

RESOLUTION CFGD #1/RES 96-29

**RESOLUTION APPROVING THE FEASIBILITY AND BENEFITS STUDY RELATING TO THE ACQUISITION, CONSTRUCTION AND FINANCING OF CERTAIN IMPROVEMENTS BENEFITTING COMMUNITY FACILITIES GENERAL DISTRICT NO. 1 (CITY OF GOODYEAR, ARIZONA); AND DECLARING THE INTENT OF THE DISTRICT TO ISSUE ASSESSMENT BONDS, SERIES 1996, TO FINANCE SAID IMPROVEMENTS; AND DECLARING AN EMERGENCY.**

WHEREAS, pursuant to Section 48-715, Arizona Revised Statutes ("A.R.S."), as amended, the governing body of the Community Facilities General District No. 1 (City of Goodyear, Arizona) (the "District") has caused a study of the feasibility and benefits of the Project (as defined hereinafter) to be prepared, relating to certain public infrastructure provided for in the General Plan of the District and to be financed with the proceeds of the sale of assessment bonds of the District to be prepared, which study includes, among other things, a description of certain public infrastructure to be acquired and all other information useful to understand the Project, an estimate of the cost to acquire, operate and maintain the Project, an estimated schedule for completion of the Project, a map or description of the area to be benefited by the Projects and a plan for financing the Project, a copy of which is on file with Clerk of the District; and

WHEREAS, pursuant to Section 48-715, A.R.S., as amended, a public hearing on the Study was held on even date herewith, after provision for publication of notice thereof as provided by law;

**NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE COMMUNITY FACILITIES GENERAL DISTRICT NO. 1 (CITY OF GOODYEAR, ARIZONA) AS FOLLOWS:**

**Section 1. DEFINITIONS.**

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

"Board" shall mean the board of directors of the District.

"Clerk" shall mean the Clerk of the District.

"District" shall mean the Community Facilities General District No. 1 (City of Goodyear, Arizona).

"Project" shall mean the public infrastructure (as such term is defined in the Act), described in the Study, including particularly, the partial financing of the acquisition or construction of a fire and police station and improvement of certain streets located in the

District, payment of certain incidental costs related to the acquisition and construction of the public infrastructure and the financing of the Project.

"Study" shall mean the Feasibility and Benefits Study dated July 3, 1996 and on file with the Clerk, prior to the date and time hereof, discussing the matters required by action 48-715 of the A.R.S., as amended, as such matters relate to the Project.

**Section 2. RATIFICATION OF NOTICE OF HEARING.** Published notice of the public hearing on the Study has been provided by the Clerk not less than ten (10) days in advance of the date of the public hearing on the Study. The form of notice of the public hearing attached hereto as Exhibit A is hereby ratified and approved in all respects.

**Section 3. APPROVAL OF FEASIBILITY STUDY.** Based on the review by this Board and the presentation of the Study at the public hearing on July 23, 1996, the Study is hereby adopted and approved in the form submitted to the Board. The Study has been filed with the Clerk prior to adoption of this Resolution. Reference is hereby made to the Study so filed.


**Section 4. RESOLUTION OF INTENT.** This Board hereby identifies the public infrastructure of the Project, the areas benefited, the expected method of financing and the system of providing revenues to operate and maintain the Project, all as identified and provided for in the Study, for any and all purposes of the Act. This Board hereby declares its intent to proceed with the financing of the acquisition of the Project in substantially the manner presented in the Study. This Board declares its intent to issue District Assessment Bonds, Series 1996, to finance the costs of the acquisition of the Project. District officers, employees, staff and agents are hereby authorized and directed to proceed with preparing all necessary documents and establishing financing terms and provisions for final review and approval by this Board.

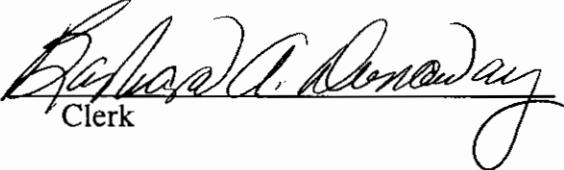
**Section 5. EFFECT.** This resolution shall take effect and be in force from and after its passage, and after any publication and posting as may be by law required.

**Section 6. EMERGENCY.** The immediate operation of the provisions hereof is necessary for the preservation of the public peace, health and safety and an emergency is hereby declared to exist, and this resolution will be in full force and effect from and after its passage by the District Board and it is hereby exempt from the referendum provisions of the Constitution.

PASSED, ADOPTED AND APPROVED by the Board of the Community  
Facilities General District No. 1 (City of Goodyear, Arizona), on July 23, 1996.

ATTEST:

  
Chairman

  
Clerk

**FEASIBILITY STUDY**

**For The Issuance of**

**Not to Exceed  
\$6,670,000 Principal Amount**

**OF**

**COMMUNITY FACILITIES GENERAL**

**DISTRICT NO. 1**

**OF THE CITY OF GOODYEAR, ARIZONA**

**DISTRICT ASSESSMENT BONDS**

**SERIES 1996**

**JULY 3, 1996**

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**SECTION ONE**

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

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## **INTRODUCTION**

This Feasibility Study (the "Study") has been prepared for presentation to the Board of Directors of the Community Facilities General District No. 1 of the City of Goodyear (Arizona) (the "General District") in connection with the proposed issuance by the General District of its District Assessment Bonds, Series 1996 (the "Bonds") in an approximate aggregate principal amount not to exceed \$6,670,000, pursuant to the Community Facilities Act of 1989, Title 48, Chapter 4, Article 6 of Arizona Revised Statutes (the "Act").

### **PURPOSE OF FEASIBILITY STUDY**

This Study has been prepared for consideration of the feasibility and benefits of the Public Infrastructure (as defined in A.R.S. 48-701) to be financed by the Bonds and of the plan for financing such Public Infrastructure in accordance with the provisions of A.R.S. 48-715. Pursuant to A.R.S. 48-715, this Study includes (i) a description of the Public Infrastructure to be constructed or acquired [Section Two]; (ii) a map showing, in general, the location of the Project and the area to be benefitted by the Project [Section Three]; (iii) an estimate of the cost to construct, acquire and operate the project [Section Four]; (iv) an estimated schedule for completion of the project [Section Five]; (v) and a plan for financing the project [Section Six].

Additionally, this Study includes other additional information as required by Development Agreement No. 1, as amended, among the City of Goodyear (the "City"), SunCor Development Company ("SunCor"), the General District, the Community Facilities General District No. 1 of the City of Goodyear (Arizona) (the "General District") and the Litchfield Public Service Company ("LPSCO"). This additional information includes: (i) an analysis of the impact of the financing on the tax rates or other charges borne by the owners of the property [Appendix B]; an analysis of the effect on the City's general financing abilities [Appendix C]; and an analysis of the infrastructure demand and market absorption [Appendix D].

This Study has been prepared for the Board's exclusive consideration. It is not intended or anticipated that this Study will be relied upon by other persons, including, but not limited to, purchasers of the Bonds. This Study does not attempt to address the quality of the Bonds as investments or the likelihood of repayment of the Bonds. In preparing this Study, financial advisors, appraisers, counsel, engineers, City of Goodyear staff and other experts have been consulted as deemed appropriate.

## GENERAL DESCRIPTION OF GENERAL DISTRICT

Formation of the General District was approved by the City on August 8, 1989 upon the request of the sole landowner within the General District. The General District is located within the City boundaries.

The General District has been created to acquire and finance a portion of public infrastructure within the General District which is part of the master-planned project known as Palm Valley (the "Project"). There are approximately 1,907 acres of the Project located within the General District, a legal description of which is included in Appendix A. A map of the General District is included within this section.

The first phase of Palm Valley (section 34), located entirely within the General District, is anticipated to be sold out prior to the year 2001. This first phase is primarily residential development located adjacent to the 18 hole Palm Valley Golf Course. Commercial property is located on three corners of the section with a multi-family complex under construction at the northwest corner.

The second phase of Palm Valley is currently planned for section 33. This section should be very similar to Phase 1 (section 34) in its development mix. The residential development of section 33 will include an additional 9 holes of golf to compliment the Palm Valley Golf Course located in Phase 1. The commercial sites are located at the four corners of the section.

<u>Type of Development</u>	<u>Projected Number of Units</u>	<u>Number of Net Acres</u>
<b>Section 34</b>		
Residential - Single Family	1,291	321
Residential - Multi-Family Apartments	260	17
Residential - Multi-Family Condominiums	84	6
Commercial	N/A	34
Golf Course	N/A	182
School Site & Parks	N/A	25
Palm Valley Boulevard		<u>20</u>
Approximate Net Acres in General District #1		605
<b>Section 33 (current estimated development mix)</b>		
Residential - Single Family	1,607	400
Residential - Multi-Family Apartments	714	47
Commercial	N/A	30
Golf Course	N/A	90
Roadways and Parks	N/A	<u>43</u>
Approximate net acres in General District #1		610
<b>Section 28 (acreage is mix of commercial and residential)</b>		
Approximate net acres in General District #1	N/A	386



<u>Type of Development</u>	<u>Projected Number of Units</u>	<u>Number of Net Acres</u>
Section 3 (all commercial acreage)		
Approximate net acres in General District #1	N/A	161
Section 4 (all commercial acreage)		
Approximate net acres in General District #1	N/A	40
Approximate total net acreage		<u>1,802</u>
Approximate total gross acreage		<u>1,907</u>

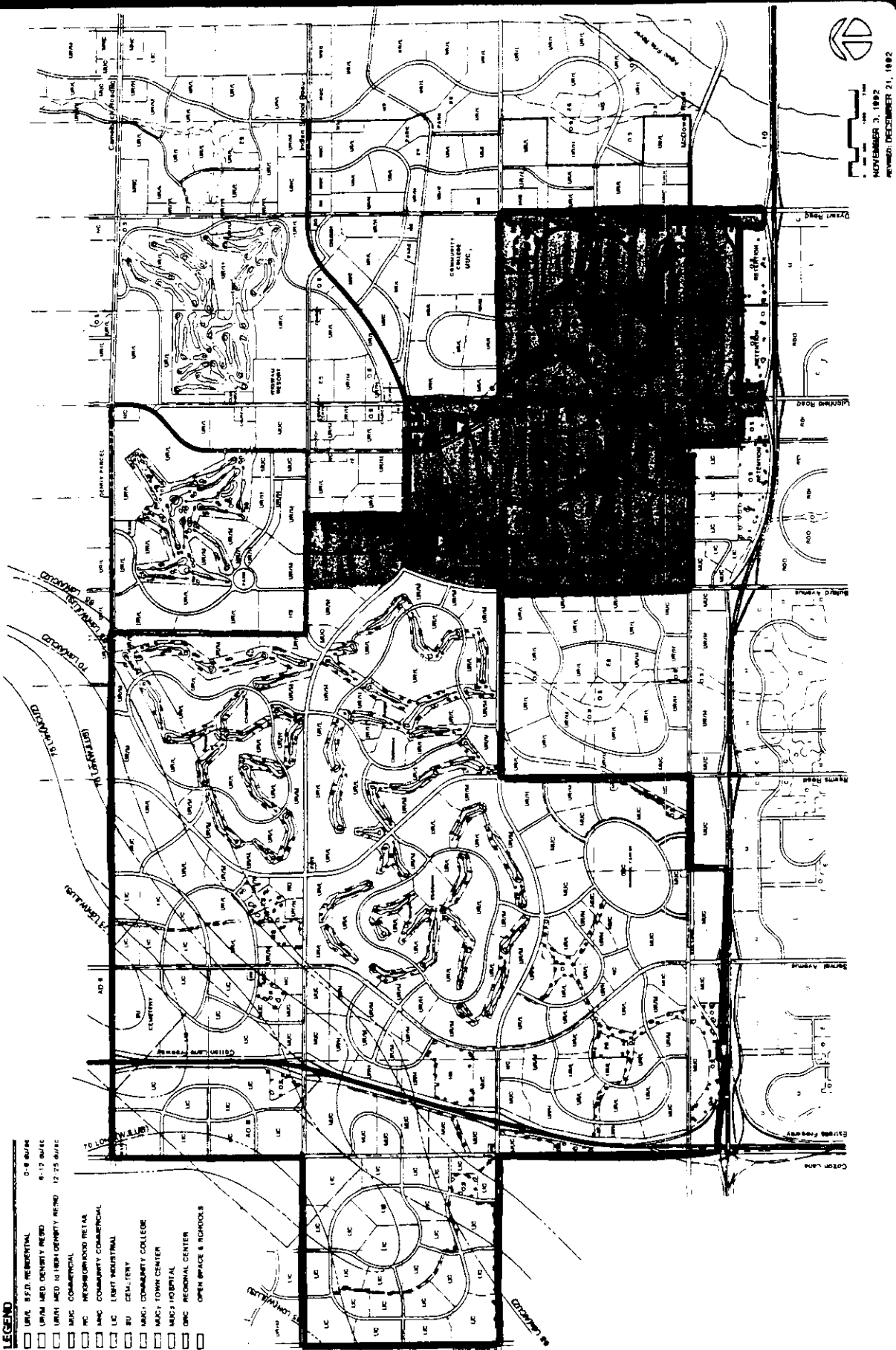
The 18-hole Palm Valley Golf Course and Club has been open since November, 1993. As of December 31, 1995, there have been 354 residential building permits issued by the City of Goodyear (the "City") in Phase One. In 1996, the City has issued 73 residential building permits through April for Phase One. The five homebuilders, Saddleback, T.W. Lewis, Ryland Homes, Diamond Key Homes and SunCor Homes have rolling option purchase contracts on approximately 810 lots. These lots are located in parcels adjacent to parcels to be assessed pursuant to this proposed bond issue. At December 31, 1995, ready developed lot inventory available for immediate purchase was 459 lots. In addition to single family lot sales, 7 commercial acres have been sold and in May, 1996, construction began on a 132 unit apartment complex which is anticipated to be ready for leasing in the fourth quarter of 1996.

In the General District outside of section 34 other development activity has occurred. In section 4, the Wigwam Outlet Stores have completed the construction of an additional 90,000 square feet of retail space to compliment the existing 144,000 square feet of Phase One. Also opened in section 4 are *Wendy's* and *Denny's* restaurants along with a gas station/convenience store center. In section 3, a new *Cracker Barrel* restaurant opened in April, 1996 and a Holiday Inn Express Hotel is taking reservations for a September, 1996 opening along with a 1 acre commercial corner being sold to Main Street & Main. Also in section 3 is Phoenix Memorial Hospital's completion of its first phase of a multi-phase 36 acre medical complex. Phase two is scheduled to start in the fall of 1996. In section 28, a Walgreen's commercial building site (1.8 acres) has opened in addition to an existing 1.7 acre automotive center.

**LEGEND**

- UMC 5-20 RESIDENTIAL
- UMC 1 MED DENSITY RESID
- UMC 10 MED TO HIGH DENSITY RESID
- UMC COMMERCIAL
- UMC NEIGHBORHOOD RETAIL
- UMC COMMUNITY COMMERCIAL
- UMC LIGHT INDUSTRIAL
- BI GEN. SERV.
- UMC COMMUNITY COLLEGE
- UMC TOWN CENTER
- UMC HOSPITAL
- UMC REGIONAL CENTER
- OPEN SPACE & RECREATION

0-8 80/40  
 8-17 60/40  
 12-25 60/40



VERNON SWABACK ASSOCIATES, P.C. ARCHITECTURE AND PLANNING

**PALM VALLEY**

**Master Plan Program**

Community Facilities General District No. 1

Community Facilities Utilities District

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**SECTION TWO**

**DESCRIPTION OF PUBLIC INFRASTRUCTURE**

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## DESCRIPTION OF PUBLIC INFRASTRUCTURE

The public infrastructure to be acquired by the General District with the proceeds of the Assessment Bonds include the following projects:

- 1) **Fire & Police Station**  
A combination Fire & Police Station is currently being engineered for the benefit of the General District. This station will be located in Section 28 next to Litchfield Road. Proceeds will provide funds for the purchase of a new fire truck and for the construction of the station.
- 2) **Litchfield Road (North of Roosevelt Irrigation District Canal)**  
Improve the Northbound lane north of the Fire & Police Station to Indian School Bypass.
- 3) **McDowell Road**  
Improve McDowell Road by adding a center landscape median and to widen each lane. Sidewalks will be added with landscaping. The length of this improvement is approximately 1 mile from Dysart Road to Litchfield Road.
- 4) **Litchfield Road**  
Improve the remaining areas of the northbound lane of Litchfield Road between McDowell and Thomas Roads. The existing roadway will be widened and curbed along with a sidewalk and landscaping being added. The improvements shall start at the corner of Litchfield and McDowell Roads and go north approximately 1/4 mile to tie into an already improved section of the roadway and then continue north approximately 1/3 mile to Thomas Road.
- 5) **Thomas Road**  
Improve the south side of Thomas Road from the western boundary of parcel 3 in section 34 approximately 4/10 mile to 135th Avenue.
- 6) **Indian School Bypass**  
Extend Indian School Bypass from Litchfield Road to Bullard Road. The length of this improvement is approximately 4/5 of a mile.
- 7) **Litchfield Elementary School Pad or Park Improvements**  
To aid the Litchfield Elementary School in construction of a new school within the General District. The Improvements will be either to aid in the land preparation of the school or for the construction of a park adjacent to the school.
- 8) **Thomas Road (West of 135th Avenue)**  
To construct Thomas Road from 135th Avenue to Litchfield Road. The length of this improvement is approximately 1/2 mile.
- 9) **144th Avenue**  
To construct 144th Avenue (one lane) from Indian School Road south to Indian School Bypass. The length of this improvement is approximately 1/2 mile.
- (10) **135th Avenue**  
To construct 135th Avenue from Thomas Road south to Palm Valley Boulevard. This improvement includes north and south bound lanes, curbs and sidewalks with landscape. The length of this improvement is approximately 1/6 mile.

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**SECTION THREE**

**MAP SHOWING LOCATION**

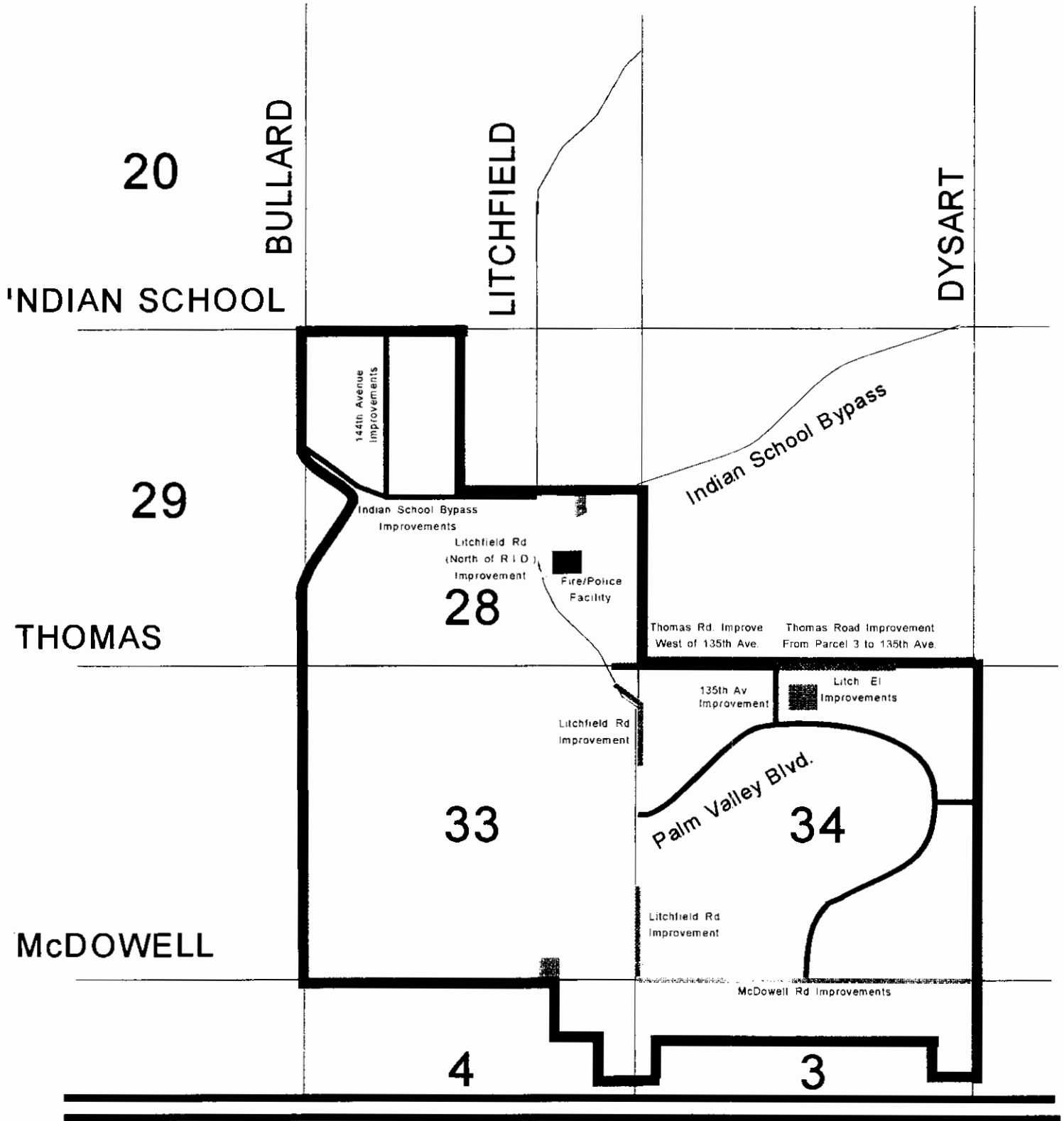
**OF PUBLIC INFRASTRUCTURE**

**& ASSESSMENT AREA**

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# GENERAL DISTRICT NO. 1 LOCATION OF PUBLIC INFRASTRUCTURE AND ASSESSMENT AREA



	General District Number 1		Excluded Properties
	Property to be assessed and not prepaid		Property to be assessed and prepaid

INTERSTATE I-10

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**SECTION FOUR**

**ESTIMATE OF COST OF PUBLIC INFRASTRUCTURE**

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## ESTIMATE OF COST OF PUBLIC INFRASTRUCTURE

Listed below are estimated costs of acquisition of the Public Infrastructure. Proceeds of the Assessments Bonds, after payment of the costs of issuance, will be used to finance the acquisition of all or a part of the following projects:

1)	Fire and Police Station	\$1,087,900 (a)
2)	Litchfield Road (North of Roosevelt Irrigation District Canal)	750,000
3)	McDowell Road (Dysart to Litchfield Road)	1,122,000
4)	Litchfield Road	1,084,000
5)	Thomas Road (parcel 3 to 135th Avenue)	250,000
6)	Indian School Bypass	935,000
7)	Litchfield Elementary School Pad/Park Improvements	250,000
8)	Thomas Road (West of 135th Avenue)	500,000
9)	144th Avenue Improvement	350,000
10)	135th Avenue Improvement	<u>400,000</u>
	<b>Total</b>	<b><u>\$6,728,900</u></b>

Any additional amounts required to complete the Public Infrastructure will be provided by SunCor.

(a) The Fire and Police Station's total cost is calculated as follows:

SunCor Cost Obligation (not to exceed).....	\$1,650,000
1994 G.O. Bond Issue.....	(146,100)
1996 G.O. Bond Issue.....	<u>(416,000)</u>
Balance.....	<b><u>\$1,087,900</u></b>



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**SECTION FIVE**

**TIMETABLE FOR**

**ACQUISITION OF PUBLIC INFRASTRUCTURE**

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**TIMETABLE FOR  
ACQUISITION OF PUBLIC INFRASTRUCTURE**

The following table shows the anticipated design, bid and completion date of each project. The Public Infrastructure will be acquired by the General District as it is completed.

<u>Project</u>	<u>Est. Design Date</u>	<u>Est. Bid Date</u>	<u>Completion Date</u>
1) Fire & Police Station	December 96	January 97	November 97
2) Litchfield Road (North of Roosevelt Irrigation District Canal)	July 96	August 96	January 97
3) McDowell Road	Completed	May 96	November 96
4) Litchfield Road	Completed	May 96	September 96
5) Thomas Road	October 96	November 96	January 97
6) Indian School Bypass	July 96	August 96	January 97
7) Litchfield Elementary School Improvements	January 97	March 97	June 97
8) Thomas Road (West of 135th Avenue)	February 97	March 97	June 97
9) 144th Avenue Improvement	February 97	March 97	June 97
10) 135th Avenue Improvement	Completed	September 96	January 97

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**SECTION SIX**

**PLAN OF FINANCE**

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## PLAN OF FINANCE

The Public Infrastructure will be acquired and financed by the General District by way of a Plan of Finance herein described. This Plan of Finance is subject to modification to accommodate market conditions at the time of the actual bond sale and to the extent necessary to comply with federal and State law.

- (1) The City Council, in response to a petition from the owners of 100% of the property within the General District, adopted a resolution forming the General District. The General District has previously issued \$2,950,000 in assessment bonds (the "Series 1994 Assessment Bonds"), of which \$2,554,000 principal amount is currently outstanding.
- (2) The General District will issue a second issue of assessment bonds in a par amount not to exceed \$6,670,000.
- (3) The Sources and Uses of Funds from proceeds of the sale of the Bonds (exclusive of accrued interest and original issue discount, if any) will be:

### SOURCES:

Bond Issue Proceeds	\$6,670,000
Developer Contribution	<u>1,544,000</u>
Total Sources	<u>\$8,214,000</u>

### USES:

Public Infrastructure	\$6,728,900
Reserve Fund	667,000
Costs of Issuance including City Administration Costs	201,125
Capitalized Interest through July 1, 1997	416,875
Underwriter's Discount	<u>200,100</u>
Total Uses	<u>\$8,214,000</u>

- (4) The proceeds of the bond issue will be applied by the General District to acquire, construct and finance the Public Infrastructure listed in Section 2 of this Study.
- (5) The Bonds will have a final maturity not to exceed 25 years, with amortization of principal expected to begin in the year 2002. Early redemption provisions for the bonds will be established at the time the Bonds are marketed.
- (6) The Bonds will be unrated and sold through a private, limited offering. Investors will be required to sign a Qualified Investors letter and meet certain investor criteria. (See criteria listed in Table Four.)

- (7) An updated appraisal of the property to be assessed will be available. The executive summary of such appraisal is included in the Study as Appendix D. The ratio of the appraised value of the property to the total assessment is shown below.
- (8) The cumulative assessment amounts (including the assessments levied in conjunction with the Series 1994 Assessment Bonds) will not exceed the following amounts in order to maintain a value to assessment lien ratio for the sections of approximately 4 to 1, pursuant to City guidelines:

\$4,000 per single family unit, \$800 per multi-family unit, \$20,000 per commercial acre, \$70,000 on the first 18 holes of the Palm Valley Golf Course and \$150,000 on the second nine holes of the Palm Valley Golf Course.

- (9) The following chart shows the proposed assessment amounts for each section:

Section 34 Unplatted Parcels		Acres	Units	Assessment Per Unit	New Assessment	Est. Wholesale Value (a)	Initial Coverage	Previous Assessment	Total Assessment	Ratio of Total Assessment to Est. Wholesale Value
Parcel 4 (b)	21.829	94	\$1,000	\$ 94,000	\$1,067,248	11.35	\$188,000	\$282,000	3.78	
Parcel 12	19.060	108	\$1,000	108,000	1,060,000	9.81	216,000	324,000	3.27	
Parcel 17	48.614	146	\$1,000	146,000	3,560,000	24.38	292,000	438,000	8.13	
Parcel 21	24.276	88	\$1,000	88,000	1,285,000	14.60	176,000	264,000	4.87	
		436		\$436,000			\$872,000			
Section 28	373.360			1,875,000	7,500,000	4.00	0	1,875,000	4.00	
Section 33	607.970			3,323,997	13,500,000	4.06	0	3,323,997	4.06	
Section 3	119.615			1,039,205	4,156,819	4.00	0	1,039,205	4.00	
				\$6,238,202			\$ 0			
Total Assessment				\$6,674,202			\$872,000			

- (a) All appraisal information is from an October 5, 1995 Burke Hansen appraisal which is currently being updated. This schedule is subject to change to reflect the final 1996 appraisal.
- (b) Parcel 4 appraisal information derived by taking parcel 1 information from the October 1995 appraisal and calculating a value per acre and multiplying the residual by the new parcel 4 acreage. This is the result of the Litchfield Elementary School District having its new school site finalized (parcel 4 was the original estimated site).

- (10) Table Two within this section details the projected development schedule, with Table Three relating projected assessment allocation revenues for the debt service of the bond issue.
- (11) The billing and collection of the assessment amounts will be administered by the General District.
- (12) This bond issue will be subject to compliance with the Securities and Exchange Commission's guidelines as they relate to continuing disclosure. SunCor agrees to comply with all such requirements and will assist the General District as necessary in complying with these rules.

\$6,670,000

TABLE ONE

CITY OF GOODYEAR, ARIZONA  
COMMUNITY FACILITIES GENERAL  
DISTRICT NO. 1

District Assessment Bonds, Series 1996

	Dated Date:	9/1/96	Delivery Date:	9/1/96	
DATES	PRINCIPAL AMOUNT	COUPON	INTEREST	TOTAL	FY TOTAL
1/1/97			166,750.00	166,750.00	
7/1/97			250,125.00	250,125.00	416,875.00
1/1/98			250,125.00	250,125.00	
7/1/98			250,125.00	250,125.00	500,250.00
1/1/99			250,125.00	250,125.00	
7/1/99			250,125.00	250,125.00	500,250.00
1/1/00			250,125.00	250,125.00	
7/1/00			250,125.00	250,125.00	500,250.00
1/1/01			250,125.00	250,125.00	
7/1/01			250,125.00	250,125.00	500,250.00
1/1/02			250,125.00	250,125.00	
7/1/02	155,000	7.50%	250,125.00	405,125.00	655,250.00
1/1/03			244,312.50	244,312.50	
7/1/03	165,000	7.50%	244,312.50	409,312.50	653,625.00
1/1/04			238,125.00	238,125.00	
7/1/04	180,000	7.50%	238,125.00	418,125.00	656,250.00
1/1/05			231,375.00	231,375.00	
7/1/05	190,000	7.50%	231,375.00	421,375.00	652,750.00
1/1/06			224,250.00	224,250.00	
7/1/06	205,000	7.50%	224,250.00	429,250.00	653,500.00
1/1/07			216,562.50	216,562.50	
7/1/07	220,000	7.50%	216,562.50	436,562.50	653,125.00
1/1/08			208,312.50	208,312.50	
7/1/08	240,000	7.50%	208,312.50	448,312.50	656,625.00
1/1/09			199,312.50	199,312.50	
7/1/09	255,000	7.50%	199,312.50	454,312.50	653,625.00
1/1/10			189,750.00	189,750.00	
7/1/10	275,000	7.50%	189,750.00	464,750.00	654,500.00
1/1/11			179,437.50	179,437.50	
7/1/11	295,000	7.50%	179,437.50	474,437.50	653,875.00
1/1/12			168,375.00	168,375.00	
7/1/12	320,000	7.50%	168,375.00	488,375.00	656,750.00
1/1/13			156,375.00	156,375.00	
7/1/13	340,000	7.50%	156,375.00	496,375.00	652,750.00
1/1/14			143,625.00	143,625.00	
7/1/14	365,000	7.50%	143,625.00	508,625.00	652,250.00
1/1/15			129,937.50	129,937.50	
7/1/15	395,000	7.50%	129,937.50	524,937.50	654,875.00
1/1/16			115,125.00	115,125.00	
7/1/16	425,000	7.50%	115,125.00	540,125.00	655,250.00
1/1/17			99,187.50	99,187.50	
7/1/17	455,000	7.50%	99,187.50	554,187.50	653,375.00
1/1/18			82,125.00	82,125.00	
7/1/18	490,000	7.50%	82,125.00	572,125.00	654,250.00
1/1/19			63,750.00	63,750.00	
7/1/19	525,000	7.50%	63,750.00	588,750.00	652,500.00
1/1/20			44,062.50	44,062.50	
7/1/20	565,000	7.50%	44,062.50	609,062.50	653,125.00
1/1/21			22,875.00	22,875.00	
7/1/21	610,000	7.50%	22,875.00	632,875.00	655,750.00
<b>TOTALS</b>	<b>\$6,670,000</b>		<b>\$8,831,875.00</b>	<b>\$15,501,875.00</b>	<b>\$15,501,875.00</b>

**TABLE TWO**

**COMMUNITY FACILITIES GENERAL DISTRICT NO. 1  
OF THE CITY OF GOODYEAR, ARIZONA**

**Historical and Projected Development Growth - Section 34**

Calendar Year Ending	Actual			
	Single Family Building Permits Issued (1)	Apartment Building Permits Issued	Multi-Family Condominium Building Permits Issued	Commercial Development Acres Sold
	1993	31	0	0
1994	171	0	0	0
1995	152	0	0	1
Sub-Totals	354	0	0	7

Calendar Year Ending	Projected			
	Single Family Building Permits Issued (1)	Apartment Building Permits Issued	Multi-Family Condominium Building Permits Issued	Commercial Development Acres Sold
	1996	180 (2)	132 (3)	0
1997	187	0	21	0
1998	241	128	21	13
1999	223	0	21	13
2000	106	0	21	0
Sub-Totals	937	260	84	27
Project Total	1,291	260	84	34

- (1) Provided by City of Goodyear.
- (2) Actual single family building permits issued through April, 1996 equals 73.
- (3) Pad construction on phase one of apartments commenced May, 1996.

**NOTE:** Cumulative assessment amounts will not exceed the following and assume amortization of principal from 2002 to 2021 at 7.50% interest per annum:

Single Family Unit:	\$4,000
Multi-Family Unit:	\$800
Commercial Acre:	\$20,000
Golf Course:	
1st 18 holes	\$70,000
2nd 9 holes	\$150,000

**COMMUNITY FACILITIES GENERAL DISTRICT NO. 1  
OF THE CITY OF GOODYEAR, ARIZONA**

TABLE THREE

**Projected Development Growth and Estimated Assessment Revenues**

Year Ending July 1	Single Family Revenue (a)	Section 28 Property Revenue (b)	Section 33 Property Revenue (c)	Section 3 Property Revenue (d)	Annual Revenues Available for Debt Service	<i>Debt Service Requirements</i>		Excess of Revenues Over Net Debt Service
						Estimated Debt Service Requirements	Less: \$667,000 DSRF Earnings 5.00%	
1997	\$11,688	\$117,188	\$207,750	\$64,950	\$401,575	\$416,875	\$33,350	18,050
1998	32,700	140,625	249,300	77,940	500,565	\$500,250	33,350	33,665
1999	32,700	140,625	249,300	77,940	500,565	\$500,250	33,350	33,665
2000	32,700	140,625	249,300	77,940	500,565	\$500,250	33,350	33,665
2001	32,700	140,625	249,300	77,940	500,565	\$500,250	33,350	33,665
2002	42,728	183,923	326,058	101,938	654,647	\$655,250	33,350	32,747
2003	42,728	183,923	326,058	101,938	654,647	\$653,625	33,350	34,372
2004	42,728	183,923	326,058	101,938	654,647	\$656,250	33,350	31,747
2005	42,728	183,923	326,058	101,938	654,647	\$652,750	33,350	35,247
2006	42,728	183,923	326,058	101,938	654,647	\$653,500	33,350	34,497
2007	42,728	183,923	326,058	101,938	654,647	\$653,125	33,350	34,872
2008	42,728	183,923	326,058	101,938	654,647	\$656,625	33,350	31,372
2009	42,728	183,923	326,058	101,938	654,647	\$653,625	33,350	34,372
2010	42,728	183,923	326,058	101,938	654,647	\$654,500	33,350	33,497
2011	42,728	183,923	326,058	101,938	654,647	\$653,875	33,350	34,122
2012	42,728	183,923	326,058	101,938	654,647	\$656,750	33,350	31,247
2013	42,728	183,923	326,058	101,938	654,647	\$652,750	33,350	35,247
2014	42,728	183,923	326,058	101,938	654,647	\$652,250	33,350	35,747
2015	42,728	183,923	326,058	101,938	654,647	\$654,875	33,350	33,122
2016	42,728	183,923	326,058	101,938	654,647	\$655,250	33,350	32,747
2017	42,728	183,923	326,058	101,938	654,647	\$653,375	33,350	34,622
2018	42,728	183,923	326,058	101,938	654,647	\$654,250	33,350	33,747
2019	42,728	183,923	326,058	101,938	654,647	\$652,500	33,350	35,497
2020	42,728	183,923	326,058	101,938	654,647	\$653,125	100,350	101,872
2021	42,728	183,923	326,058	101,938	654,647	\$655,750	633,350	632,247
Totals	\$997,048	\$4,358,148	\$7,726,110	\$2,313,532	\$15,496,775	\$15,501,875	\$1,500,750	\$1,495,650

- (a) Assumes assessment amount equal to \$1,000 per unit for 436 units in parcels 4, 12, 17 and 21.
- (b) Assumes assessment amount equal to \$1,875,000 for Section 28.
- (c) Assumes assessment amount equal to \$3,324,000 for Section 33.
- (d) Assumes assessment amount equal to \$1,039,000 for Section 3.



## TABLE FOUR

### QUALIFIED INVESTOR CRITERIA

Among other things, purchasers of the Bonds will certify that they are one of the following:

- (1) a bank as defined in Section 3(a)(2) of the Securities Act of 1933, or savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act of 1933, whether acting in its individual or fiduciary capacity; broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; insurance company as defined in Section 2(13) of the Securities Act of 1933; investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; plan established and maintained by a state, its political subdivision, or any agency or instrumentality of a state or its political subdivision, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- (2) a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;
- (3) an organization described in Section 501(c)(3) of the Internal Revenue Code with total assets in excess of \$5,000,000;
- (4) a natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000;
- (5) a natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with the person's spouse in excess of \$300,000 in each of those years and who reasonably expects reaching the same income level the current year;
- (6) an entity in which all of the equity owners, either directly or indirectly, are of the type described under paragraph (1), (2), (3), (4), (5), (6) or (7) above.

---

**APPENDIX A**

**Legal Description for**

**Community Facilities General**

**District No. 1 of the City of Goodyear, Arizona**

---

July 16, 1993

LEGAL DESCRIPTION  
COMMUNITY FACILITY GENERAL DISTRICT NO. 1

This description is based upon A.L.T.A. Surveys by DMJM and dated (signed and sealed by R.L.S. #10931) September 30, 1987 and August 5, 1988, and also a description written by Collar Williams & White Engineering and dated (signed and sealed by R.L.S. #21754) August 1, 1989.

Being all of Sections 33 and 34, and a portion of Section 28, Township 2 North, Range 1 West, together with portions of Sections 3 and 4 of Township 1 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

That portion of Section 28, Township 2 North, Range 1 West more particularly described as follows:

Beginning at the Northwest Corner of said Section 28:

Thence South  $89^{\circ}24'11''$  East, along the North line of the Northwest Quarter of said Section 28, a distance of 2070.03 feet;

Thence, South  $00^{\circ}15'35''$  West, 2610.81 feet;

Thence, South  $89^{\circ}38'52''$  East, 548.80 feet;

Thence, South  $89^{\circ}25'37''$  East, 1054.99 feet;

Thence, South  $00^{\circ}16'49''$  West, a distance of 30.91 feet to a point on the North line of the Southeast Quarter of said Section 28;

Thence South  $89^{\circ}24'44''$  East, along said North line, a distance of 1563.93 feet to the East Quarter Corner of said Section 28;

Thence, South  $00^{\circ}16'31''$  West, along the East line of the Southeast Quarter of said Section 28, a distance of 2638.36 feet to the Southeast Corner of said Section 28;

Thence, North  $89^{\circ}25'31''$  West, along the South line of said Southeast Quarter of said Section 28, a distance of 2618.20 feet to the South Quarter Corner of said Section 28;

Thence, North  $89^{\circ}25'31''$  West, along the South line of the Southwest Quarter of said Section 28, a distance of 2,618.20 feet to the Southwest Corner of said Section 28;

Thence, North  $00^{\circ}15'18''$  East, along the West line of said Southwest Quarter of said Section 28, a distance of 435.36 feet to the beginning of a tangent curve of 1,900.00 foot radius, concave Southeasterly;

Thence, Northeasterly along said curve through a central angle of  $14^{\circ}40'29''$ , an arc distance of 486.63 feet;



Legal Description  
Community Facility General District No. 1  
July 16, 1993  
Page 2 of 4

Thence, North  $14^{\circ}55'47''$  East, a distance of 1,547.30 feet to the beginning of a tangent curve of 1,500.00 foot radius, concave Southeasterly;

Thence, Northeasterly along said curve through a central angle of  $14^{\circ}08'47''$ , an arc distance of 370.35 feet;

Thence, North  $29^{\circ}04'34''$  East, a distance of 99.28 feet to the beginning of a 2,710.00 foot radius, non-tangent curve whose center bears North  $29^{\circ}04'34''$  East;

Thence, Northwesterly, along said curve through a central angle of  $17^{\circ}03'00''$ , an arc distance of 806.44 feet to a point on the West line of the Northwest Quarter of said Section 28;

Thence, North  $00^{\circ}15'03''$  East, along said West line of said Northwest Quarter, a distance of 1,948.06 feet to the Point of Beginning.

Also including those portions of Section 3 & 4, Township 1 North, Range 1 West more particularly described as follows:

Beginning at the Northeast Corner of said Section 3:

Thence South  $00^{\circ}41'33''$  West, along the East line of the Northeast Quarter of said Section 3, a distance of 1060.19 feet;

Thence, North  $89^{\circ}18'27''$  West, 40.00 feet;

Thence, South  $03^{\circ}41'34''$  West, 328.49 feet;

Thence, South  $02^{\circ}43'15''$  West, 450.43 feet;

Thence, South  $00^{\circ}49'06''$  West, 197.56 feet;

Thence, North  $89^{\circ}14'43''$  West, 325.04 feet;

Thence, North  $00^{\circ}45'17''$  East, 707.80 feet;

Thence, North  $89^{\circ}36'43''$  West, 2206.87 feet;

Thence, South  $00^{\circ}38'27''$  West, 854.60 feet;

Thence, North  $88^{\circ}53'59''$  West, 56.01 feet;

Thence, North  $00^{\circ}38'27''$  East, 853.90 feet;

Thence, North  $89^{\circ}36'43''$  West, 2216.73 feet;

Thence, South  $00^{\circ}34'09''$  West, 629.90 feet;

The logo consists of the letters 'M' and 'L' in a stylized, bold, black font. The 'M' is on the left and the 'L' is on the right, both with a slightly irregular, hand-drawn appearance.

Legal Description  
Community Facility General District No. 1  
July 16, 1993  
Page 3 of 4

Thence, North 82°04'14" West, 302.52 feet;

Thence, North 89°26'52" West, a distance of 55.24 feet to a point on the East line of the Northeast Quarter of said Section 4;

Thence, North 00°33'08" East, along said East line, a distance of 475.70 feet;

Thence, North 89°26'52" West, 54.91 feet;

Thence, South 02°50'19" West, 375.39 feet;

Thence, South 00°35'37" West, 100.58 feet;

Thence, North 89°20'48" West, 284.93 feet;

Thence, North 00°31'47" East, 559.48 feet;

Thence, North 88°41'16" West, 829.83 feet;

Thence, South 00°29'06" West, 104.55 feet;

Thence, North 89°20'06" West, 34.71 feet;

Thence, North 00°34'28" East, a distance of 1468.53 feet to a point on the North line of said Northeast Quarter of Section 4;

Thence, South 89°23'27" East, along said North line, a distance of 1218.89 feet to the Northwest Corner of said Section 3;

Thence, South 89°24'27" East, along the North line of the Northwest Quarter of said Section 3, a distance of 2616.20 feet to the North Quarter Corner of said Section 3;

Thence South 89°25'09" East, along the North line of the Northeast Quarter of said Section 3, a distance of 2619.92 feet to the Point of Beginning.

THE ABOVE DESCRIBED PARCELS COLLECTIVELY COMPRISE 1909.794 ACRES AND ARE SUBJECT TO THE FOLLOWING DESCRIBED EXCEPTIONS THEREFROM;

Also excluding the following described parcel:

Being a portion of the Southeast Quarter of Section 28, Township 2 North, Range 1 West, more particularly described as follows:

Commencing at the East Quarter Corner of said Section 28:

Thence North 89°24'44" West, along the North line of said Southeast Quarter of Section 28, a distance of 520.24 feet;

The logo consists of the letters 'CVL' in a bold, stylized, blocky font. The 'C' and 'V' are connected at the top, and the 'L' is separate. The letters are black with a white outline.

Legal Description  
Community Facility General District No. 1  
July 16, 1993  
Page 4 of 4

Thence, South 00°35'16" West, a distance of 160.95 feet to the Point of Beginning;

Thence, South 00°16'31" West, 250.00 feet;

Thence, South 62°43'31" West, 281.99 feet;

Thence, North 00°16'31" East, 379.26 feet;

Thence, South 89°34'32" East, a distance of 157.65 feet to a point marking the beginning of a tangent curve, having a radius of 2346.83 feet to the left;

Thence, Easterly, along the arc of said curve, through a central angle of 02°15'19", having an arc distance of 92.38 feet to the Point of Beginning.

Comprising 1.802 Acres,

Also excluding the following described parcel:

Being a portion of the Southeast Quarter of Section 33, Township 2 North, Range 1 West, more particularly described as follows:

Commencing at the Southwest Corner of said Southeast Quarter of said Section 33:

Thence, South 89°23'27" East, along the South line of said Southeast Quarter, a distance of 1009.04 feet to the Point of Beginning;

Thence, North 00°15'09" East, 205.00 feet;

Thence, South 89°23'27" East, 300.00 feet;

Thence, South 00°15'09" West, a distance of 205.00 feet to a point on said South line of the Southeast Quarter;

Thence, North 89°23'27" West, along said South line, a distance of 300.00 feet to the Point of Beginning.

Comprising 1.412 Acres,

SUBJECT PROPERTY, AFTER ABOVE DESCRIBED EXCEPTIONS, COMPRISES 1906.580 ACRES, MORE OR LESS, AND IS SUBJECT TO ALL EASEMENTS OF RECORD.



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## **APPENDIX B**

**An analysis of the impact of the financing  
on the tax rates or other charges borne  
by the owners of the Property**

---

## APPENDIX B

The impact of the General District financing on the tax rate or other charges borne by the property owner will be the amount of the assessment lien which will be placed on the property at the time of purchase by the owner. The cumulative amount of the assessment will not exceed \$4,000 per single family unit, \$800 per multi-family unit and \$20,000 per commercial acre. There are no other General District expenses or charges other than standard administrative expenses which will occur due to the financing.

Below is a chart showing development (or impact) fees as they are assessed by other communities throughout Maricopa County.

**Development Fee Schedule**  
**Source: Home Builders Association of Central Arizona**  
**Information as of May 31, 1996**

	<u>Water</u>	<u>Sewer</u>	<u>Residential Development (Parks)</u>	<u>Water Resource(*)</u>	<u>Other</u>	<u>Total</u>
Avondale	\$ 750	\$ 975 (1)	\$ 300	\$ 750	\$ 200 (2)	\$2,974
Chandler (**)	1,275	1,292	410	0	15 (3)	2,992
Gilbert	530	1,950	485	0	0 (4)	2,965
Glendale	1,301	1,117	474	0	342	3,234
Goodyear	1,200	1,134	0	0	0	2,334
Mesa	990	930	425	0	0	2,345
Peoria (Area A)	790	890	521	0	300 (2)	2,501
Peoria (Area B)	790	1,300	521	0	300 (2)	2,911
Peoria (Area C)	790	0 (5)	521	0	300 (2)	1,606
Phoenix (West)	1,095	1,610	1,120	0	1,648	5,473
Scottsdale	780	975	0	1,000	0	2,755
Surprise	570	1,800	0	0	200 (6)	2,570
Tempe	680	705	435	0	0	1,820
Tolleson	500	500	0	0	0	1,000
Palm Valley existing assessment fee per unit on lots under contract						2,000
Palm Valley proposed assessment fee per unit on lots not under contract						3,000

(\*) The water resource fee is for the acquisition of water rights.

(\*\*) The City of Chandler is proposing a \$2,000 development fee increase per home as of May 31, 1996.

- (1) Includes \$300/unit connection and installation fee
- (2) Sanitation fee
- (3) Traffic signal development fee
- (4) Proposed fee to build fire stations (\$115/unit) is presently under consideration
- (5) Proposed fee (\$2,852/unit) is presently under consideration
- (6) Fire & police expansion



---

## **APPENDIX C**

**An analysis of the effect on the City of  
Goodyear's general financing abilities**

---

## **APPENDIX C**

The Bonds of the General District are secured solely from revenues derived from the assessment payments to be made by property owners within the General District and the City is under no legal requirement to pay any portion of the financing's debt service payments.

In general, assessment bonds under Arizona law are secured and payable from special assessments levied against the real property benefitted by such improvements. If assessments are not paid, the property subject to such assessments is put up for sale. The Project in the General District will have an appraised value equal to at least four times the assessment amounts. In the event of a non-payment of an assessment amount in the General District, the property subject to such assessment would be put up for sale. In addition, a reserve fund for the Bonds has been established to mitigate the effect of a non-payment during the time of the property sale.

---

## **APPENDIX D**

**An analysis of the project infrastructure  
demand and market absorption**

---

**The following is the  
Executive Summary of an Appraisal  
for Palm Valley - Phase One  
which was completed in September, 1995.**

**An updated appraisal will  
be available by the end  
of July, 1996.**

R 96-29

**City of Goodyear, Arizona**  
**\$6,670,000.00**  
**Community Facilities General District No. 1**  
**District Assessment Bonds, Series 1996C**

**Installment Date Calculation**

**October 2001**



*Corporate Office*

28765 Single Oak Drive  
Suite 200  
Temecula, CA 92590  
Tel: (909) 699-3990  
Tel: (800) 755-MUNI (6864)  
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www.muni.com

November 14, 2001

Mr. Larry Price  
Finance Director  
City of Goodyear  
120 East Western Avenue  
Goodyear, Arizona 85338

**RE: Arbitrage Rebate Calculation**

Dear Mr. Price:

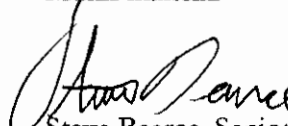
At the request of the City of Goodyear (the "City"), MuniFinancial has completed the Arbitrage Rebate Calculation for Community Facilities General District No. 1, District Assessment Bonds, Series 1996C (the "Obligations"). The first *installment computation date* is September 30, 2001. The issue has no rebate liability for the period beginning September 30, 1996, the *delivery date*, and ending September 30, 2001. This does not represent the amount that may be due as of the next *installment computation date* of September 30, 2006.

MuniFinancial is of the opinion that the calculations contained in the attached schedules are mathematically accurate and were completed in accordance with Section 148(f) of the Internal Revenue Code of 1986 and existing applicable Treasury Regulations.

This report is intended for the information of the City and should not be used for any other purpose. This report, however, is a matter of public record and its distribution is not limited.

In accordance with your contract, we will provide an update for the next *calculation period* after September 30, 2002. In the meantime, if you have questions regarding this calculation, or any other concerns, please call Anne Pelej or me at (800) 755-MUNI (6864).

Very truly yours,  
MuniFinancial



Steve Bearce, Senior Analyst  
Arbitrage Rebate Services

Enclosure

Anaheim  
Industry  
Jacksonville  
Kansas City  
Lancaster  
Oakland  
Sacramento  
San Diego  
Seattle  
Temecula  
Washington, D.C.

# CALCULATION SUMMARY

City of Goodyear, Arizona  
 Community Facilities General District No. 1  
 District Assessment Bonds, Series 1996C

Arbitrage Yield: 7.21248463%

**Arbitrage Rebate Liability**  
 For the Period September 30, 1996 – September 30, 2001

Construction	\$ (120,034.86)
Reserve	(60,444.63)
Reserve Earnings	(7,311.17)
FV Computation Date Credit – 09/30/97	(1,327.66)
FV Computation Date Credit – 09/30/98	(1,236.85)
FV Computation Date Credit – 09/30/99	(1,152.24)
FV Computation Date Credit – 09/30/00	(1,073.43)
Computation Date Credit – 09/30/01	(1,000.00)
<b>Total</b>	<b>\$ (193,580.83)</b>
<b>Rebate Liability (90% of Total)</b>	<b>-</b>

**Balance of Funds/Accounts**  
**Subject to Rebate Requirement**  
 As of September 30, 2001

Construction	\$ 320,218.09
Reserve (#708-00334)	667,000.00
Reserve Earnings	206,361.56
<b>Total</b>	<b>\$ 1,193,579.65</b>

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## SUMMARY OF ANALYSIS

---

### Assumptions

The calculations in this report are mathematically accurate and were performed in accordance with the existing applicable laws and regulations. The Obligations were issued on September 30, 1996 and are subject to the 1993 Regulations. In the event of changes to the existing regulations or the release of new regulations or rulings that apply to the Obligations, the calculation should be re-examined to include all the applicable changes.

In the process of calculating the Arbitrage Rebate Requirement, MuniFinancial has reviewed the following documents: Official Statement, Certificate as to Signatures, Litigation and Tax Matters, and 8038-G. MuniFinancial assumes the documents are accurate and contain no errors or omissions that would affect the calculation of the rebate liability.

MuniFinancial assumes the financial schedules and information provided with respect to the proceeds is accurate in all respects, including the dates and amounts of the cash flow transactions. MuniFinancial further assumes that a current cash outlay occurred no later than 3 banking days after the date on which the allocation of gross proceeds to an expenditure was made.

MuniFinancial assumes that the investments were purchased at fair market value, that the administrative expenses, commissions or similar expenses, unless otherwise allowable, were not included in the purchase price, and that the investments were purchased in an "arms length transaction."

The issue does not qualify for the small issuer exception per Section 1.148-8 of the Regulations.

MuniFinancial assumes the funds used for the payment of debt service meet the requirement of a "bona fide" debt service fund, unless otherwise noted. The funds/accounts established for the purpose of matching revenues and debt service in each calculation period constitute bona fide debt service funds as described under Section 1.148-2(f)(2) of the Regulations.

The issue is not a "Refunded" or "Refunding" Issue as described under Section 1.148-9 of the Regulations.

**Purpose**

The Obligations were issued in the principal amount of \$6,670,000.00 for the purpose of financing the acquisition and construction of the Project.

**Sources and Uses**

Proceeds equal \$6,508,584.79 as described below:

Principal	\$ 6,670,000.00
Accrued Interest	38,684.79
Underwriter's Discount	(200,100.00)
<b>Total</b>	<b>\$ 6,508,584.79</b>

Proceeds were expended on the *delivery date* or deposited as follows:

Construction	\$ 5,439,900.00
Reserve	667,000.00
Interest	401,684.79
<b>Total</b>	<b>\$ 6,508,584.79</b>

### Important Dates

- The *dated date* is September 1, 1996.
- The *delivery date* is September 30, 1996. The first *bond year* runs from September 30, 1996 through close of business on September 30, 1997.
- The *calculation period* for this Report begins September 30, 1996 and runs through September 30, 2001.
- The next *installment computation date* is September 30, 2006. Ninety percent of the rebate liability is due no later than November 29, 2006.
- The *final computation date* is July 1, 2016 unless the Obligations are redeemed prior to that date, in which case the final computation date is that date on which the Obligations are redeemed. One hundred percent of the rebate liability is due no later than 60 days after this date.

### Yield

The *arbitrage yield* is 7.21248463% (Exhibit B). The issue price has been adjusted to include accrued interest. The calculation of yield is based on a year of 360 days comprised of twelve 30-day months with interest compounding semi-annually.

### Yield Restriction

Yield restriction limits the taxable yield on investment earnings. If investment earnings on proceeds exceed the *arbitrage yield*, the Obligations could lose their tax-exempt status retroactive to the *delivery date*. The rebate requirement does not eliminate the need to restrict investment earnings on construction fund balances remaining at the end of the temporary period. Some exceptions to investment yield restriction are:

- The temporary period exception allows higher yields on investments for a period up to three years on construction or acquisition funds.
- The reserve fund exception allows higher yields on investment earnings for a "reasonably required reserve fund" on a continual basis for the term of the issue.
- The minor portion exception allows higher yields on investment earnings if the amount does not exceed the lesser of 5% of the total Obligation proceeds or \$100,000.

## Arbitrage Rebate Calculation

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The temporary period for the Construction Fund expired on September 30, 1999. Subsequent to that date, the fund must be yield restricted in accordance with the Regulations, which state that the fund cannot be invested at a yield higher than .125% of the *arbitrage yield*. If necessary, yield restriction may be accomplished through yield reduction payments to the U.S. Treasury rather than liquidation of investments. MuniFinancial has determined this Fund is yield restricted in accordance with the Regulations.

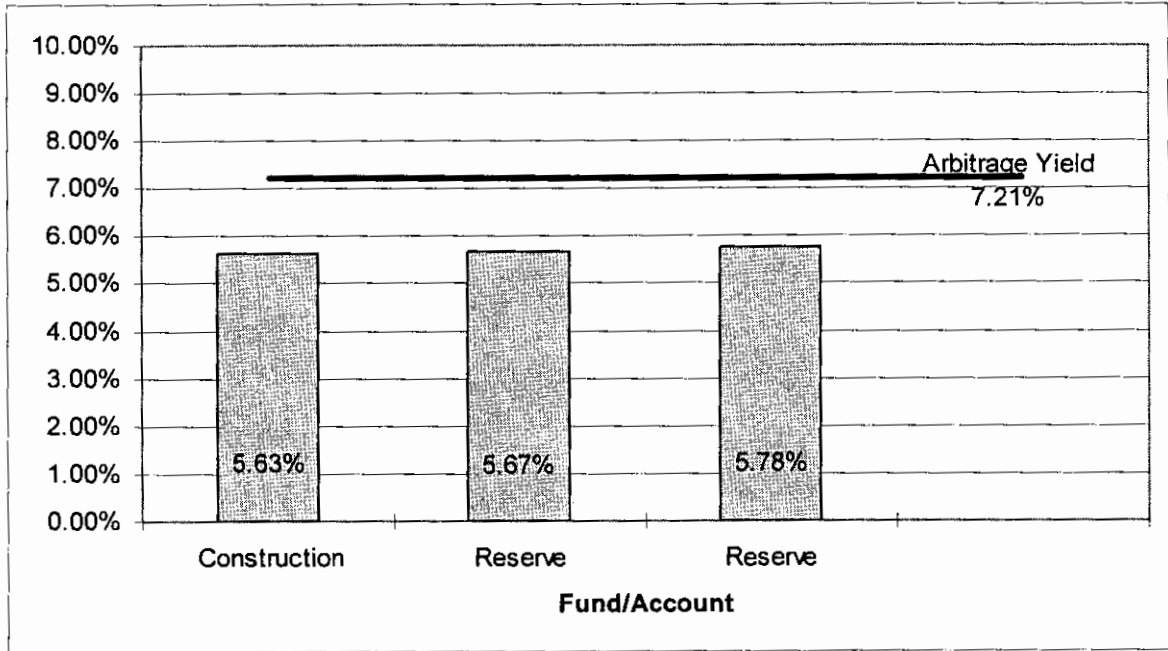
Based upon determinations the City made at the *delivery date* and additional materials reviewed, the Reserve Fund is "reasonably required" per Section 1.148-2(d) of the Regulations and is not required to be yield restricted.

### Rebate Liability

There is no aggregate rebate liability as summarized below:

Construction	\$ (120,034.86)
Reserve	(60,444.63)
Reserve Earnings	(7,311.17)
FV Computation Date Credit – 09/30/97	(1,327.66)
FV Computation Date Credit – 09/30/98	(1,236.85)
FV Computation Date Credit – 09/30/99	(1,152.24)
FV Computation Date Credit – 09/30/00	(1,073.43)
Computation Date Credit – 09/30/01	(1,000.00)
<b>Total</b>	<b>\$ (193,580.83)</b>
<b>Rebate Liability (90% of Total)</b>	<b>-</b>

### Yield Comparison



### Notes

Interest earned in the Construction fund and Reserve Earnings fund was imputed using LGIP Interest Rates provided by the City of Goodyear.

**City of Goodyear, Arizona**  
**Community Facilities General District No. 1**  
**District Assessment Bonds, Series 1996C**

Dated Date	01-Sep-96	Total Interest	\$ 7,538,950.00
Issue Date	30-Sep-96	Total Principal	6,670,000.00
First Maturity	01-Jul-05	Total Debt Service	\$ 14,208,950.00
Last Maturity	01-Jul-16		
First Coupon	01-Jan-97		

Date	Principal	Interest Rate	Interest	Total Debt Service	Annual Debt Service
01-Jan-97	\$ 0.00		\$ 160,075.00	\$ 160,075.00	\$ 0.00
01-Jul-97	0.00		240,112.50	240,112.50	400,187.50
01-Jan-98	0.00		240,112.50	240,112.50	0.00
01-Jul-98	0.00		240,112.50	240,112.50	480,225.00
01-Jan-99	0.00		240,112.50	240,112.50	0.00
01-Jul-99	0.00		240,112.50	240,112.50	480,225.00
01-Jan-00	0.00		240,112.50	240,112.50	0.00
01-Jul-00	0.00		240,112.50	240,112.50	480,225.00
01-Jan-01	0.00		240,112.50	240,112.50	0.00
01-Jul-01	0.00		240,112.50	240,112.50	480,225.00
01-Jan-02	0.00		240,112.50	240,112.50	0.00
01-Jul-02	0.00		240,112.50	240,112.50	480,225.00
01-Jan-03	0.00		240,112.50	240,112.50	0.00
01-Jul-03	0.00		240,112.50	240,112.50	480,225.00
01-Jan-04	0.00		240,112.50	240,112.50	0.00
01-Jul-04	0.00		240,112.50	240,112.50	480,225.00
01-Jan-05	0.00		240,112.50	240,112.50	0.00
01-Jul-05	200,000.00	6.75%	240,112.50	440,112.50	680,225.00
01-Jan-06	0.00		233,362.50	233,362.50	0.00
01-Jul-06	220,000.00	6.75%	233,362.50	453,362.50	686,725.00
01-Jan-07	0.00		225,937.50	225,937.50	0.00
01-Jul-07	250,000.00	6.75%	225,937.50	475,937.50	701,875.00
01-Jan-08	0.00		217,500.00	217,500.00	0.00
01-Jul-08	495,000.00	7.25%	217,500.00	712,500.00	930,000.00
01-Jan-09	0.00		199,556.25	199,556.25	0.00
01-Jul-09	530,000.00	7.25%	199,556.25	729,556.25	929,112.50
01-Jan-10	0.00		180,343.75	180,343.75	0.00
01-Jul-10	570,000.00	7.25%	180,343.75	750,343.75	930,687.50
01-Jan-11	0.00		159,681.25	159,681.25	0.00
01-Jul-11	610,000.00	7.25%	159,681.25	769,681.25	929,362.50
01-Jan-12	0.00		137,568.75	137,568.75	0.00
01-Jul-12	655,000.00	7.25%	137,568.75	792,568.75	930,137.50

<b>Date</b>	<b>Principal</b>	<b>Interest Rate</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Annual Debt Service</b>
01-Jan-13	0.00		113,825.00	113,825.00	0.00
01-Jul-13	705,000.00	7.25%	113,825.00	818,825.00	932,650.00
01-Jan-14	0.00		88,268.75	88,268.75	0.00
01-Jul-14	755,000.00	7.25%	88,268.75	843,268.75	931,537.50
01-Jan-15	0.00		60,900.00	60,900.00	0.00
01-Jul-15	810,000.00	7.25%	60,900.00	870,900.00	931,800.00
01-Jan-16	0.00		31,537.50	31,537.50	0.00
01-Jul-16	870,000.00	7.25%	31,537.50	901,537.50	933,075.00

**City of Goodyear, Arizona**  
**Community Facilities General District No. 1**  
**District Assessment Bonds, Series 1996C**

		Total Principal	\$ 6,670,000.00
		Accrued Interest	38,684.79
Dated Date	01-Sep-96	Original Issue Discount	0.00
Delivery Date	30-Sep-96	Original Issue Premium	0.00
		Credit Enhancement	0.00
		Adjusted Price	\$ 6,708,684.79
		<b>Arbitrage Yield</b>	<b>7.21248463%</b>

Date	Payments	Principal	Interest	Total Debt Service	Present Value
01-Jan-97	INTEREST	\$ 0.00	\$ 160,075.00	\$ 160,075.00	\$ 157,233.50
01-Jul-97	INTEREST	0.00	240,112.50	240,112.50	227,640.96
01-Jan-98	INTEREST	0.00	240,112.50	240,112.50	219,717.42
01-Jul-98	INTEREST	0.00	240,112.50	240,112.50	212,069.67
01-Jan-99	INTEREST	0.00	240,112.50	240,112.50	204,688.12
01-Jul-99	INTEREST	0.00	240,112.50	240,112.50	197,563.50
01-Jan-00	INTEREST	0.00	240,112.50	240,112.50	190,686.87
01-Jul-00	INTEREST	0.00	240,112.50	240,112.50	184,049.60
01-Jan-01	INTEREST	0.00	240,112.50	240,112.50	177,643.35
01-Jul-01	INTEREST	0.00	240,112.50	240,112.50	171,460.08
01-Jan-02	INTEREST	0.00	240,112.50	240,112.50	165,492.04
01-Jul-02	INTEREST	0.00	240,112.50	240,112.50	159,731.73
01-Jan-03	INTEREST	0.00	240,112.50	240,112.50	154,171.91
01-Jul-03	INTEREST	0.00	240,112.50	240,112.50	148,805.62
01-Jan-04	INTEREST	0.00	240,112.50	240,112.50	143,626.12
01-Jul-04	INTEREST	0.00	240,112.50	240,112.50	138,626.89
01-Jan-05	INTEREST	0.00	240,112.50	240,112.50	133,801.68
01-Jul-05	PRINC & INT	200,000.00	240,112.50	440,112.50	236,714.35
01-Jan-06	INTEREST	0.00	233,362.50	233,362.50	121,145.15
01-Jul-06	PRINC & INT	220,000.00	233,362.50	453,362.50	227,161.45
01-Jan-07	INTEREST	0.00	225,937.50	225,937.50	109,267.61
01-Jul-07	PRINC & INT	250,000.00	225,937.50	475,937.50	222,160.64
01-Jan-08	INTEREST	0.00	217,500.00	217,500.00	97,991.98
01-Jul-08	PRINC & INT	495,000.00	217,500.00	712,500.00	309,834.81
01-Jan-09	INTEREST	0.00	199,556.25	199,556.25	83,757.70
01-Jul-09	PRINC & INT	530,000.00	199,556.25	729,556.25	295,550.89
01-Jan-10	INTEREST	0.00	180,343.75	180,343.75	70,516.16
01-Jul-10	PRINC & INT	570,000.00	180,343.75	750,343.75	283,179.57
01-Jan-11	INTEREST	0.00	159,681.25	159,681.25	58,166.06
01-Jul-11	PRINC & INT	610,000.00	159,681.25	769,681.25	270,608.05



<b>Date</b>	<b>Payments</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Present Value</b>
01-Jan-12	INTEREST	0.00	137,568.75	137,568.75	46,683.53
01-Jul-12	PRINC & INT	655,000.00	137,568.75	792,568.75	259,594.15
01-Jan-13	INTEREST	0.00	113,825.00	113,825.00	35,984.02
01-Jul-13	PRINC & INT	705,000.00	113,825.00	818,825.00	249,848.77
01-Jan-14	INTEREST	0.00	88,268.75	88,268.75	25,996.04
01-Jul-14	PRINC & INT	755,000.00	88,268.75	843,268.75	239,706.76
01-Jan-15	INTEREST	0.00	60,900.00	60,900.00	16,708.81
01-Jul-15	PRINC & INT	810,000.00	60,900.00	870,900.00	230,627.30
01-Jan-16	INTEREST	0.00	31,537.50	31,537.50	8,060.90
01-Jul-16	PRINC & INT	870,000.00	31,537.50	901,537.50	222,410.03

**City of Goodyear, Arizona**  
**Community Facilities General District No. 1**  
**District Assessment Bonds, Series 1996C**

Delivery Date 30-Sep-96  
 Computation Date 30-Sep-01  
 Arbitrage Yield 7.21248463%  
 Investment Yield 5.62627454%  
 Total Earnings \$ 324,969.89

Date	Receipts	Payments	Earnings	Balance	Future Value
30-Sep-96	\$ 5,439,900.00	\$ 0.00	\$ 0.00	\$ 5,439,900.00	\$ (7,752,649.36)
11-Oct-96		(11,143.91)		5,428,756.09	15,847.35
15-Oct-96		(1,838.00)		5,426,918.09	2,611.70
18-Oct-96		(30,000.00)		5,396,918.09	42,603.17
31-Oct-96			24,832.05	5,421,750.14	
30-Nov-96			24,809.02	5,446,559.16	
09-Dec-96		(300.00)		5,446,259.16	421.78
31-Dec-96			23,147.01	5,469,406.17	
31-Jan-97			25,068.11	5,494,474.29	
31-Jan-97		(1,184.29)		5,493,290.00	1,648.39
31-Jan-97		(30,000.00)		5,463,290.00	41,756.41
31-Jan-97		(35,400.66)		5,427,889.34	49,273.49
14-Feb-97		(626.30)		5,427,263.04	869.34
14-Feb-97		(3,000.00)		5,424,263.04	4,164.15
14-Feb-97		(3,000.00)		5,421,263.04	4,164.15
28-Feb-97			23,770.82	5,445,033.86	
31-Mar-97			25,051.69	5,470,085.55	
08-Apr-97		(2,179,699.56)		3,290,385.99	2,993,547.28
30-Apr-97			18,043.55	3,308,429.54	
31-May-97			15,704.01	3,324,133.55	
30-Jun-97			15,917.06	3,340,050.61	
09-Jul-97		(847,940.14)		2,492,110.47	1,143,868.87
31-Jul-97			12,991.60	2,505,102.08	
31-Aug-97			11,957.69	2,517,059.76	
08-Sep-97		(432,365.05)		2,084,694.71	576,525.42
30-Sep-97			10,553.72	2,095,248.44	
31-Oct-97			9,961.16	2,105,209.60	
18-Nov-97		(1,241,968.86)		863,240.74	1,633,409.87
30-Nov-97			7,854.88	871,095.62	
31-Dec-97			4,266.92	875,362.53	
31-Jan-98			4,311.16	879,673.69	
28-Feb-98			4,068.89	883,742.59	
31-Mar-98			4,240.49	887,983.08	
15-Apr-98		(605,865.85)		282,117.23	774,097.69
30-Apr-98			2,808.10	284,925.33	
31-May-98			1,363.61	286,288.93	

Date	Receipts	Payments	Earnings	Balance	Future Value
30-Jun-98			1,380.39	287,669.32	
31-Jul-98			1,376.14	289,045.46	
31-Aug-98			1,373.04	290,418.50	
30-Sep-98			1,373.58	291,792.08	
31-Oct-98			1,331.47	293,123.55	
19-Nov-98		(13,557.54)		279,566.01	16,607.64
30-Nov-98			1,319.39	280,885.40	
31-Dec-98			1,278.29	282,163.68	
31-Jan-99			1,242.39	283,406.07	
23-Feb-99		(6,761.64)		276,644.43	8,131.01
28-Feb-99			1,119.91	277,764.34	
31-Mar-99			1,159.69	278,924.03	
30-Apr-99			1,166.88	280,090.91	
31-May-99			1,171.57	281,262.48	
30-Jun-99			1,189.27	282,451.76	
31-Jul-99			1,212.87	283,664.63	
31-Aug-99			1,250.63	284,915.26	
30-Sep-99			1,300.14	286,215.40	
31-Oct-99			1,334.53	287,549.92	
30-Nov-99			1,389.66	288,939.58	
31-Dec-99			1,452.50	290,392.08	
31-Jan-00			1,478.48	291,870.56	
28-Feb-00			1,379.49	293,250.05	
31-Mar-00			1,617.90	294,867.96	
30-Apr-00			1,528.42	296,396.38	
31-May-00			1,554.52	297,950.91	
30-Jun-00			1,639.72	299,590.63	
31-Jul-00			1,667.75	301,258.38	
31-Aug-00			1,679.97	302,938.34	
30-Sep-00			1,694.97	304,633.31	
31-Oct-00			1,715.19	306,348.50	
30-Nov-00			1,711.24	308,059.73	
31-Dec-00			1,728.93	309,788.67	
31-Jan-01			1,683.03	311,471.70	
28-Feb-01			1,469.03	312,940.73	
31-Mar-01			1,472.07	314,412.80	
30-Apr-01			1,416.88	315,829.68	
31-May-01			1,297.53	317,127.21	
30-Jun-01			1,232.75	318,359.97	
31-Jul-01			1,237.54	319,597.51	
15-Aug-01			620.58	320,218.09	
15-Aug-01		(320,218.09)		(0.00)	323,066.81
<b>Total Rebatable Arbitrage</b>					<b>\$ (120,034.86)</b>

Fund/Account: Reserve

Exhibit D

**City of Goodyear, Arizona  
Community Facilities General District No. 1  
District Assessment Bonds, Series 1996C**

Delivery Date 30-Sep-96  
 Computation Date 30-Sep-01  
 Arbitrage Yield 7.21248463%  
 Investment Yield 5.67401587%  
 Total Earnings \$ 189,094.51

Date	Receipts	Payments	Earnings	Balance	Future Value
30-Sep-96	\$ 667,000.00	\$ 0.00	\$ 0.00	\$ 667,000.00	\$ (950,572.09)
31-Dec-96			9,454.73	676,454.73	
31-Dec-96		(9,454.73)		667,000.00	13,237.79
30-Jun-97			18,909.45	685,909.45	
30-Jun-97		(18,909.45)		667,000.00	25,554.02
31-Dec-97			18,909.45	685,909.45	
31-Dec-97		(18,909.45)		667,000.00	24,664.56
30-Jun-98			18,909.45	685,909.45	
30-Jun-98		(18,909.45)		667,000.00	23,806.05
31-Dec-98			18,909.45	685,909.45	
31-Dec-98		(18,909.45)		667,000.00	22,977.43
30-Jun-99			18,909.45	685,909.45	
30-Jun-99		(18,909.45)		667,000.00	22,177.65
31-Dec-99			18,909.45	685,909.45	
31-Dec-99		(18,909.45)		667,000.00	21,405.71
30-Jun-00			18,909.45	685,909.45	
30-Jun-00		(18,909.45)		667,000.00	20,660.64
31-Dec-00			18,909.45	685,909.45	
31-Dec-00		(18,909.45)		667,000.00	19,941.50
30-Jun-01			18,909.45	685,909.45	
30-Jun-01		(18,909.45)		667,000.00	19,247.39
30-Sep-01	*		9,454.73	676,454.73	
30-Sep-01		(676,454.73)		0.00	676,454.73
<b>Total Rebatable Arbitrage</b>					<b>\$ (60,444.63)</b>

\* Interest accrued on investments through September 30, 2001.

Fund/Account: Reserve

Exhibit E

**City of Goodyear, Arizona**  
**Community Facilities General District No. 1**  
**District Assessment Bonds, Series 1996C**

Delivery Date 30-Sep-96  
 Computation Date 30-Sep-01  
 Arbitrage Yield 7.21248463%  
 Investment Yield 5.77598770%  
 Total Earnings \$ 26,721.78

Date	Receipts	Payments	Earnings	Balance	Future Value
31-Dec-96	\$ 9,454.73	\$ 0.00	\$ 0.00	\$ 9,454.73	\$ (13,237.79)
31-Jan-97			43.33	9,498.06	
28-Feb-97			41.62	9,539.69	
31-Mar-97			43.89	9,583.58	
30-Apr-97			44.53	9,628.11	
31-May-97			45.70	9,673.81	
30-Jun-97			46.32	9,720.13	
30-Jun-97	18,909.45			28,629.58	(25,554.02)
31-Jul-97			135.32	28,764.90	
31-Aug-97			137.30	28,902.21	
30-Sep-97			138.73	29,040.94	
31-Oct-97			138.07	29,179.00	
30-Nov-97			142.25	29,321.25	
31-Dec-97			143.63	29,464.88	
31-Dec-97	18,909.45			48,374.33	(24,664.56)
31-Jan-98			238.24	48,612.57	
28-Feb-98			224.86	48,837.43	
31-Mar-98			234.34	49,071.76	
30-Apr-98			236.57	49,308.33	
31-May-98			235.98	49,544.31	
30-Jun-98			238.89	49,783.20	
30-Jun-98	18,909.45			68,692.65	(23,806.05)
31-Jul-98			328.61	69,021.26	
31-Aug-98			327.87	69,349.12	
30-Sep-98			328.00	69,677.12	
31-Oct-98			317.94	69,995.07	
30-Nov-98			320.56	70,315.63	
31-Dec-98			320.00	70,635.63	
31-Dec-98	18,909.45			89,545.08	(22,977.43)
31-Jan-99			394.27	89,939.35	
28-Feb-99			357.06	90,296.41	
31-Mar-99			377.00	90,673.40	
30-Apr-99			379.33	91,052.74	
31-May-99			380.86	91,433.59	
30-Jun-99			386.61	91,820.21	
30-Jun-99	18,909.45			110,729.66	(22,177.65)

Date	Receipts	Payments	Earnings	Balance	Future Value
31-Jul-99			475.48	111,205.14	
31-Aug-99			490.28	111,695.42	
30-Sep-99			509.69	112,205.12	
31-Oct-99			523.18	112,728.29	
30-Nov-99			544.79	113,273.08	
31-Dec-99			569.42	113,842.50	
31-Dec-99	18,909.45			132,751.95	(21,405.71)
31-Jan-00			675.88	133,427.84	
28-Feb-00			630.63	134,058.47	
31-Mar-00			739.62	134,798.09	
30-Apr-00			698.71	135,496.80	
31-May-00			710.65	136,207.45	
30-Jun-00			749.60	136,957.05	
30-Jun-00	18,909.45			155,866.50	(20,660.64)
31-Jul-00			867.67	156,734.17	
31-Aug-00			874.03	157,608.19	
30-Sep-00			881.83	158,490.03	
31-Oct-00			892.35	159,382.38	
30-Nov-00			890.30	160,272.67	
31-Dec-00			899.50	161,172.18	
31-Dec-00	18,909.45			180,081.63	(19,941.50)
31-Jan-01			978.35	181,059.98	
28-Feb-01			853.96	181,913.94	
31-Mar-01			855.72	182,769.66	
30-Apr-01			823.64	183,593.30	
31-May-01			754.26	184,347.56	
30-Jun-01			716.61	185,064.16	
30-Jun-01	18,909.45			203,973.61	(19,247.39)
31-Jul-01			792.90	204,766.51	
31-Aug-01			795.98	205,562.49	
30-Sep-01			799.07	206,361.56	
30-Sep-01		(206,361.56)		0.00	206,361.56
<b>Total Rebatable Arbitrage</b>					<b>\$ (7,311.17)</b>

\* Interest accrued on investments through September 30, 2001.

**City of Goodyear, Arizona**  
**Community Facilities General District No. 1**  
**District Assessment Bonds, Series 1996C**

<b>Construction</b>	
Proceeds managed by the City	\$ 320,218.09
<b>Balance</b>	<b>\$ 320,218.09</b>

<b>Reserve</b>	
<b>Investment Agreement</b>	
Coupon Rate:	5.67%
Acquisition Date:	06-Dec-96
Par Amount:	\$ 667,000.00
Accrual at 9/30/01:	\$ 9,454.73
Maturity Date:	01-Jul-16
<b>Balance</b>	<b>\$ 667,000.00</b>

<b>Reserve Earnings</b>	
Proceeds managed by the City	\$ 206,361.56
<b>Balance</b>	<b>\$ 206,361.56</b>



RAUSCHER PIERCE REFSNES, INC.

September 19, 1996

Mr. Stephen S. Cleveland  
District Manager  
Community Facilities General District  
(City of Goodyear, Arizona)  
119 N. Litchfield Road  
Goodyear, Arizona 85338

Re: MSRB Rule G-23

Dear Steve,

As you are aware, Rauscher Pierce Refsnes, Inc. has agreed to underwrite and purchase a not to exceed \$6,670,000 principal amount of District Assessment Bonds, Series 1996 (C), subject to the negotiation, execution and delivery of a Purchase Contract and the satisfaction of customary conditions therein.

Inasmuch as Rauscher Pierce Refsnes, Inc. has an existing financial advisory relationship with the District, we feel it appropriate to take certain actions, including advising you of certain matters, and to secure your acknowledgment thereof, in accordance with the rules and standards of our industry, particularly rule G-23 of the Municipal Securities Rulemaking Board.

First, inasmuch, as we have agreed to purchase and you have agreed to sell the Bonds on a negotiated basis, subject to the aforesaid conditions, we are obligated to terminate, and do hereby terminate, any financial advisory relationship we may have with the District in relation to the Bonds and you hereby consent to our purchase of the Bonds on a negotiated basis.

Second, you should recognize our interest as a financial advisor to the District may differ from our interest as a purchaser of the District's Bonds and we are required to advise you that in changing our capacity from that of a financial advisor to that of a purchaser of the Bonds a conflict of interest may be perceived to exist, despite our continuing efforts to act, as in the past, in ways which we believe are in the best interests of the District.

Finally, we are obligated to advise you of the source and anticipated amount of our remuneration with respect to our purchase and sale of the Bonds on your behalf. Our remuneration will be derived in the form of an underwriter's discount expected to equal approximately 3% of the par amount of the Bonds.

Execution of the Purchase Contract with respect to the Bonds by the District will suffice as an acknowledgment of and confirmation of your consent to the foregoing matters.

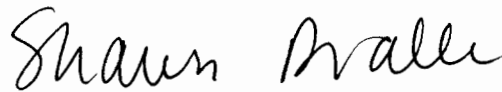


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Needless to say, we appreciate the opportunity to assist the District with its financing and look forward to continuing an equally successful relationship with respect to the District's future financing requirements.

Sincerely,

RAUSCHER PIERCE REFSNES, INC.



Shawn Dralle  
Vice President

SD/cm

**RECEIPT**

Receipt of the foregoing correspondence is hereby acknowledged and consent is hereby given to your purchase of the Bonds on a negotiated basis.



Stephen S. Cleveland  
District Manager