his office, and deliver the other to the purchaser.

On filing the copy of the certificate in the office of the Superintendent, the lien of the assessment shall vest in the purchaser, and is only divested by a redemption of the property, as provided in the Act.

The Superintendent shall also enter on the record of the assessment, opposite the description of each lot offered for sale, a description of the part thereof sold, the amount for which it was sold, the date of sale, and the name of the purchaser.

Section 48-605. Redemption

Redemption may be made by any party having an interest in the lot at any time before the execution and delivery of a deed therefor by paying to the Superintendent the amount for which the property was sold and 5% thereon if paid within three months from the date of sale, 10% if paid within six months, 12% if paid within nine months, 15% if paid within 12 months, or 20% if paid after 12 months. When redemption is made, the Superintendent shall note that fact on the duplicate certificate of sale in his office and deposit the amount paid with the District Treasurer, who shall credit the purchaser named in the certificate of sale with the amount, and pay the amount to such purchaser or his assignee, upon the surrender of the certificate of sale.

Section 48-606. Deed to purchaser; notice to owner; redemption after notice; effect of deed

After the expiration of 12 months from the date of sale, the Superintendent shall execute to the purchaser, or his assignee, on his application, if he has fully complied with Arizona Revised Statutes Section 48-606, a deed to the property sold in which shall be recited substantially the matters contained in the certificate, any assignment thereof, and that no person has redeemed the property. The Superintendent shall receive from the applicant for a deed, \$1.00 for making the deed.

The purchaser shall, at least 30 days before he applies for a deed, serve by first-class mail to the owner, all lien claimants of record, all persons of record with an interest in the property and, if occupied, the occupant of the property, a written notice that the property, giving the description, has been sold for a delinquent assessment, specifying the improvement for which the assessment was made, the amount for which it was sold, the amount necessary to redeem at the time of giving notice, the time when the purchaser or assignee will apply to the Superintendent for a deed and that, on issuance of the deed, all interest in the property, whether of record before or after the assessment lien, will be extinguished, except for the lien for general property taxes and prior special assessments. If the owner cannot be found after due diligence, the notice shall be posted in a

conspicuous place upon the property at least 30 days before the time stated therein of the application for a deed.

The applicant shall file with the Superintendent an affidavit showing that notice of the application has been given, and if the owner could not be found, that due diligence was used to find the owner. If redemption of the property is made after the affidavit is filed, and more than 11 months from the date of sale, the person making redemption shall pay, in addition, for payment to the purchaser, \$3.00 for the service of notice and the making of the affidavit.

The deed of the Superintendent shall be prima facie evidence of the truth of all matters recited therein, and of the regularity of all proceedings prior to the execution thereof, and of title in the grantee. The deed of the Superintendent shall convey to the purchaser fee title to the lands described therein, free and clear of all interests, liens, claims and encumbrances whether of record before or after the assessment lien, except for the lien for general property taxes and prior special assessments.

Section 48-607. Disposition of sale proceeds

The Superintendent shall promptly pay to the District Treasurer all monies collected by him from sales. The District Treasurer, on receipt thereof, shall place the monies in the special fund hereby created for the payments of the bonds issued for the improvement.

APPENDIX G

**AUDITED FINANCIAL STATEMENTS OF THE DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**